

National Bank of the Republic of Macedonia



**Quarterly Report
January, 2012**



Contents:

Introduction	3
I. Macroeconomic developments.....	5
1.1. International economic environment.....	5
Annex 1: Conclusions of the December European Council summit	9
Annex 2: Unconventional monetary measures adopted by the European Central Bank (ECB)	10
1.2. Domestic Supply	12
1.3. Aggregate Demand	15
1.3.1. Private Consumption	16
1.3.2. Public Consumption.....	17
1.3.3. Investment Consumption	17
1.3.4. Net export demand	18
1.4. Employment and Wages	19
1.5. Balance of Payments	22
1.5.1. Current Account.....	22
Annex 3: Analysis of foreign trade and development of the nominal and real effective exchange rate (NEER and REER).....	23
1.6. Inflation.....	30
Annex 4: Inflation expectations of economic agents in the Republic of Macedonia	32
II. Monetary Policy	33
2.1. Monetary Aggregates	37
2.2. Credit Activity	41
2.3. Interest rates.....	45
III. Capital Market	49
IV. Macroeconomic projections	50
Annex 5: Assumptions about exogenous variables	52
Annex 6: Projections about the banks' credit activity	54
Annex 7: Projections of the movements of the external sector	56
Statistical appendix.....	59



Introduction

In the last quarter of 2011, monetary policy remained unchanged, i.e. NBRM retained the key interest rate at the level of 4%. Such monetary policy setting reflects the relatively favorable movements in key macroeconomic variables, but also the need for increased vigilance of monetary policy given the very uncertain macroeconomic environment in 2012. Namely, in the fourth quarter, the inflationary pressures continued to weaken, mainly due to movements in food prices. The realized **inflation rate was reduced down to 3.2% annually** (3.6% in the third quarter) and it was within the October expectations. In addition, **core inflation also noted a significant slowdown to 0.9% on an annual basis**. These developments coincide with the **estimates for the absence of significant pressures of aggregate demand on prices**. The positive developments on the foreign exchange market in the third quarter were accompanied by the high purchase of foreign currency at the end of the year, which was conditioned mostly by psychological factors. Namely, in the first decade of December, just before the EU summit, speculations about escalating debt crisis and the uncertain future of the Euro culminated and led to a temporary increase in demand for Denars, which resulted in high foreign exchange inflows on both the currency exchange and the foreign exchange markets. These movements had a **positive effect on foreign exchange reserves, which supports the credibility of the strategy of fixed exchange rate also in the next period**. Despite the favorable developments in foreign reserves and inflation, at the end of 2011, negative **trends and expectations for the global economy** were recorded, particularly associated with prolonged **uncertainty about fiscal consolidation and financial stability in the Euro area**. Hence, **the need for caution in the monetary policy remains high**. The possible spillover of negative effects from the slowdown in global growth or the materialization of risks to the Euro area on domestic economy, could impose a need to change the future monetary policy stance.

As expected, in the third quarter of 2011, there was a slowdown in the economic activity. The growth of 2.3% annually is more than twice lower than in the previous quarter, while on quarterly basis relatively sharp decrease of 1.4% was recorded. Also, there were significant changes in the expenditure structure of growth. **The most important factor for slower growth were net exports**, reflecting the continued slowdown in export growth with significantly higher annual growth of imports. As far as domestic components are concerned, **gross investments had the largest contribution to growth**. Most of the high frequency indicators point to annual growth of investments in fixed assets, but with slower pace compared to the previous quarter. Furthermore, in the third quarter there was a **sharp decline in private consumption on a quarterly basis, which resulted in significant slowing of annual growth**. This interrupted the movements registered in the first half of 2011 which suggested rapid recovery of households' consumption from the negative trends in the previous two years. The movements of this component reflect mostly the negative tendencies in the wage bill, i.e. the unchanged levels of employment on an annual basis (despite the relatively high growth in the first half of the year) and the persistent annual decline in real wages. Additional contribution for weaker growth in the third quarter was that of the restrictive impact of *public consumption*, which had relatively sharp fall on both quarterly and annual basis. Recent estimates suggest **further slowdown of growth in late 2011, and the relatively low growth rates are expected to remain in the forthcoming period**.

The seasonally high inflow of current transfers in the third quarter **resulted in a current account surplus of 0.6% of GDP**, as opposed to the deficit of 0.8% in the previous quarter. On the other hand, the contribution of net exports was negative, owing mostly to the high growth of imports due to higher imports of fuels and because of the uneven dynamics of import of raw materials for export in large production plants. Furthermore, **the capital and financial account showed a relatively high deficit**, reflecting outflows in almost all capital flows except foreign direct investment. However, most of these outflows are due to short-term or one-off factors located in the banking sector, and it is expected that these effects will be exhausted in the next period. Despite the minimal decline in reserves in the third quarter, in the last quarter there was an additional government borrowing and high purchase on the foreign exchange market by NBRM, mainly because of the high growth of private transfers and inflows generated on the basis of direct investments. This contributed to **an increase in the level of reserves to Euro 2,069 million at the end of 2011**,



which provides adequate coverage of projected imports of goods and services. Moreover, it is estimated that in the next period most excessive movements in the balance of payments will be exhausted, including the **return of the current account deficit, which will still move within acceptable frames.**

In the third quarter, **growth in the credits to the private sector was 1.4%** (8.1% on annual basis), **which is twice slower quarterly growth rate** compared to the previous period. Such movements are due mostly to slower lending to enterprises, while the slowdown in lending to households was with relatively lower intensity. Deterioration in the quality of loan portfolio was noted, primarily due to the growth of doubtful and contested claims to the corporate sector. These movements reflect the dominant negative effect of global economic trends and uncertainty about future developments, given that the fundamental indicators of the banking sector are relatively favorable and stable. In this period **the growth of the deposit potential intensified to 3.4% on a quarterly basis** (10.5% on an annual basis), which was driven mostly by deposits of households. It is estimated that **solid and stable deposit potential of banks will contribute to the growth of lending in the future period**, which is indicated by the upward dynamics on an annual basis, recorded in October and November. However, movements in domestic and global economy, especially the possible materialization of the downward risks will be key determinants of future growth in lending.

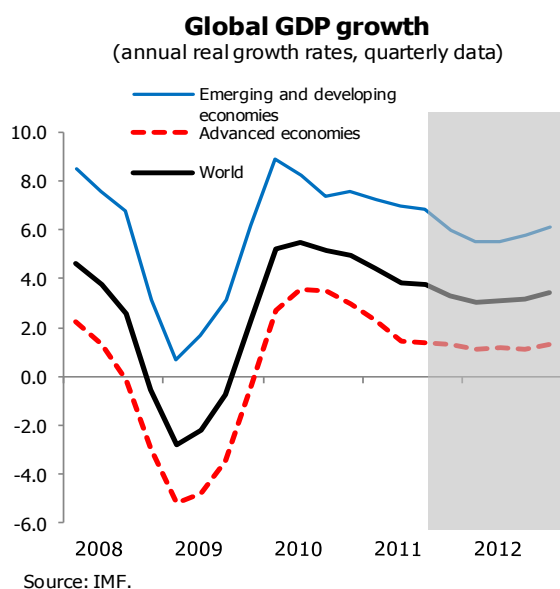
The environment for the implementation of monetary policy remains relatively favorable also in the forthcoming period, although the latest projections indicate weakening of the favorable economic developments and increased uncertainty due to international economic environment. It is expected that in 2012 the trend of slower growth in prices will continue, resulting in **slowing the rate of inflation from 3.9% in 2011 to about 2%.** The estimates are that also in 2012, inflation will be largely driven by factors on the supply side, i.e. foreign inflation and oil prices, while pressures from domestic demand are not expected, considering the estimates for retention of a negative output gap. Thus, the unfavorable global economic environment and the high uncertainty will contribute to **slow the economic growth down to 2.4% in 2012** (compared to the estimated growth of 3.3% in 2011). Moreover, it is expected to be driven by the domestic demand, amid moderately negative contribution of net exports. Despite the downward revision relative to the previous year and the October projection, when growth of 3% in 2012 was expected, **the risks around the baseline projection remain predominantly negative.** They are mostly associated with the debt crisis in the Euro area, i.e. with the implementation and effects of the December agreement for fiscal consolidation and with the possible increase in the volatility of financial markets. In conditions of high uncertainty, besides the direct effect on export demand, the adverse movements in the Euro area may have significant implications on psychological factors and expectations of domestic agents. The dynamics of slowing external demand and high energy dependence of the domestic economy from imports are expected to result in a **moderate deterioration in the trade deficit**, which together with the gradual exhaustion of the one-off positive effects in private transfers from the end of 2011, will contribute to **expanding the current account deficit from 2.8% to 4.5% of GDP in 2012.** On the other hand, the expected inflows on the basis of foreign direct investment and the additional government borrowing will contribute to **positive movements in foreign reserves, which will maintain an adequate level.** Certainly, the high global uncertainty implies **high risks also for the projection of movements in the external sector**, especially in view of the possible adverse effects on our exports and investment financing. The risks around the projections and particularly the uncertainty associated with the global economy impose the **need for constant monitoring of economic trends in order to accurately and timely assess the possible need to change the monetary policy stance.**



I. Macroeconomic developments

1.1. International economic environment¹

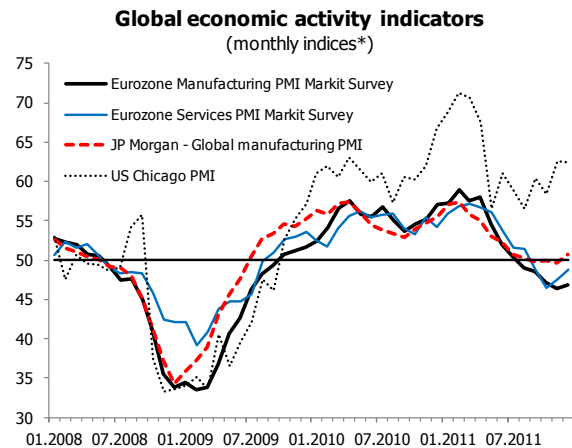
In the third quarter of the year, a moderate slowdown in global economic activity was registered amid more pronounced slowdown in the growth in the Euro area. The reasons are located in the growing instability of financial markets in the Euro area and transmission effects on other advanced economies, which acted toward a decline in the confidence of households and enterprises. These developments, as well as the expectations of recession in some European countries have contributed to significant downward revisions of projected growth at the end of 2011 and in 2012. The risks to the projection for growth of the global economy and the Euro area for 2012 are explicitly negative. They remain associated with the debt crisis in the Euro area and the possibility of further instability in financial markets, as well as the possible spillover of negative effects in the banking sector and real economy. Moreover, there is high uncertainty about the implementation of measures for fiscal consolidation and significantly greater fiscal discipline that were adopted at the December EU summit, and about their possible adverse implications for economic growth in the Euro area. Inflation in advanced and emerging economies intensified in the second half of the year, as a result of the transmission effects of rising food and energy prices in the previous period. In 2012, it is expected that inflation will gradually begin to decline in line with the expected reduction in the prices of energy and food and the slower growth in demand by emerging economies and developing countries.



The rate of global economic growth in the third quarter of 2011 slowed moderately and equaled 3.7% (as opposed to 3.8% in the second quarter). Further slowdown of the world economic growth is envisaged by the end of 2011 and during 2012, when growth rates are revised downward². Turbulent movements on the financial markets in the Euro area during the second half of 2011 caused by the reemerging debt crisis in some of the "peripheral" Member States (Greece, Spain, Italy and Portugal) and the absence of political consensus and explicit public program to reduce the budget deficit and public debt in the USA, led to an increasing uncertainty also on the global financial markets and emergence of risk aversion by private investors. Increased downward risks and pessimistic

¹ The analysis is based on the ECB Monthly Bulletin for November and December 2011; the IMF's World Economic Outlook of January 2012; IMF's Regional Economic Outlook for the Western Hemisphere, October 2011, Fall Projection for the EU of the European Commission of November 2011; Quarterly Report on the Euro area of the European Commission, December 2011; by Roubini Global Economics of December 2011; weekly reports of the National Bank of Greece.

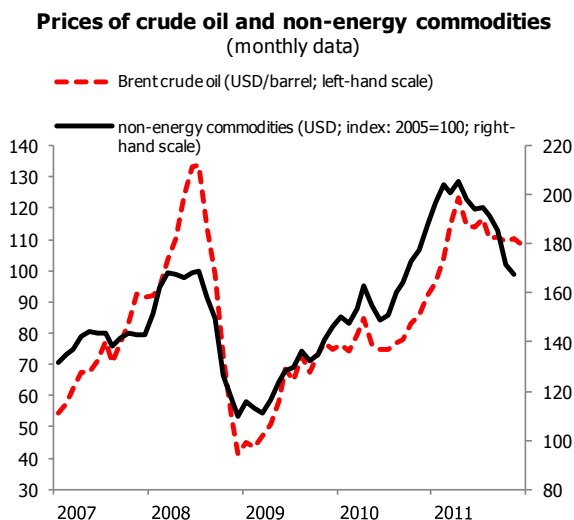
² Downward revisions to the world economic growth were made by the MF, European Commission and Roubini.



*The PMI index reflects the percentage of respondents that reported better business conditions compared to the previous month and it can take values between 0 and 100. PMI=50 is considered as a reference value, indicating unchanged economic conditions. A PMI value over 50 is taken to indicate that the economy is expanding, while a PMI value below 50 suggests that the economy is contracting.
Source: Bloomberg.

expectations of economic agents associated with future movements in financial markets and global economy, and declining confidence of market participants (producers and consumers), mainly in advanced economies acted on slowing the growth of world economy in the third quarter of 2011. The slowdown in the world economic growth in the second half of 2011 may be further confirmed by the high-frequency PMI indicators³. For the first time since mid-2009, in September 2011, the global PMI indicator fell below the neutral level of 50, with continued negative movements until the end of the year. Also, the PMI indices for the Euro area in the last quarter, mainly have negative trends and are consistently below 50, indicating a probable recession.

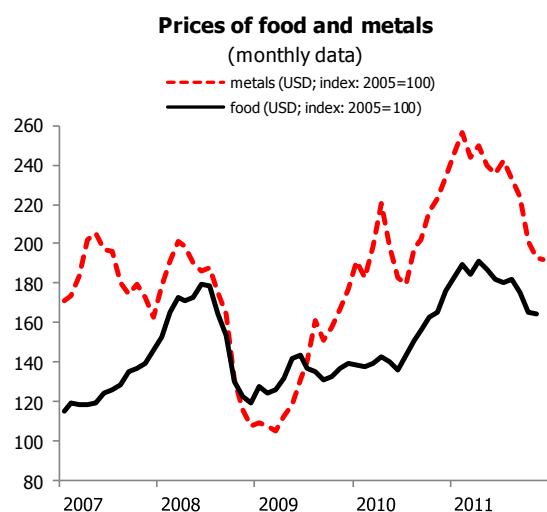
Risks associated with the global economic activity for 2012 are explicitly downward, which results from the uncertainty and risk aversion related to the future movements on the financial markets in advanced economies. Private consumption and investment consumption are expected to remain relatively weak due to the absence of major impulses for improving labor markets, prices of real estate and financial instruments. An additional limiting factor to growth is also the forthcoming fiscal consolidation and the need to reduce public debt in advanced economies, which will act toward restraint from private consumption and investment consumption by the private sector, while the room for influence of the monetary policy is limited.



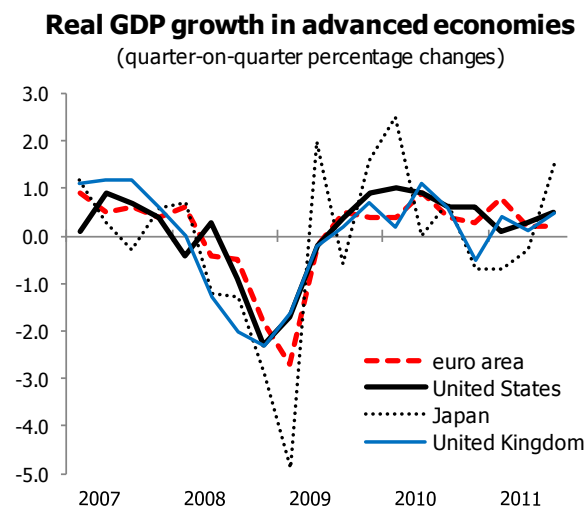
Source: IMF monthly database.

The annual inflation rate for the second half of 2011 in advanced and emerging economies has somewhat intensified, on average. Realized average annual inflation rate for 2011 in advanced and emerging economies was 2.7% and 7.2% respectively, compared to the realized average inflation during the first half of the year of 2.5% and 6.5% respectively. Also, acceleration of the total and core inflation in the second half of the year is reported in OECD countries where it averaged 3.2% and 1.9% respectively, versus 2.8% and 1.5% in the first half of 2011. The increase in inflation in these groups of countries in the second half of 2011 is a result of the transmission effect of rising prices of energy and primary non-energy products during the second and third quarters. However, during 2012, it is estimated that global inflation will begin to

³ The Purchasing Manager's Indices (PMI) are based on survey research of representative sample of companies in the production and services sector, and are often used as high frequency indices of the current and future economic activity.



Source: IMF monthly database



Source: Eurostat.

gradually slow down which will be conditioned by the low expected growth of the advanced economies and the gradual slowing of the demand for primary products and energy from emerging economies and developing countries.

Prices of oil and non-energy primary products⁴ began to decline gradually during the fourth quarter of 2011, with more intense decline being registered in the non-energy products. **The average price of crude oil "Brent"** was 108 USA Dollars per barrel in December 2011, which is 12.3% lower than the highest price in 2011 reached in April. However, on annual level, the average oil price in the fourth quarter of the year was by 25.9% higher than in the same period of 2010. **Prices of food and metals** during the period October-December significantly reduced compared with the third quarter of the year, so on annual basis, in the fourth quarter of 2011, they decreased by 2.6% and 12.8% respectively, on average. The fall in the prices of oil and non-energy primary products is due to the reduced global demand resulting from slowing global economy and the deterioration of expectations for the future global economic activity.

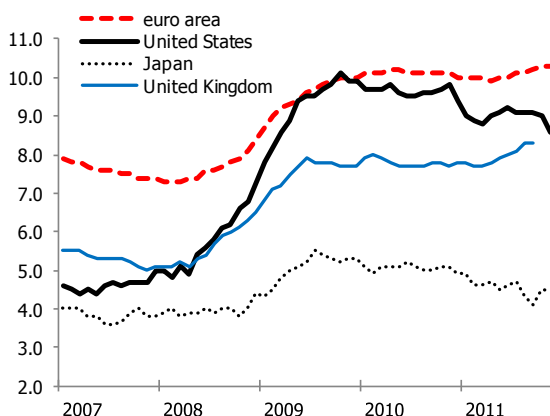
In the third quarter, a slowdown was registered in the annual growth rate of GDP in the Euro area to 1.2% (versus 1.6% in the previous quarter), amid unchanged quarterly growth rate of 0.2%. Moreover, in almost all Member States of the Euro area lower or unchanged annual and quarterly growth rates of GDP compared with the previous quarterly period, were recorded. The slowdown in the annual growth rate of GDP in the Euro area is a reflection of the continued uncertainty and rising tensions in financial markets due to the debt crisis on the part of some of the "peripheral" countries of the Euro area, which began to be felt also in the more stable economies of Germany and France. The uncertainty about the debt crisis and the effect of the measures at the December EU summit, impaired financial stability and increased risks of further deterioration of the situation on the financial markets, resulted in increased likelihood of reducing the credit ratings of certain key

⁴ The price index of primary products includes the prices of food, beverages, agricultural raw materials and metals.



Unemployment in advanced economies

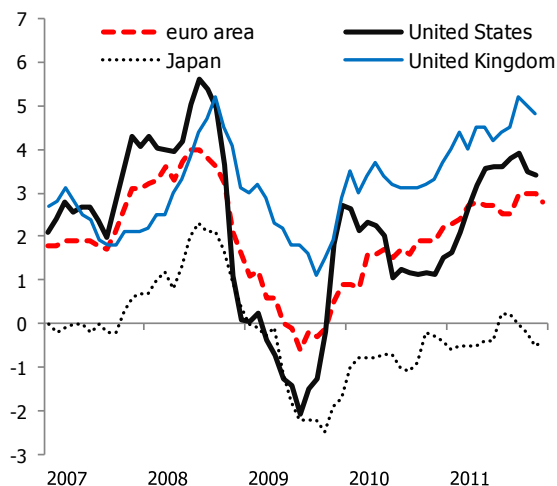
(in percent; seasonally adjusted monthly data)



Source: Eurostat.

Inflation in advanced economies

(annual percentage changes; monthly data)



Source: Eurostat and national statistical offices.

members of the Euro area⁵. This acted on further increasing the mistrust and pessimism of market participants.

Regarding the structure of GDP, domestic demand and net exports gave a positive contribution to the quarterly and annual GDP growth in the Euro area in the third quarter, but with reduced intensity compared with the previous quarter. Moreover, despite the positive contribution of domestic demand to the growth, it is still considered weak and in the future it is expected to slow its recovery. These expectations correspond to the deteriorating conditions in the labor market (six-month trend of unemployment growth rate, which in October and November 2011 reached its historically highest level of 10.3%). Slower growth is envisaged also in investment demand as a result of reduced profitability of firms, reduced sources of external funding and increased uncertainty about the macroeconomic environment in the Euro area and in the world. As for public consumption, despite its small quarterly growth in the third quarter of 2011, the forthcoming fiscal consolidation leaves no room for its positive contribution in the next period. In accordance with these changes in the Euro area and the global economic environment, the European Commission has made a downward adjustment in the GDP growth rate for the Euro area for 2011, from 1.6% to 1.5%, while the ECB has narrowed the interval of growth rate, which is estimated to amount between 1.5% and 1.7% (versus the interval between 1.4% and 1.8% previously). For 2012, the European Commission and the ECB significantly revised the annual GDP growth rate downward, which according to the ECB is expected to move in the interval from -0.4% to 1% while according to the European

⁵ On the eve of the summit, on December 5, the rating agency Standard and Poor's announced that long-term ratings of 15 member states of the Euro area are placed under observation "with negative implications." This means that 6 countries (including Germany and France) could lose their top AAA rating in the coming months. The rating agency Fitch concluded that after the summit, "complete solution to the crisis is technically and politically unattainable." Given this, Fitch put under observation the ratings of seven countries (including France, Italy and Spain), with tendency to reduce them in the next 12-18 months. In mid-January 2012, Standard and Poor's downgraded the credit ratings of France and Austria from AAA to AA+ with negative outlook, Slovenia and Slovakia also from A+ to A, while the ratings of Italy, Portugal, Spain and Cyprus were lowered by 2 levels as follows: Italy from A to BBB+ negative outlook, Portugal from BBB- to BB, Spain from AA- to A negative outlook and Cyprus from BBB to BB+.



Commission it is estimated to amount to 0.5%⁶ amid explicit downward risks.

Annex 1: Conclusions of the December European Council summit

European Council Summit held on 8 to 9 December 2011 was of crucial importance in terms of making decisions as to resolve the current debt crisis in the EU and to prevent new crises of the kind. Due to the negative outlook for the future of the common currency, for the first time after the EU was established, the 17 Member States of the Euro area agreed to enter into a new "fiscal agreement", which was supported by most countries outside the Euro area. Thus, these countries committed themselves to implement new **European fiscal rule** in their national legislation that will include greater fiscal discipline, greater automatic sanctions and stricter oversight. Specifically, the new fiscal rule contains the following elements⁷:

- **The budgets of general government should be balanced or in surplus.** It will be considered that this principle is respected if the annual structural deficit does not exceed 0.5% of nominal GDP.
- **The rule should be incorporated into national legal systems of Member States** at the constitutional level or level equivalent of a constitution. The rule should include a mechanism for automatic correction defined by each Member State which will be activated in case of any deviations.
- Member States should converge to their reference levels **based on the calendar** proposed by the European Commission.
- Member States against which an Excessive Deficit Procedure was initiated should submit for approval by the Commission and the Council a **Program of Economic Partnership** which will contain details on the structural reforms necessary for permanent correction of excessive deficits. The program implementation and annual budgets will be overseen by the Commission and the Council.
- A mechanism is established for **ex ante reporting on the plans for issuing public debt** by the Member States.

At the same time, agreement was reached in terms of **tightening the rules regarding the Excessive Deficit Procedure** through the introduction of automatic sanctions for each Member State which will be found to have exceeded the limit of budgetary deficit of 3% of GDP, unless it is decided otherwise by a qualified majority of Member States. Also, there is a criterion for reducing the debt for Member States whose government debt exceeds 60% of GDP. Additionally, it was decided to provide additional funds of Euro 200 billion for the IMF for dealing with the crisis.

Except for greater coordination of economic policies, countries stood for activation of so-called **stabilization tools for dealing with short-term economic challenges**. These tools are mainly related to the European Financial Stability Fund and the European Stability Mechanism⁸ that would respond quickly to current market turbulence.

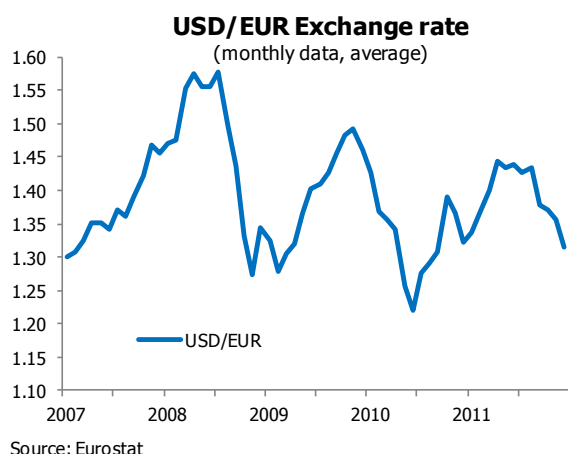
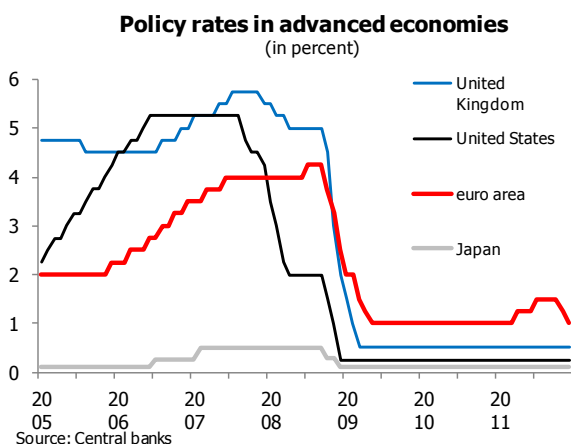
With the adopted decisions the Euro area Member States explicitly recognized the need to move toward a union of fiscal stability. The 26 EU Member States have supported such an agreement, while only the UK was against it, after failing to secure concessions from some financial regulations. In the forthcoming period the European Union will be facing major challenges, and the first step, the signing of the "fiscal agreement" is expected to be implemented no later than March 2012.

Inflation in the Euro area during the October - December period was 2.9% on an annual basis, which is an increase compared to the previous period, amid increased

⁶ Risks associated with growth are generally downward and are connected with the possibility to further increase tensions and risks on financial markets and their spillover into the real economy, as well as the slower growth in the global economy relative to the previous expectations.

⁷ Statement by the Euro area heads of state or government, European Council, 2011.

⁸ European Stability Mechanism is a permanent rescue fund, which is to replace the European Financial Stability Facility.



growth also in the core inflation. The increase of the price level in the Euro area is due to the higher prices of energy and non-energy products on world markets over the summer, that spilled over the price level in the Euro area. ECB estimates that in 2012 inflation will begin to decline as a result of the gradual decrease in the prices of energy and food on the world markets and the expectations of lower domestic demand. **According to the ECB, it is estimated that in 2012 inflation in the Euro area will range between 1.5% to 2.5%, with more pronounced downward risks** arising from higher than expected decline in world prices of energy and food.

Central banks of developed countries continued to conduct an accommodative monetary policy also in the fourth quarter of 2011. The central banks of USA, Japan and England left the key interest rates unchanged. In early November and December 2011, ECB reduced the interest rate by 0.25 percentage points, thus reducing it again to the historically lowest level of 1%. ECB lowered the key interest rate due to the expectations for slowing down of the inflation and present "tensions" on the financial markets, increased uncertainty and risk aversion by investors. These act toward reduction in private and investment consumption, which increases the uncertainty and causes downward risks to economic growth in 2012. Also, from the group of unconventional measures taken by the ECB (explained in Appendix 2), on December 21, 2011 the ECB conducted one of the two envisaged refinancing operations with maturity of 36 months amounting to Euro 489.2 billion, in which a total of 523 credit institutions took part. The second refinancing operation is planned to be held during February 2012.

Annex 2: Unconventional monetary measures adopted by the European Central Bank (ECB)

Parallel to the European Council summit, on December 8 2011, **the ECB adopted additional unconventional measures aimed at reducing the "tensions" on financial markets** and their gradual stabilization **which could undermine monetary transmission**, and hence maintaining price stability in the Euro area. In this respect, the ECB adopted certain measures in the following two directions:

1) Increase in the sources of long-term funding of banks in conditions of impaired confidence in financial markets **in order to encourage banks' lending activity** in the Euro area through the following measures:

- **Increase in the supply of refinancing operations** by offering two refinancing operations **with maturities of 36 months** with the possibility of early return of liquid assets after expiration of one year of the approval.

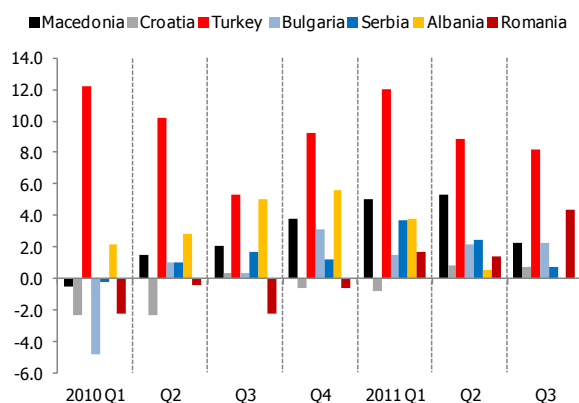
- **Temporary expansion of the collateral of commercial banks** which they can offer in order to receive funding from the ECB, including the above long-term funds from refinancing operations. The expansion of the collateral of commercial banks in the Euro area refers to *a)* reduction of the rating threshold for a particular type of securities backed by assets including functional loans already issued and *b)* acceptance of functional credit claims as collateral by ECB (e.g. bank loans), which meet certain criteria to be further specified by the ECB and the respective national central banks of the Euro area Member States.

II) Measures to stimulate the activity of banks in the money market because of impaired financial trust:

- **Cessation of fine tuning operations⁹** on the last day of each period of reserve requirement, starting from the period of reserve requirement on December 14, 2011. In accordance with the recent changes in financial markets in the Euro area and the occurrence of excess liquidity in money markets, the ECB estimated that fine tuning operations are not necessary.

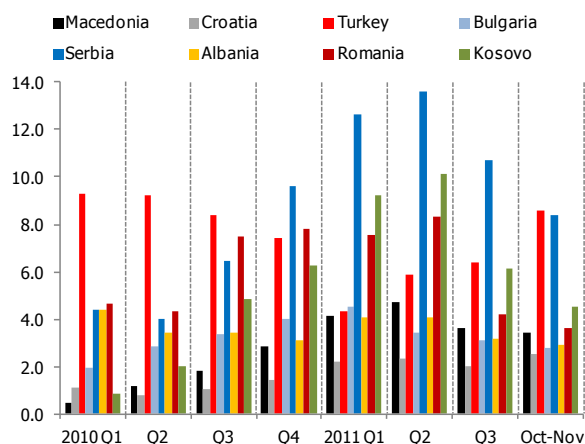
- **Temporary reduction of the reserve requirement rate from 2% to 1%** from the period of reserve requirement which starts on January 18, 2012. In conditions of increased liquidity of banks in the Euro area, by this measure the ECB decided to increase the opportunity cost of commercial banks for storing excess liquidity and thus encourage banks to engage more actively in transactions in the money market.

Real GDP growth in countries from the region
(annual percentage changes, quarterly data)



Source: Eurostat and national statistical offices.

Inflation in countries from the region
(annual percentage changes)



Source: Eurostat and national statistical offices.

The exchange rate of the Euro against the USA Dollar during the fourth quarter of 2011, is characterized with a trend of depreciation caused by the uncertainty about the debt crisis and "turbulent" movements on the financial markets in the Euro area. The average monthly exchange rate in December 2011 stood at USA Dollars 1.31 per one Euro, which represents depreciation of the Euro by 4.5% compared to September 2011.

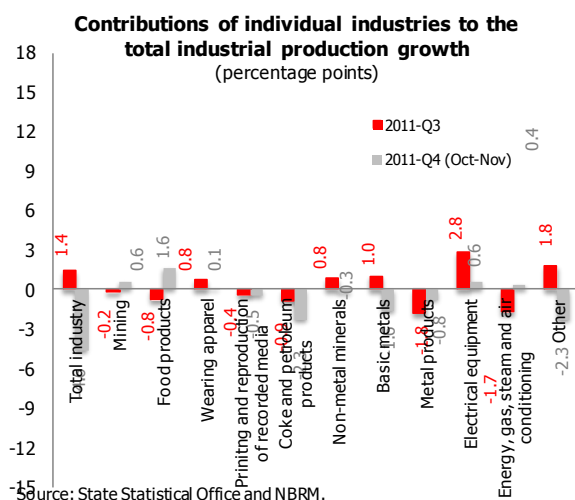
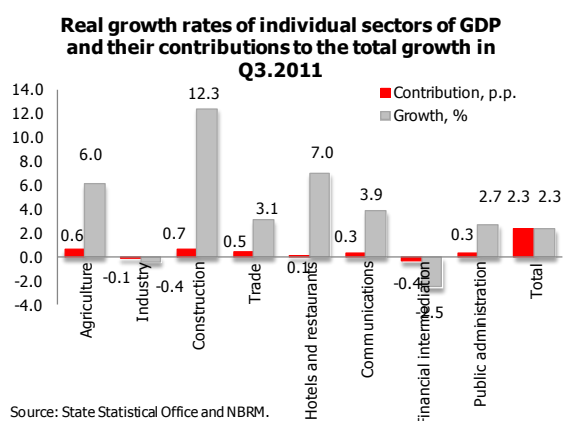
In the countries of the region, with the exception of Romania, in the third quarter of the year there were signs of slowing economic activity, due to the gradual weakening of domestic demand, but also of the significant decrease in exports due to the slowdown in the global economic activity. The growth in the countries of the region is entirely due to the positive contribution of domestic demand. The exception is the Turkish economy where net exports had a positive contribution to growth for the first time since the third quarter of 2009, while the growth of domestic demand, primarily investments, began to slow gradually. It acted toward more intensive reduction in the imports growth rate compared with the exports growth rate, leading to narrowing of the trade deficit. In Romania, the achieved high annual GDP growth rate is a result of temporary factors, i.e. the high growth in agricultural production. Inflation in the countries of the region shows no signs of slowing down, which is a result of the gradual decrease in energy and food prices, but also of the

⁹ In conditions of reduced liquidity on the money market in the Euro area, fine tuning operations were aimed to reduce volatility of the interest rates on the money market.

gradual deceleration of domestic demand. In the forthcoming period, further slowdown in the economic activity and inflation is expected in the countries of the region, which is consistent with the expected slowing of the economic activity in the Euro area and the rest of the world.

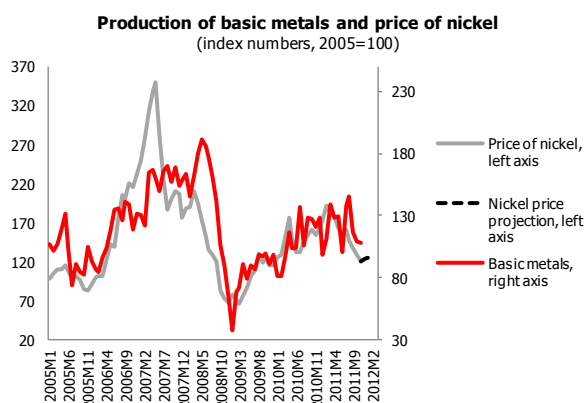
1.2. Domestic Supply

In the third quarter of 2011, the growth of domestic economy decelerated, in line with the expectations. Gross domestic product registered real annual growth of 2.3%, which is twice lower than the growth in the second quarter. The most significant contributor to the economic slowdown is the deterioration in industry in conditions of almost stagnant foreign demand and downward movements in the prices of our main export products. Additionally, trade, which in the previous quarter was the main generator of growth, in the third quarter grew significantly less, conditioned by weaker household consumption during this period. Consequently, the main generator of domestic economic growth in the third quarter is the construction activity that continues to grow, but at a slower pace. Trends in the Euro area, as our most important trading partner remain unfavorable, indicating more pronounced downward risks to growth in the next period.

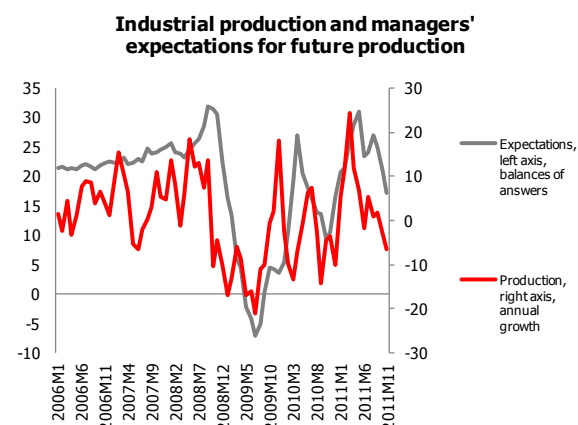


In the third quarter, weaker economic activity was registered compared to the previous period (a decline of 1.4% seasonally adjusted), while the annual dynamics of growth of the economy slowed down and reduced to **2.3%**¹⁰ (from 5% in the previous quarter). The main factor for this downward movement of growth is the deterioration in the industrial sector. **Industry**, which in the first two quarters was the carrier of growth of the Macedonian economy with average annual growth of around 15%, **in the third quarter** registered high quarterly decline (-8.8%, seasonally adjusted), and hence a decline on an annual basis of -0.4%. Also, the physical volume of industrial output recorded a significant deceleration in the annual growth that was reduced to 1.4% (5.3% in the previous quarter). Such movement was mostly due to the deterioration in the manufacturing industry in conditions of still reduced production of energy (electricity and oil derivatives). From among the processing industries, the largest negative contribution is that of the production of fabricated metal products, amid anemic foreign demand and sluggish domestic construction activity. A significant negative contribution is recorded in the production of food products, solely because of the high base effect. Deterioration is observed also in the production of clothing (seasonally adjusted quarterly decline of nearly 13%), with the annual

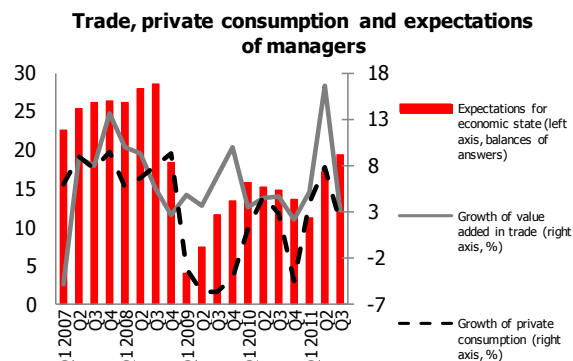
¹⁰ Data on GDP for 2010 and 2011 are estimated data of SSO.



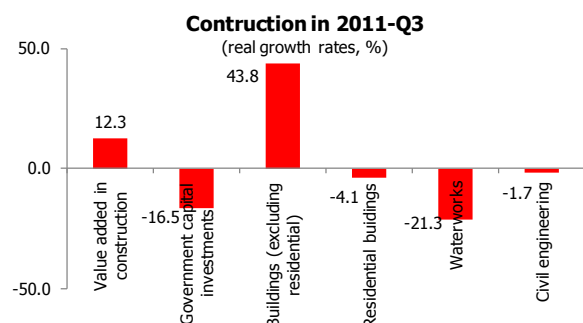
Source: State statistical office, IMF and Bloomberg.



Source: State Statistical Office.



Source: State statistical office.



Source: State statistical office and Ministry of finance.

growth of this activity remaining slow, which reduces its positive contribution to the total industrial output. Unfavorable developments in the industry continued in the **first two months of the last quarter (October-November)**, driven mainly by the decline in the leading export-oriented industries. The volume of industrial output declined on an annual basis (-4.6%), which is a result of the production of petroleum products and fabricated metal products, but also of the first signs of deterioration in the production of metals (annual decline of nearly 13%) and the significantly slower growth in the production of electrical equipment, which is the main generator of growth in industry since the beginning of the year. Furthermore, managers of companies from the manufacturing industry¹¹ have worsened expectations for the volume of production and number of employees in the next three months.

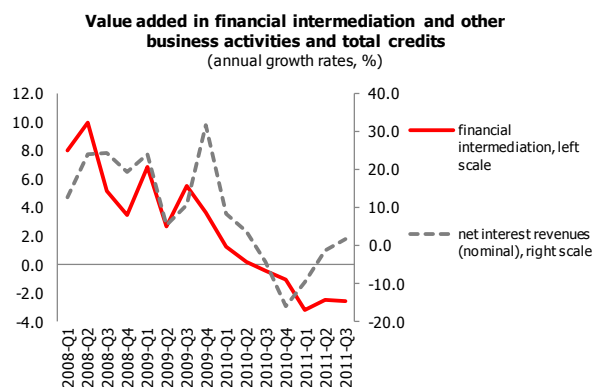
Trade contributed additionally to the slower economic growth in the third quarter, amid weaker household consumption during this period. The added value of this activity showed high quarterly decline (-8.5%, seasonally adjusted), with the annual growth slowing down to 3.1% (16.5% in the previous quarter). For the next period, the expectations about the business condition of commercial enterprises are more favorable. The managers of commercial entities expected increase in orders, number of employees and sales prices over the next three to four months¹². The latest data on the trade turnover of October 2011, in real indicators, partially confirm these expectations, indicating the acceleration of the annual growth in wholesale (18.5%), while being weak for the time being in retail trade (1.6 %) ¹³.

Main generator of the growth in the third quarter was the construction activity. In the third quarter, construction registered slower but still solid annual growth of 12.3%. In conditions of quarterly growth of 5.5% (in real terms, seasonally adjusted), the slower growth on an annual basis is due to the higher base effect, i.e. the revival of construction activity in the second half of 2010, which was largely due to the increased capital investment of the government. The latest available data generally point to further slowing in construction. The value of completed

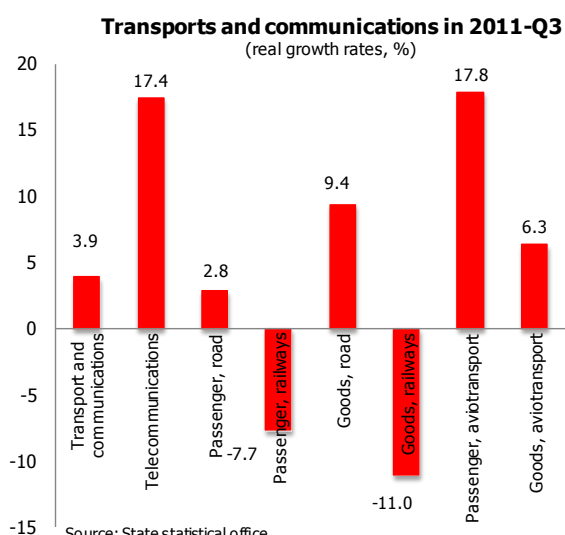
¹¹ From the Survey on business tendencies in manufacturing industry, of the State Statistical Office (SSO), November 2011.

¹² From the Survey on business tendencies in retail trade, of SSO for the third quarter of 2011.

¹³ In January 2011, a methodological change was made in the collection of data on trade. The sample was changed, including only firms that registered the trade as their prevalent activity, and excluding those registered as manufacturers and vendors.



Source: State Statistical Office and NBRM.



Source: State statistical office.

construction works in October 2011 recorded a real annual decline of 2.1%, following the growth of 13.4% in the previous quarter. Also, real drop on an annual basis over the period October-November was registered in the production of construction materials (-4.6%)¹⁴ and government capital investment (-8.4%). Although the value of building permits issued in October 2011 recorded high annual growth (58.1%, mostly in high-rise construction), this positive signal for construction is expected to have effects over a longer period of time.

Other economic activities have a positive contribution to GDP growth in the third quarter, with the exception of the activity *"financial intermediation, real estate activities and other business and service activities"*, which has registered negative annual growth rates for five quarters in a row. However, data for the period October-November 2011, indicate real annual growth in net interest income of banks for the first time in five quarters, indicating possible stabilization or termination of the negative annual dynamics in financial activities. Despite the growth on an annual basis, the activity *"transport, storage and communications"* has registered quarterly deterioration for three consecutive quarters. Given the decreased production in export-oriented activities and slower annual growth of exports of goods in the period October-November 2011, deterioration with this activity may be expected in the next quarter. Trends in *agriculture* in the third quarter were very favorable, which has contributed this activity to be second largest generator of GDP growth. These trends continue over the next period, which is indicated by the data on rapid annual growth of agriculture in October 2011, driven mostly by the high growth in cereals and vegetable crops¹⁵.

Trends in the Euro area, as our most important trading partner remain unfavorable. In the last quarter of 2011, the

¹⁴ Manufacture of other nonmetallic mineral products (activity 23).

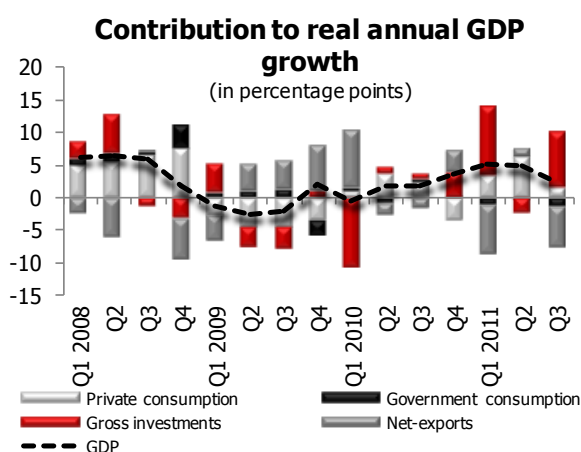
¹⁵ According to the data on purchase and sale of agricultural products of the SSO, October 2011.



indicator of economic activity in the Euro area¹⁶ fell to its lowest level since mid-2009. This indicator points to pronounced downward risks to growth in the next period, given the fact that the domestic economy largely depends on the activity of the manufacturing sector of the Euro area. An additional risk factor present is the foreign effective demand, which in the last quarter of the year will be weaker than the October expectations.

1.3. Aggregate Demand

In the third quarter of 2011, the trend of steady quarterly growth of domestic economic activity, which started in the second quarter of 2010, was interrupted. Annual GDP growth plunged to 2.3%, and the economic slowdown has reflected the imbalances in the external sector. The unfavorable trends in the Euro area, given the high trade integration of the domestic economy with this region, led to a further slowdown in exports. This trend was not followed by imports, which had high growth in the third quarter conditioned by higher import of energy and import of raw materials for export (uneven dynamics of imports of large export companies)¹⁷. Hence, net exports recorded a significant negative contribution to GDP growth. The contribution of domestic demand was highly positive also in this quarter, but unlike the previous period it was supported by the growth of domestic investment, while private consumption slowed significantly. For the fourth quarter further slowdown in domestic economic activity is expected. In terms of components, it is expected the more volatile global environment to reflect unfavorably on investment, which together with the fall in production and a slowdown in exports will lead to a downward adjustment in imports, too.



In the third quarter of 2011, gross domestic product recorded a negative quarterly change (of 1.4% on a seasonally adjusted basis), which caused deceleration of annual growth also, which was reduced to 2.3%. The slowdown in the annual growth dynamics of domestic economy in the third quarter is due to the unfavorable movements in net export demand, whose negative contribution significantly offsets the positive effect of the still high domestic

¹⁶ Analyzed according to the Euro area Manufacturing Purchasing Managers' Index (PMI). The index is produced by Markit and it is based on the results of a survey research, which includes a representative sample of about 3000 manufacturing companies. Regarding national economies, it includes Germany, France, Italy, Spain, the Netherlands, Austria, the Republic of Ireland and Greece, which together constitute 90% of the manufacturing sector of the Euro area. This index is considered the earliest indicator of the economic developments in the Euro area that is produced on a monthly basis and published at the beginning of each month with data referring to the month that has just ended. The index has a history of precise anticipation of production in the manufacturing sector.

¹⁷ Large export companies made high monthly import of raw materials, which caused major oscillations in the import dynamics.



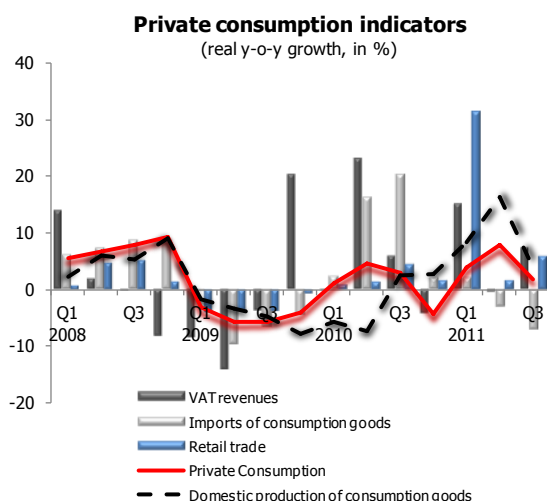
demand. In conditions of slower growth in private consumption and negative contribution of public consumption, the main driver of growth in domestic demand in the third quarter were gross investments.

Real annual growth rates

	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2008	2009-Q1	2009-Q2	2009-Q3	2009-Q4	2009	2010-Q1	2010-Q2	2010-Q3	2010-Q4	2010	2011-Q1	2011-Q2	2011-Q3
Private consumption	5.6	6.6	7.9	9.4	7.4	-3.2	-5.7	-5.6	-4.2	-4.7	1.1	4.6	2.9	-4.4	0.9	3.9	7.7	1.8
Government consumption	5.4	8.9	3.2	24.2	10.6	3.3	6.1	7.7	-12.1	0.5	3.1	-4.5	3.2	0.2	0.4	-5.3	-0.6	-7.9
Gross investment	16.7	27.8	-4.1	-7.7	5.4	21.4	-9.7	-16.0	2.3	-1.5	-39.8	1.9	3.8	9.9	-4.9	59.4	-8.5	42.5
Exports of goods and services	-7.0	-9.3	-2.6	-6.4	-6.3	-21.9	-13.8	-12.2	-17.5	-16.2	9.5	17.4	25.0	40.1	23.4	37.9	13.9	3.4
Imports of goods and services	-1.7	1.8	-2.3	4.9	0.8	-8.7	-14.9	-15.5	-19.6	-15.0	-8.5	14.7	21.1	17.4	11.3	38.1	7.3	12.3
Domestic demand	7.3	11.0	4.8	6.8	7.4	2.0	-5.0	-5.8	-3.9	-3.3	-7.1	2.7	3.1	-0.5	-0.4	9.8	3.1	7.3
Net exports*	9.9	30.5	-1.7	24.2	16.2	15.6	-16.9	-23.3	-22.3	-12.9	-30.9	9.5	10.7	-13.6	-9.0	38.5	-5.7	38.9
GDP	6.2	6.6	5.8	1.7	5.0	-1.4	-2.4	-2.1	2.0	-0.9	-0.4	1.7	1.8	3.5	1.8	5.3	5.0	2.3

*decrease represents lower deficit
Source: SSO and NBRM calculations.

1.3.1. Private Consumption

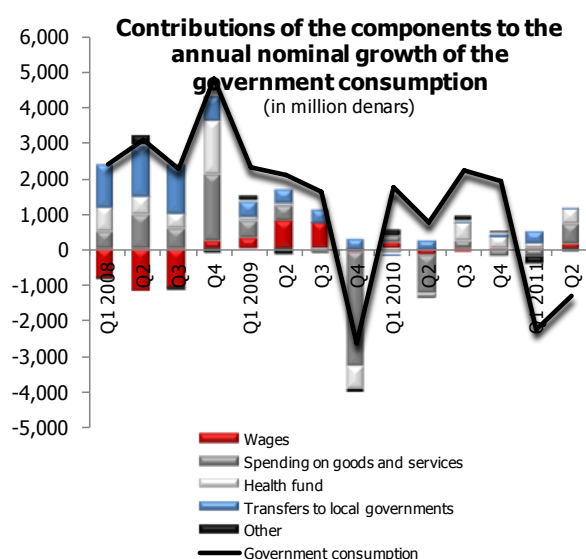


Source: State Statistical Office, Ministry of Finance and NBRM calculations.

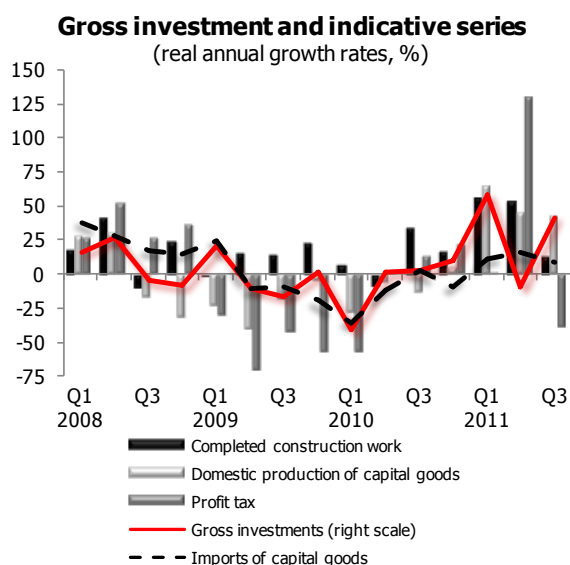
After the high growth in the previous quarter, private consumption in the third quarter of 2011 decreased by 4.6% (seasonally adjusted) on a quarterly basis, so that the annual real growth slowed down and reduced to 1.8%. From the high-frequency data, slower domestic production of consumer goods, and higher real decline in imports of consumer goods indicate slower growth in private consumption. Retail trade registered acceleration of annual growth, while the positioning of inventories of trading companies at a level something lower than that common for the season indicates a higher than usual for the period satisfaction of the households with inventories. The sources of financing household consumption recorded divergent movements also in this quarter. The permanent part of the income noted further emphasized decline on an annual basis and was the main factor that acted toward reducing real disposable income. The movements in this component mostly reflect the unchanged level of employment on an annual basis (as opposed to the relatively high growth in the first half of the year) and the persistent annual decline in real wages. On the other hand, however, growth in household credits, as an additional source of financing has accelerated annually (in real indicators), amid steady demand for consumer loans and almost unchanged lending conditions¹⁸.

For the fourth quarter of 2011, moderate annual growth of private consumption is expected, due to the low comparison base from the same period in

¹⁸ From the Lending Survey of NBRM conducted in November 2011.



Source: Ministry of Finance and State Statistical Office.



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

2010. The latest available data point to further slowing of the real annual decline in net wages, amid slower inflation, and growth of pensions on an annual basis. Simultaneously, also the imports of consumer goods are entering the zone of positive change¹⁹. Assessments of managers of commercial enterprises for the fourth quarter of 2011 are also directed toward growth. They have more favorable expectations regarding orders, number of employees, and especially in view of the business condition of enterprises²⁰, although the October data on retail trade shows slowdown of growth. The results of the Lending Survey²¹ for the next quarterly period point to the expectations of most banks for stable demand for consumer loans. At the same time, domestic production of consumer goods still registers negative annual change.

1.3.2. Public Consumption

In the third quarter of 2011, public consumption registered a quarterly decline (3.2% seasonally adjusted), which caused further increase of the annual fall (of 7.9%, versus the decline of 0.6% in the previous quarter). The intensification of the decline is due to adverse shifts in current expenditures for goods and services and in the Health Fund. According to the realized expenditures of the central government and funds, and based on the projected budget for 2011, **real annual decline in public consumption is estimated for the fourth quarter.**

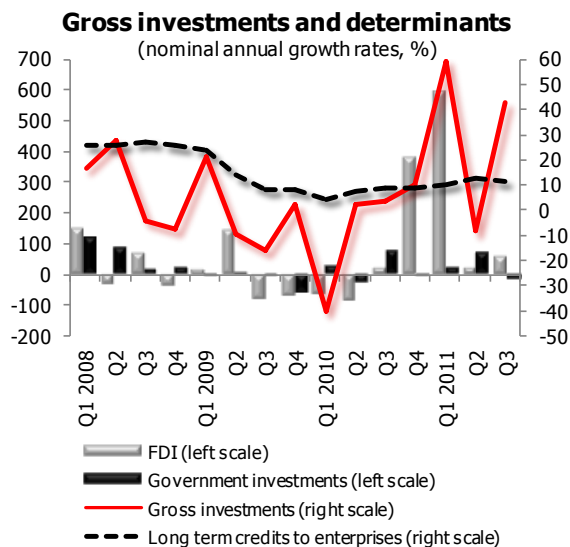
1.3.3. Investment Consumption

In the third quarter of 2011, investments noted high quarterly growth (of 45.6%, seasonally adjusted), which lead to growth of 42.5% on annual basis. Most high frequency indicators point to annual growth of investments in fixed assets, however with slower pace compared to the previous quarter. Completed construction works kept the two-digit annual real growth, however with a significant slowdown compared with the previous quarter, primarily due to reduced capital spending by the government. The growth of imports of capital goods and the growth of domestic production of capital products

¹⁹ Data on the domestic production of consumption goods and household credits are given as of November, while data on wages, pensions, retail trade and import of consumer goods are given as of October.

²⁰ From the Survey on business tendencies in retail trade, of SSO, conducted in the third quarter of 2011.

²¹ From the Lending Survey of NBRM conducted in November 2011.

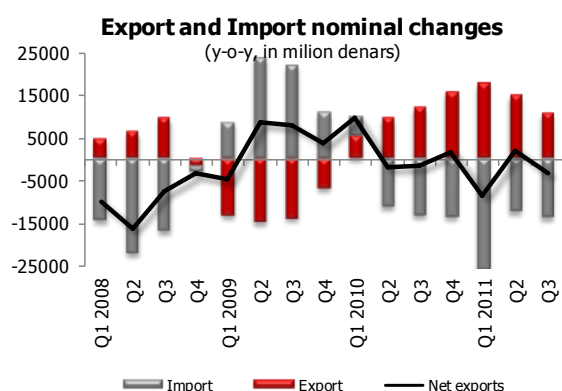


Source: State Statistical Office, Ministry of Finance and NBRM calculations.

continued, but at a slower pace. Foreign direct investments (in equity) experienced double-digit growth, which is a significant acceleration in the annual rate compared with the previous quarter.

In conditions of generally deteriorated international environment and increased risk aversion, **assessments for the fourth quarter are towards reduction of investments on an annual basis.** High frequency indicators of investment activity in the domestic economy²² also indicate a downward trend. Thus, the latest available data indicate an annual decline in the value of completed construction works, decline in the imports of capital goods and a decline in government capital expenditures. On the other hand, managers in construction activity have somewhat more favorable expectations for the fourth quarter²³, in terms of total orders, compared with the previous quarterly period. In this direction are the expectations of banks for partial increase in the demand for long-term corporate loans in the last quarter of the year, which could mean more investment in fixed assets by enterprises.

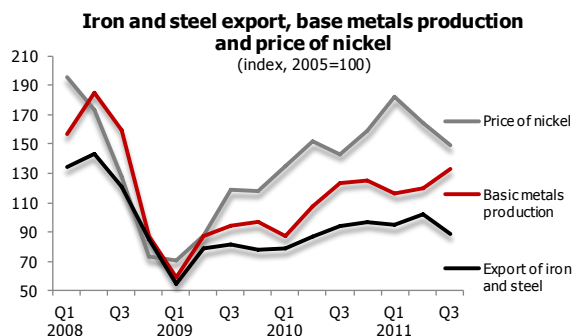
1.3.4. Net export demand



Source: State Statistical Office.

In conditions of more intensive growth of imports than exports, in the third quarter net exports registered a high negative contribution of 6.2 percentage points in the annual GDP change and acted toward significant slowing of the GDP growth.

Exports of goods and services in the third quarter of 2011 fell on a quarterly basis (by 3.1%, seasonally adjusted), leading to a slowdown in real annual growth of exports (from 13.9% in the second to 3.4% in the third quarter). These movements correspond with the economic slowdown in the Euro area, which gradually began to reflect on the production and sale of the export-oriented segment of the domestic manufacturing sector.



Source: State Statistical Office, IMF monthly database and NBRM calculations.

In the third quarter, imports showed high quarterly growth (of 7.3%, seasonally adjusted), leading to a real annual growth of 12.3%. Intensification of imports is mainly due to the high imports of raw materials for production of major export-import companies, which was coupled with

²² The data on the completed construction works and on the foreign direct investments (in equity) are given as of October, while the other data are given as of November.

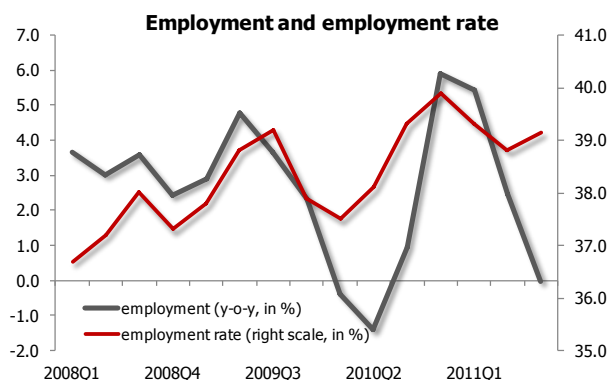
²³ From the Survey on the business tendencies in construction of the SSO conducted in the third quarter of 2011.

the effect of the higher quantity of imports of energy (oil and oil derivatives and electricity).

Considering the unfavorable trends in the Euro area, deteriorating expectations of companies for the production volume and selling prices for the next period²⁴, and the imports and exports in the first two months of the last quarter (according to the foreign trade statistics), in the last quarter a slowdown in the annual growth of exports, and stronger downward movement of imports is possible. Consequently, **net exports are estimated to give positive contribution to the annual GDP growth.**

1.4. Employment and Wages

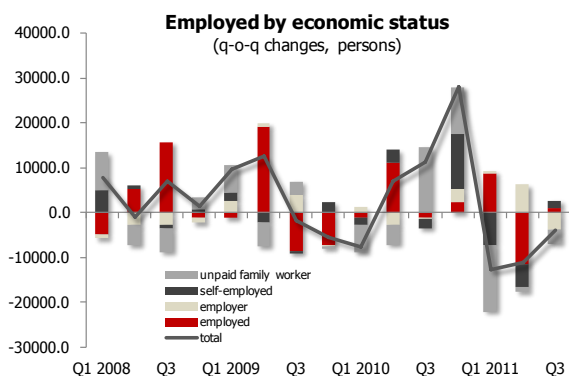
In the third quarter of 2012, the employment fell again on a quarterly basis, with the propensity to work registering further slowdown. The permanent downward trend since early this year tended to exhaust the untypically high growth of these categories in the second half of 2010 that resulted in deceleration of employment growth and contraction of the annual activity rate. Unemployment registered no significant changes. Observing wages, the stabilization of price growth in the third quarter of the year improved the household real purchasing power. However, the recent events in the euro area, the deceleration of domestic economy and the unfavorable short-term expectations of managers in some economic sectors indicate a possibility for deterioration of labor market in the period ahead.



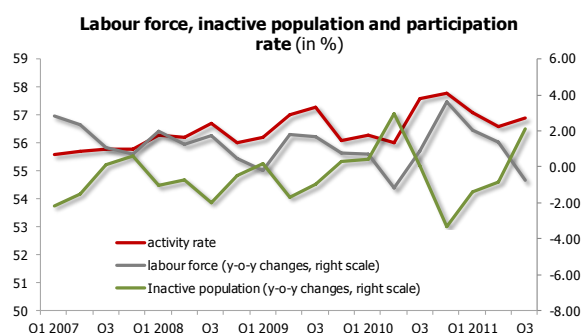
Source: State Statistical Office, Labour Force Survey.

In the third quarter of 2011, labor demand slowed down on a quarterly basis, for three consecutive quarters. These developments brought about gradual deceleration of the annual employment growth. Thus the total employee number remained the same on annual basis, i.e. the annual growth rate of the total number of employed persons reduced to 0%, compared to the growth of 5.5% and 2.5% in the previous two quarters. Such developments indicate full exhaustion of the atypically high growth of employment and active population in the second half of the last year, triggered by the increase of the most volatile categories of employed persons (employed for their own account or family workers without pay). Simultaneously, the employment rate equaled 39.1% in the third quarter, which is an insignificant fall of 0.2 percentage points compared to the same period of the year behind. With the level of employed persons being constant, such trend of employment growth is entirely attributable to demographic factors (growth of total working

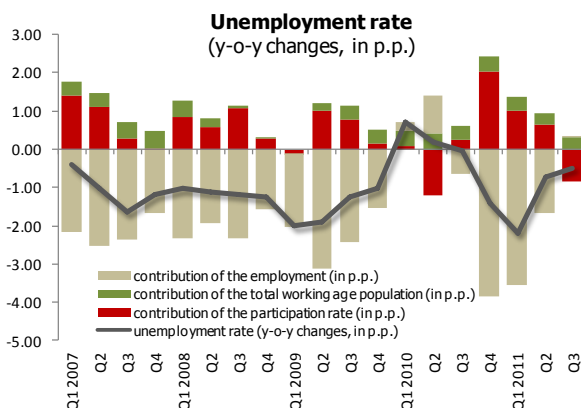
²⁴ From the Survey on the business tendencies in manufacturing industry of the SSO, conducted in November 2011.



Source: State Statistical Office, Labor Force Survey.



Source: State Statistical Office, Labor Force Survey.



age population). Nevertheless, **the analysis of quarterly dynamics indicates gradual deceleration of the negative growth** (quarterly fall of 0.8%²⁵ in the third quarter, compared to 1.3% in the preceding quarter). Moreover, the slower reduction of total employment rate was followed by stabilization of downward trends of the category of employed persons, being an indicator for the reported employment²⁶. In spite of the deceleration of the negative trend since early this year, the recent events in the Euro area and in the domestic economy called attention to risks that are expected to have negative effects on future labor market performances, thus underpinning the short-term expectation of the producers of industrial products and construction businesses which are downward, in terms of employment²⁷.

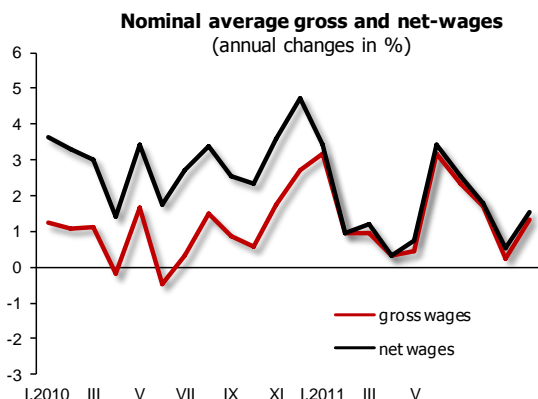
Labor supply indicators for the third quarter point to a moderate decrease of the propensity to work on annual basis. Compared to the same period of the last year, the total active population went down by 0.7%, and the activity rate reached 56.9% (57.6% in the third quarter of 2010). The annual changes in active population largely mirror the downtrend of active population that started early this year. Such trend, typical for the employment as well, is attributable to the outstandingly fast growth of active population and employment in the last two quarters of the preceding year. Also, **the analysis of quarterly dynamics, same as with the employees, points to gradual exhaustion of this onetime effect and deceleration of the quarterly fall of active population** (quarterly fall of 0.5% in the third quarter compared to 0.7% in the second quarter).

In the third quarter, the unemployment rate reached 31.3%, which is by 0.5 percentage points lower on annual basis. Simultaneously, the third quarter experienced a 2.2% annual fall of the number of

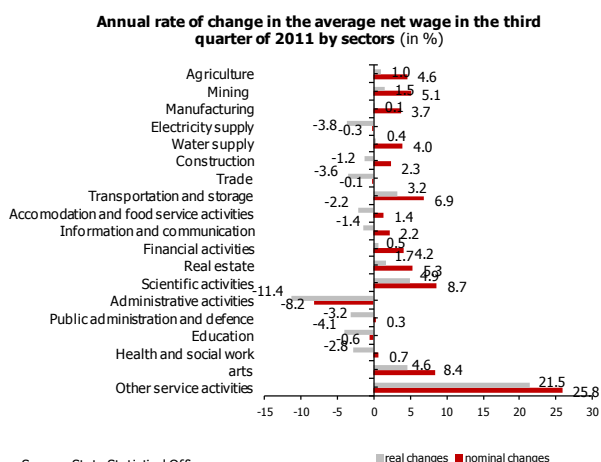
²⁵ The analysis of quarterly pace of employment, unemployment and total active population has been made using seasonally adjusted data. Only the total working age population was not subject to seasonal adjustment due to absence of seasonal dynamics in this series.

²⁶ Since January 2011, the State Statistical Office has applied the new National Classification of Economic Activities (NACE rev. 2) for collecting and processing labor market data (wages and employment). The change in classification made the analysis of employment, wages, productivity and labor unit costs in some economic sectors fail. Under the new classification, comparable data by activity are available only on annual wage growths.

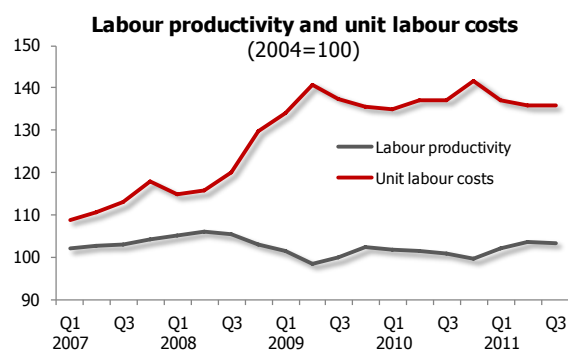
²⁷ Source: State Statistical Office, surveys of business tendencies in manufacturing industry (November 2011) and construction (third quarter of 2011).



Source: State Statistical Office.



Source: State Statistical Office.



Source: State Statistical Office and NBRM.

unemployed persons. Reduction of unemployment rate, with the labor demand being constant (number of employed persons) greatly arises from the decrease of active population. Observing the age structure, the favorable annual trend in the unemployment rate predominantly owe to the reduction of unemployment rate of persons from 25 to 49 years of age, accounting for the most of the total number of unemployed persons. Analyzed quarterly, the seasonally adjusted data show that the unemployment remained at the level of the previous quarter.

The average nominal wages kept on rising in the third quarter of the year. The nominal net and gross wages increased by 1.6% and by 1.5%, on annual basis. On quarterly basis, no significant changes were being registered relative to the previous quarter, i.e. only a minor cut of the average nominal wages (0.3%). The analysis of wages paid shows moderate nominal annual growth in most of the economic sectors and in only three service-based sectors (trade, administration and education). On the other hand, the electricity supply sector reported a decrease, a trend similar to the quarterly growth of wages²⁸. **The stabilization of price growth tended to slow down the real annual fall of wages, thus improving the real household purchasing power in the third quarter of the year.** In the third quarter of the year, the average real wages registered an annual fall of roughly 2% (3% in the previous quarter).

The annual growth of labor productivity continued in the third quarter (2.4%). Yet, notwithstanding the favorable annual developments, the quarterly analysis indicates certain deterioration of labor productivity, which is largely attributable to the quarterly fall of production in the third quarter. Labor productivity contracted by 0.3% relative to the previous quarter. **The analysis of labor unit costs shows continuation of the annual downtrend.** The labor unit costs reduced by 1%, compared to the same period of the year behind. On the other hand, amid quarterly deterioration of productivity, labor unit costs in the third quarter remained at the level of the previous quarter.

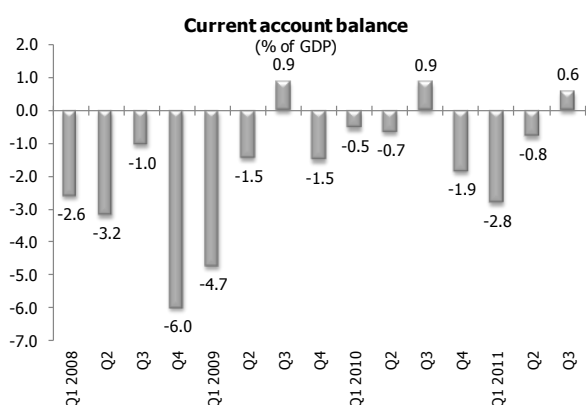
²⁸ Some service sectors are an exemption, e.g. water supply and mining, where wages paid decreased compared to the quarter before.



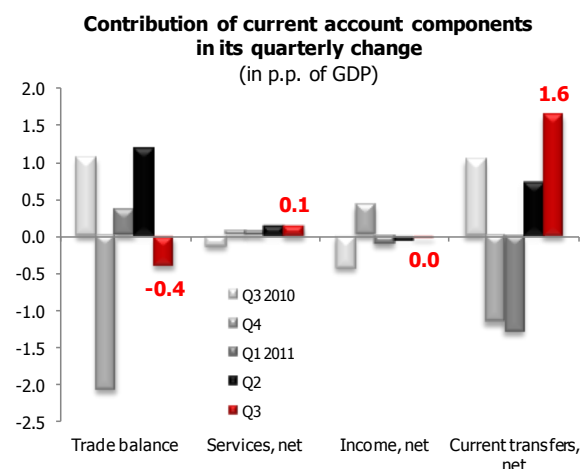
1.5. Balance of Payments

In line with the seasonal dynamics, the third quarter of 2011 reported a current account surplus. Yet, annually observed, it shrank solely due to the widening of trade deficit. The high dependence of the domestic economy on import of raw materials and energy, with the external demand remaining unchanged, resulted in a steeper growth of imports compared to exports. In the third quarter, the financial account of balance of payments registered high net outflows mostly due to the accumulation of foreign assets of banks abroad (to meet liquidity ratios as required by the regulation) and other temporary effects of other capital flows. While the global environment of uncertainty and restraint persisted, inflows from direct investments were an important source of inflows during the third quarter. The lower production volume and exports were expected to result in a faster downward adjustment of imports and to shrink the trade balance by the yearend. High inflows through private transfers in December, inflows based on direct investments and the government borrowing ensured significant accumulation of foreign reserves, the level of which was higher than expected at the end of the year.

1.5.1. Current Account



Source: NBRM.

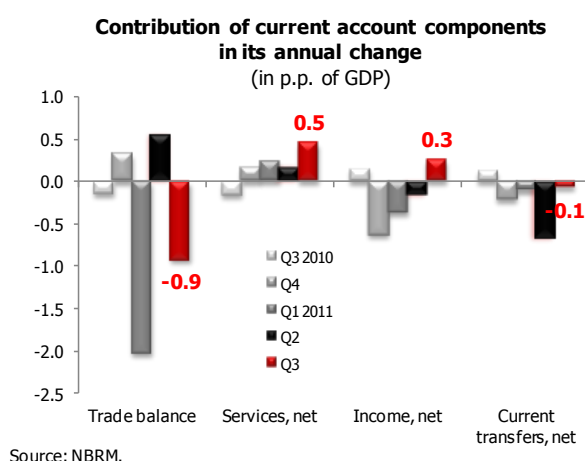


Source: NBRM.

In the third quarter of 2011, the current account of balance of payments registered a surplus of Euro 43.4 million, or 0.6% of GDP. The improvement of current account balance follows the typical quarterly pace²⁹ and mostly reflects the high inflows of current transfers. The seasonal visit of emigrants in this period of the year and the further reduction of inflation that created no demand for foreign cash resulted in higher inflows from current transfers. Thus, current transfers made positive contribution to the current account of 1.6 percentage points of GDP on a quarterly basis. The improved tourist season and the surplus of transport service inflows also made positive quarterly contribution (of 0.1 percentage points of GDP). With the income deficit being at the level of the previous quarter, the positive contribution of transfers and services was partially offset by the enlarged trade deficit (by 0.4 percentage points of GDP).

On annual basis, current account surplus was reduced by 0.3 percentage points of GDP, which amid improved performances of other components, is due to the widening of the negative gap of foreign trade. The higher import of raw materials for exports and of energy made the import growth rate exceed the

²⁹ Quarterly improvement of 1.3 percentage points. Analyzing since 2003, the quarterly improvement equaled 2 percentage points of GDP on average, except for 2007.



one of the exports³⁰ and accordingly, expand the trade deficit (by 0.9 percentage points of GDP). The widening of negative trade balance was largely offset by higher inflows in services and current transfers. Analyzing services³¹, the higher net inflows (of 0.5 percentage points of GDP), mainly arise from higher inflows based on traveling, confirmed by the higher number of overnight stays and higher inflows from merchandising services, which is an upward trend that began in early 2010 (except for Q-3 2010). The current transfers went up by 4.6%³² on annual basis, solely due to higher inflows from private transfers, in spite of the fall of official transfers. The favorable developments of private transfers persisted and additionally strengthened by the yearend, particularly in December. The growing uncertainty clouding the future of the Euro in the eye of EU Summit (in the first ten days of December) lowered the confidence in Euro and made an outstanding amount of this currency to be converted into Denar and deposited in banks, and to a substantially lower extent, to be converted into other foreign currencies. Although these developments were stabilized in the last ten days of December, they generated considerable inflows on the currency exchange market in the fourth quarter, in the amount of Euro 348 million. Income deficit shrunk (by 0.3 percentage points of GDP), almost solely due to the high base effect of the previous year³³. According to the **most recent balance of payments data for October 2011**, the current account registered a surplus owing to the annual reduction of trade deficit and increased inflows from current transfers.

Annex 3: Analysis of foreign trade³⁴ and development of the nominal and real effective exchange rate (NEER and REER)

In the third quarter of 2011, the exports and imports registered quarterly growth rates of 0.8% and 2.8% respectively. The faster growth of imports compared to exports made the trade deficit to further open by 6.8%, on quarterly basis. Changes were mostly due to the expanded deficit of energy and products classified by material and food. **Energy balance**

³⁰ In 2011, large import-export companies carried out high monthly imports on several occasions, which caused uneven movements in the trade balance, given the stable export dynamics.

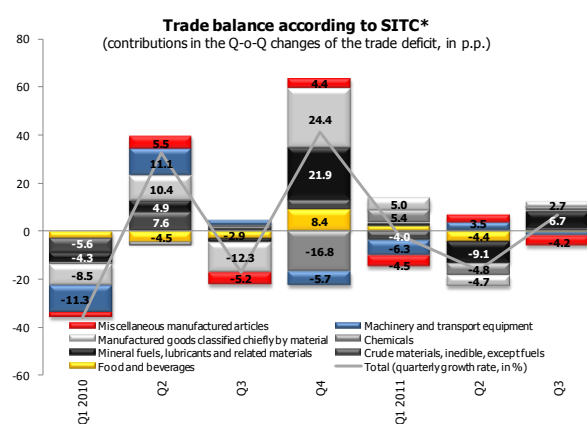
³¹ The highest quarterly services surplus since 2003.

³² Analyzed as relative shares in GDP, current transfers registered an annual fall of 0.1 percentage points of GDP, owing to the higher GDP growth relative to the growth of current transfers.

³³ In the third quarter of 2010, dividend was paid by a large domestic company to foreign investors.

³⁴ Under the Foreign Trade Methodology, export data are presented on fob basis, and import data are presented on cif basis.

deteriorated due to the faster growth of imported quantities of crude oil³⁵ and oil derivatives, in spite of the cut of oil prices on the global markets³⁶. Given the deficiency of energy from domestic sources (reduced hydro potential and reconditioning of one of the major production capacities), the domestic demand was fulfilled through the larger import of electricity, a factor that further widened the negative energy balance. Observing products classified by material, the contracted activity of metal manufacturing sector made the utmost effect on the widening of the negative balance of this category. The lower export of **iron and steel** and the higher imports contributed to a substantial reduction of the surplus of this group of products, due to the reduction of exported quantities. The higher imports of non-ferrous metals (particularly in September when high monthly imports were registered), used as raw materials in the production process of one major company operating in the free economic zone, also tended to expand the deficit of products classified by material, while the quarterly decrease of imports of textile yarns tended towards its offsetting. The third most important factor for the trade deficit enlargement is the widened negative food balance, which is due to the widening of the meat and sugar trade deficit. On the other hand, other products reported higher net exports of **apparel and clothing and footwear**³⁷, while the positive trade balance of **tobacco and tobacco preparations** also registered an increase. The third quarter reported favorable developments in the exports of **machinery and transport equipment**, the quarterly growth of which results from the higher export activity of one of the companies that operate in the free economic zone.



Source: DZS and NBRM.

* Negative sign indicates contribution to the narrowing of the trade deficit.

– most of which resulting from the enlarged deficit of products classified by material (higher import of non-ferrous metals due to the low base effect³⁸ and significant monthly imports in September), followed by the energy deficit³⁹ and to a lower extent, to the food deficit (increased import of meat, wheat and sugar⁴⁰). On the other hand, chemical products registered favorable dynamics (due to the annual export growth) and machinery and transport equipment, where the deficit shrank due to the lower import of vehicles (owing to the expiration of the legal benefits related to import of used cars) and the higher export of machinery by a large company operating in the free industrial zone. Higher export of our traditional export commodities, textile and tobacco, made a contribution to reduce trade

The trade deficit widened on annual basis (by 24.3%) as well, owing to the slower pace of the annual export growth of 20.9% (33.7% in the preceding quarter) and the simultaneously higher import growth rate of 22.1% (18.3% in the previous quarter). Such downturn was caused by the same factors of the quarterly dynamics, yet with different contribution

³⁵ In 2011, the regular reconditioning of the local oil refinery was made in two stages, the first started in the second half of May to the end of June, and the second took place during September. This led to low quantities of import of oil in the second quarter of the year, and substantial growth during the third quarter, given the insignificant increase of exported quantities.

³⁶ In spite of the fall of global oil prices, the imported domestic oil prices increased due to the depreciation of the Euro against the US Dollar.

³⁷ Such developments improved the positive balance of miscellaneous manufactured articles and tended to narrow the trade deficit, as well.

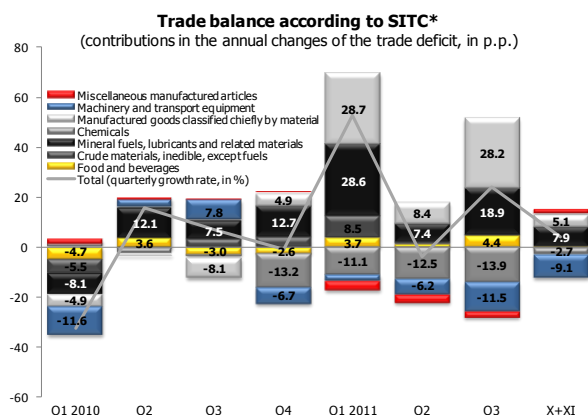
³⁸ The company using this category of products as imported raw material was not operating in full capacity.

³⁹ Largest contribution was made by oil (quantitative and price growth of oil and oil derivatives) followed by electricity (owing to the decreased production of thermal and hydro power plants).

⁴⁰ Higher import of sugar is partially due to the measure to reduce its customs import duty from 30% to 5%. This measure was adopted in January 2011.



deficit, reaching the levels before the crisis. **The most recent data for October and November** indicate a persistence of the trends present in the third quarter and further widening of the trade



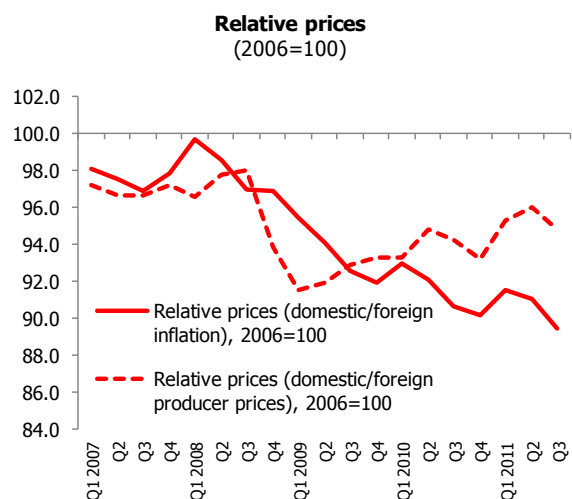
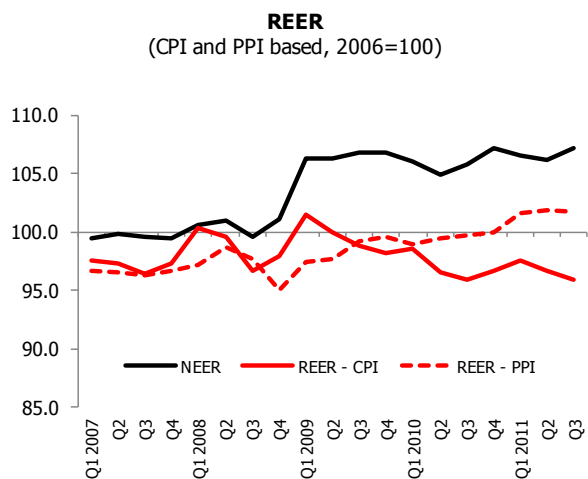
Source: DZS and NBRM.

* Negative sign indicates contribution to the narrowing of the trade deficit.

balance, yet at a markedly slower pace. A significant shift was registered only in the balance of *food, beverages and tobacco*, where the enlarged food balance was fully offset by the higher tobacco surplus.

In the third quarter, the foreign trade of the Republic of Macedonia, analyzed by trading partner, indicates outstanding annual enlargement of deficit in the trade with the EU member states, particularly in the trade with Great Britain, Bulgaria, Greece and Italy, or total of seventeen out of twenty seven EU member states. The widening of negative balance with Great Britain results from the low base and the high one-off import of non-ferrous metals⁴¹,

and the trade deficit with Bulgaria widened due to the higher import of oil and oil derivatives. On the other hand, positive changes in the trade balances were registered with seven EU member states, with the most considerable being the expansion of the trade surplus with Germany.⁴² Positive developments were also registered in the trade with other developed countries, where the trade deficit was reduced on annual basis. Higher net-exports were reported in the trade with Western Balkan countries, primarily generated by the higher exports to Kosovo. The increase of exports to Kosovo is partially due to the harmed trade between Kosovo and Serbia⁴³, therefore a portion of the imports from Serbia was replaced by imports of Macedonian commodities. **The recent foreign trade data** point to narrowing of the trade deficit with the EU member states and additional widening of the negative trade balance with the developing countries.



In the third quarter of 2011, price competitiveness indicators show improved competitiveness. REER calculated according to the both indices (CPI and PPI) depreciated relative to the previous quarter by 0.8% and 0.2%, respectively. Such positive dynamics fully arises from the favorable relative prices (lower domestic prices compared to foreign prices), thus offsetting the influence of NEER appreciation. NEER appreciated by 1% on a quarterly basis, due to the appreciation

⁴¹ Platinum is a production input of one of the companies that operate in the free industrial zone. A high one-off imports were registered in September 2011.

⁴² In the third quarter, exports to Germany went up by 56.7%, on annual basis.

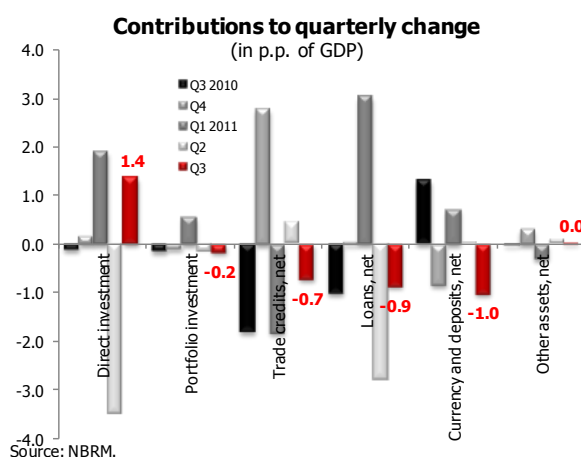
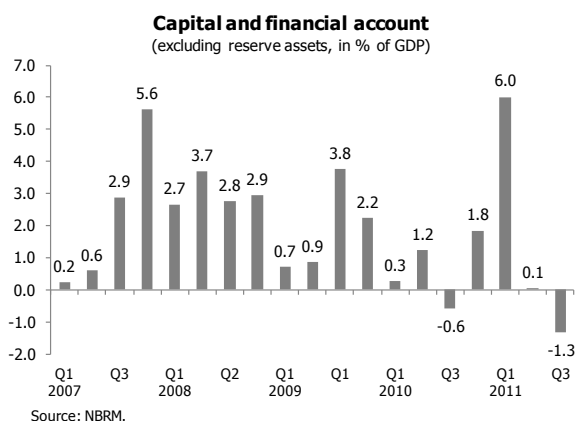
⁴³ In the third quarter, Kosovo introduced an embargo for import of commodities from Serbia.



of the Denar against the Serbian Dinar, the Turkish Lira and the Russian Ruble. The recent **October and November** data (the average indices) point to continued depreciation developments relative to the third quarter according to both indices, i.e. depreciation of REER-CPI and REER-PPI of 0.1% and 0.3%, respectively. Such dynamics in this period also results from the improvement of the relative prices, amid appreciation of NEER (of 0.5%).

1.5.2. Capital and Financial Account

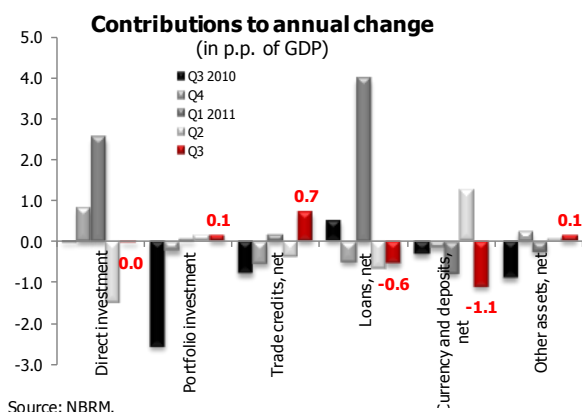
The third quarter reported **net-outflows within the capital and financial account of Euro 97.8 million (or 1.3% of GDP)**. In spite of the current account inflows, higher capital net-outflows brought about a decrease of gross official reserves in the third quarter. Almost all categories reported net-outflows, except for direct investments which were a primary source of capital inflows. Capital net-outflows are mainly due to net-outflows of the category of currency and deposits of both sectors, i.e. net foreign assets of banks and households (Euro 99.3 million or 1.4% of GDP). Observing the banking sector, the monthly analysis within the quarter indicates intensive accumulation of foreign assets of banks on their accounts abroad in July and August (and simultaneous decrease of their foreign liabilities), which can be partially explained with the need for accumulation of foreign assets to meet liquidity ratios. Amendments to regulations made in September⁴⁴ contributed to the decrease of accumulation of foreign assets of domestic banks abroad and consequently, inflow of foreign assets to the domestic economy. Regarding foreign assets of other economic sectors i.e. households, the trend of withdrawing foreign assets from the banking system continued at a faster pace, partially reflecting the higher uncertainty in the Euro area. Among other components, substantial outflows were registered in trade credits, portfolio investments and borrowing from abroad on a net-basis (aggregate outflows of Euro 59 million or 0.8% of GDP). Observing portfolio investments and net borrowings, these are one-off effects registered in July, mainly attributed to the interest payment on the second issue of Eurobonds, as well as a larger repayment of a short-term debt by a domestic bank (a loan extended few months ago, in April 2011). Direct investment, with Euro



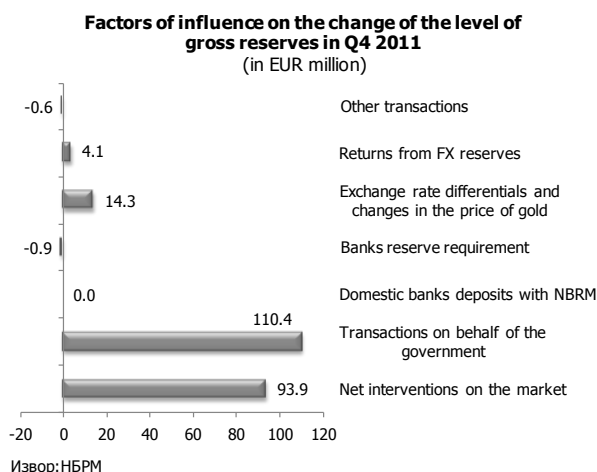
⁴⁴ On September 15, 2011, the NBRM made amendments to the Decision on managing banks' liquidity risk, allowing for integrated fulfillment of banks' liquidity, irrespective of the currency, by maintaining a single liquidity ratio (rather than fulfilling liquidity ratios separately for Denar and currency positions). For amendments to the banks' liquidity risk management see the Decision on managing banks' liquidity risk ("Official Gazette of the Republic of Macedonia no. 126/2011").



42 million (or 0.6% of GDP), are an important source of capital inflows in this quarter, as a result of higher investment in equity capital and reinvested earnings, in conditions of intercompany debt repayments. **The most recent October data** show further net-outflows in the capital and financial account, mainly due to outflows in the form of trade credits.

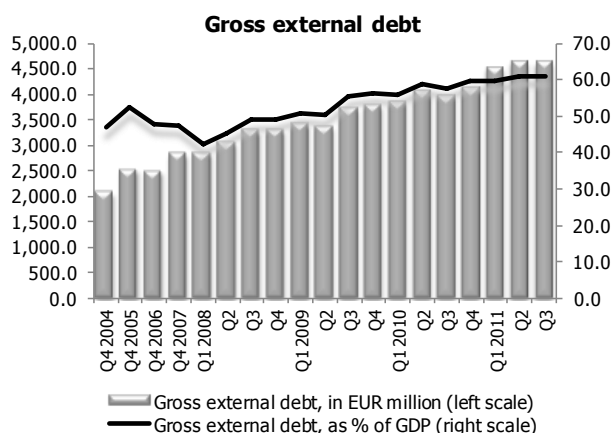


The quarterly and annual analysis of capital flows indicates deterioration of capital and financial account. Quarterly observed, capital flows registered high net outflows, compared to the slight inflow from the preceding quarter (by 1.4% of GDP), while on annual basis, net-outflows increased (by 0.8% of GDP). Both analyses (of the quarterly and annual dynamics) of the growth show higher net-outflows of currency and deposits and net-payments of the loans from abroad (higher short-term payments).



The level of gross foreign reserves equaled Euro 1,847.8 million at the end of the third quarter, which is by Euro 133 million higher compared to the end of 2010. Amid such developments in the current, and the capital and financial account, most of the accumulation is due to the withdrawal of funds from PLC (in March this year). *According to the most recent available data*, at the end of 2011, foreign reserves were valued at Euro 2,069 million, which is by Euro 221 million higher relative to the end of the third quarter, primarily due to the withdrawn government loan guaranteed by the World Bank (Policy based Guarantee - PBG), as well as the high purchase on the foreign exchange market by the NBRM.

1.5.3. Gross external debt

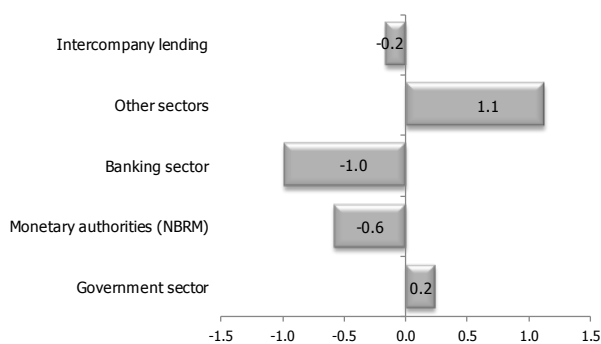


In contrast to the quarterly increase in the first and the second quarter of the year, the gross external debt was by Euro 17.5 million lower at the end of the third quarter. Thus, on September 30, 2011, the gross external debt amounted to Euro 4,623.3 million, or 61% of GDP. Observing institutional sectors, the debt of the **banking sector** made the greatest contribution to the debt decrease, where the borrowing in the form of loans significantly decreased, with liabilities based on nonresident deposits also declining. A smaller contribution was registered by the reduced liabilities of the **monetary authority** in the form of REPO transactions⁴⁵ (registered as short-term

⁴⁵ In the second quarter, the NBRM started making repo and reverse repo transactions. When entering into repo

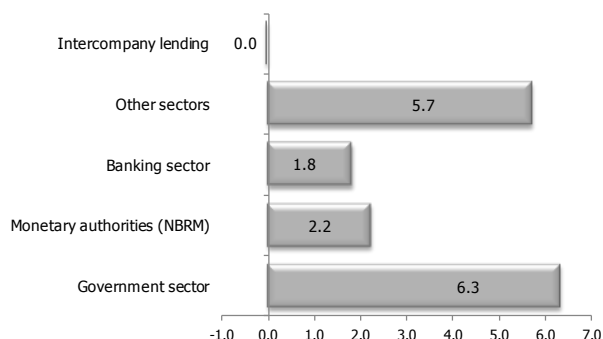


Contributions to the quarterly change of the gross external debt, by sectors (in p.p.)



Source: NBRM.

Contributions to the annual change of the gross external debt, by sectors (in p.p.)



Source: NBRM.

loans) and the **intercompany lending**, due to the lower liabilities of one of the companies operating in the free economic zone. On the other hand, the debt of other sectors in the economy and the government increased on a quarterly basis, unlike the dynamics typical for the preceding quarter. **Other sectors** reported higher indebtedness based on short-term trade credits, and further increase of the debt in the form of long-term loans. The increased debt in this segment results from the rise of the debt of nonfinancial corporations⁴⁶. Additionally, the higher gross debt of the **government** arises from the higher liabilities in the form of long-term loans, which have been substantially offset by the decreased value of the debt in the form of issued Eurobonds, due to the reduction of prices at which they are listed on the international markets.

The lower public sector debt on a quarterly basis made slightly more significant contribution compared to the private sector debt, accounting for 53.2% of the quarterly decrease of the gross external debt. Analyzing *maturity*, the decrease of total gross debt arises from the lower short-term debt, whereas the long-term debt tends to increase the total debt.

The annual analysis indicates a rise of gross external debt in the third quarter in the amount of Euro 639.4 million, or 16%. Most of the debt increase was created on the basis of higher long-term **government** debt with the IMF and on the higher liabilities of **other sectors**, particularly short-term trade credits and long-term loans of nonfinancial corporations. The **monetary authority** debt is an additional factor for the growth of gross external debt, due to the higher liabilities based on repo transactions, which the NBRM began executing in the second quarter of the year. **Banks'** debt also had an effect on the increase of the outstanding debt, where the long-term borrowing in the form of loans (46.1% of

transactions, liabilities (classified in the category of loans) that contribute to the increase of the gross debt are being created. On the other hand, when entering into reverse repo agreements, the created claims contribute to the increase of gross claims. The NBRM enters into simultaneous subsequent repo and reverse repo agreements, in almost identical amounts. Overall, since they are being made simultaneously, the effect of these transactions on a net-basis is neutral, i.e. they occur in almost identical amount on the side of both liabilities and claims, thus having no effect on the total net external debt.

⁴⁶ The NBRM started disclosing data on the gross external debt of other sectors in the economy, by segment. Thus on September 30, 2011, the stock of the debt of nonfinancial corporations, nonbank financial corporations and households and nonprofit institutions serving households makes 96.7%, 3% and 0.3%, respectively, of the gross external debt of other sectors in the economy.

EXTERNAL DEBT INDICATORS	Solvency			
	Interest payments/ Exports of goods and services	Gross debt/ Export of goods and services	Gross debt/ GDP	Debt service/ Exports of goods and services
	in %			
31.12.2004	2.24	120.1	49.3	11.5
31.12.2005	2.33	128.5	56.3	9.7
31.12.2006	2.88	109.8	51.8	18.2
31.12.2007	2.38	102.3	53.2	16.6
31.03.2008	2.30	87.5	47.9	8.8
30.06.2008	2.30	93.6	51.2	8.8
30.09.2008	2.30	100.7	55.1	8.8
31.12.2008	2.30	101.1	55.3	8.8
31.03.2009	2.10	102.3	52.9	10.2
30.06.2009	2.10	101.1	52.2	10.2
30.09.2009	2.10	111.7	57.7	10.2
31.12.2009	2.10	113.3	58.5	10.2
31.03.2010	2.79	114.3	57.0	12.0
30.06.2010	2.79	120.1	59.9	12.0
30.09.2010	2.79	117.8	58.8	12.0
31.12.2010	2.79	122.2	61.0	12.0
31.03.2011	2.75	126.9	64.0	14.2
30.06.2011	2.75	130.2	65.7	14.2
30.09.2011	2.75	129.7	65.5	14.2
Moderate indebtedness criterion	12 - 20%	165 - 275%	30 - 50%	18 - 30%

*The moderate indebtedness criterion is according to the World Bank's methodology of calculating indebtedness indicators, which implies 3-year moving averages of GDP and exports of goods and services in the calculation of the indicators. Data for 2011 are according to BoP Projection October 2011.

Source: NBRM.

EXTERNAL DEBT INDICATORS	Liquidity		
	Foreign reserves/ ST debt	Foreign reserves/ ST debt at remaining maturity*	ST debt/ Total gross debt
	ratio	ratio	in %
31.12.2004	1.14	0.89	30.3
31.12.2005	1.67	1.04	26.7
31.12.2006	1.95	1.34	29.0
31.12.2007	1.35	1.08	39.8
31.03.2008	1.51	1.03	35.1
30.06.2008	1.39	1.06	36.4
30.09.2008	1.35	1.04	38.1
31.12.2008	1.29	0.95	35.2
31.03.2009	1.03	0.78	36.0
30.06.2009	1.07	0.79	33.2
30.09.2009	1.26	0.93	32.5
31.12.2009	1.29	0.94	32.9
31.03.2010	1.33	0.90	31.2
30.06.2010	1.32	0.97	31.9
30.09.2010	1.36	0.92	31.3
31.12.2010	1.29	0.89	32.1
31.03.2011	1.42	0.98	29.6
30.06.2011	1.24	0.89	31.9
30.09.2011	1.27	0.92	31.5
Criterion	1.00		

In compliance with "External debt statistics: Guide for compilers and users," published by the IMF.

*According to the "Greenspan-Guidotti rule", a country should maintain full coverage of short-term debt at remaining maturity with gross foreign reserves.

Source: NBRM.

which credit lines from parent banks) rose, partially offset by the decrease of liabilities in the form of short-term loans. The trend of annual increase of **intercompany lending** halted, so that the intercompany lending was insignificantly lower at the end of the third quarter compared to September 30, 2010. *Regarding the sector structure* of the debt, public sector debt accounts for greater portion (60.6%) of the annual debt increase, and *analyzing maturity*, the growth of long-term liabilities made greater contribution (of 66.8%).

Solvency indicators of the gross external debt under the World Bank methodology⁴⁷, provide indications for annual growth of external debt, which, due to the low base effect of almost all indicators (the average is based on the data for 2009 and 2010 when the economy and the exports were hit by the financial crisis) should be interpreted with a certain reserve. Given the faster increase of gross debt relative to the growth of three-year average of exports of goods and services and nominal GDP, **gross debt / exports of goods and services** and **gross debt /GDP ratios** deteriorated on annual basis by 11.9 and 6.7 percentage points, respectively. A smaller negative change (of 2.3 percentage points) was registered in the **debt service-to-exports of goods and services ratio**, while the indicator for the **share of interest payments in the exports of goods and services** reported a slight improvement. *Generally speaking, the comparison with the indebtedness criteria positions our country among less indebted countries according to three criteria. If observed by the gross external debt to GDP, our country is placed among the high-indebted countries. Liquidity indicators also indicate higher borrowing from abroad.* The coverage of the short-term debt with foreign reserves is lower by 6.5%, albeit the reserves still provide more than sufficient (full) short-term debt coverage.⁴⁸ Short-term debt constitutes roughly one third of the total external debt and experienced minor annual growth (of 0.3 percentage points).

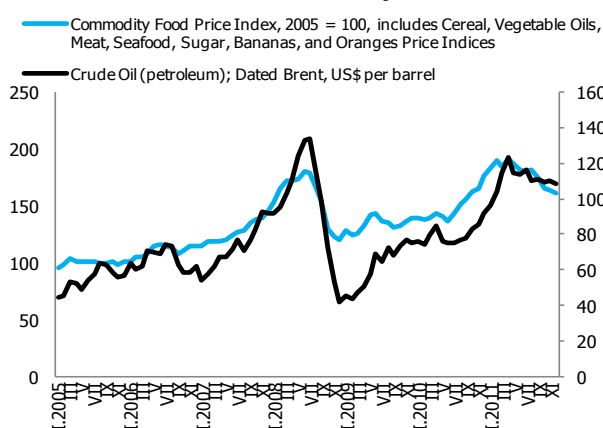
⁴⁷ This World Bank methodology implies use of three-year moving averages of GDP and of export of goods and services and other inflows (that include inflows from investment income, compensations from employees and remittances) as denominators used in the calculation of indicators. This methodology also defines debt criteria, as reference values of the indebtedness.

⁴⁸ Excluding repo transactions, the coverage of the short-term debt with foreign reserves equals 1.35.

1.6. Inflation

The seasonal increase of food prices, and to a lower extent, the rise of energy prices contributed to the increase of prices in the fourth quarter of 2011. Domestic measures were undertaken in this period aimed to abate the inflationary pressures from certain primary food commodities, having offsetting effect, and contributed to marginal quarterly rise of prices. The annual inflation rate kept on decelerating, and the average inflation for 2011 was reduced within the expected level (3.9%). The absence of pressures from the domestic demand made the growth of long-term inflation component additionally decelerate in the last quarter, remaining stable at around 1% on average throughout 2011. The downward trend of domestic producer prices and labor unit costs indicates lower inflationary pressures from these factors in the period ahead which is expected to experience moderate dynamics of the general price level compared to the growth of 2011.

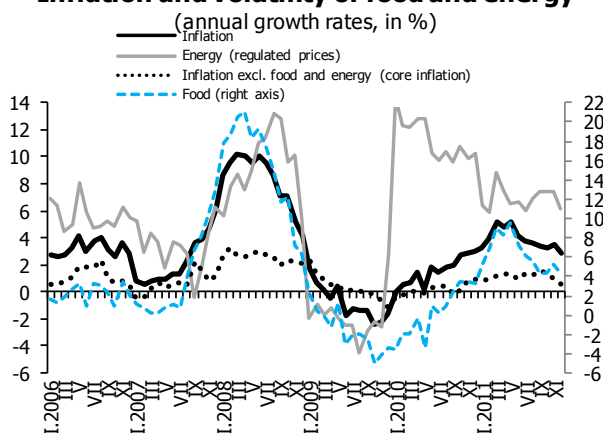
Crude oil and food prices



Source: IMF Primary Commodity Prices.

In the last quarter of the year, the inflation trajectory was primarily influenced by seasonal factors, with the growth being under the impact of certain tax changes. The quarterly increase of 0.5% of domestic prices in the last quarter mainly results from higher food prices, dominated by the rise of price of fresh vegetables of 17.9% (2.9% seasonally adjusted), which was partially offset by the price decrease of fresh fruits and the lower price of fats due to the changes in VAT rate on these products⁴⁹. Energy prices made lower contribution to the quarterly inflation with an increase of 1.3%, due to the higher prices of fuels (2.7%) and central heating⁵⁰.

Inflation and volatility of food and energy



Source: State statistical office and NBRM calculations.

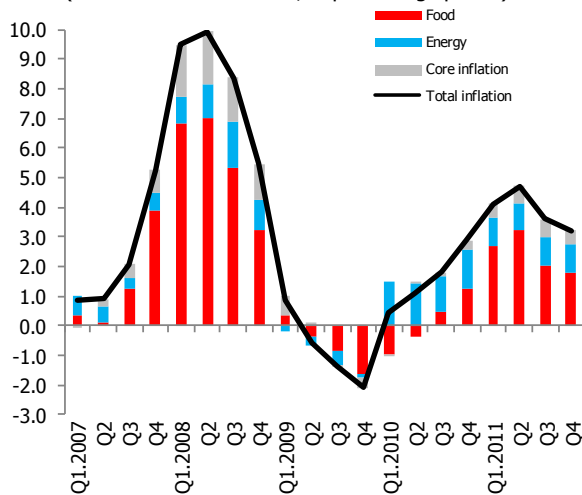
In spite of the minor quarterly price rise, the annual inflation kept on slowing down, and reduced to 3.2% (3.6% in the third quarter). In the same period, the foreign effective inflation accelerated on annual basis, from 4.3% in the third quarter to 5.0%. **Domestic inflation decelerated due to the lower contribution of food prices**, solely accounting for lower prices of fats (growth of 1.7%, compared to 22.7% in the preceding quarter). Simultaneously, the annual increase of foreign effective food prices also decelerated, yet at a slower pace (6% increase, compared to 6.7% in the preceding quarter). Having a stable annual increase of prices of oil derivatives, **the contribution of energy prices to the total annual inflation remained**

⁴⁹ The recent amendment to the VAT Law dated October 3, 2011 introduced a privileged VAT rate of 5% for imports and for trade of crude fats for human consumption. Such an amendment reduced the retail price of cooking oil in this quarter.

⁵⁰ On October 31, 2011, the Regulatory Energy Committee adopted a decision to increase the price of heating energy by 8.3% on average, effective since November 1, 2011. Such an amendment caused a quarterly increase of 2.3% of the prices of heating and services category in the fourth quarter.

Volatile (food and energy) and long-term component of inflation

(contribution to inflation, in percentage points)



Source: State statistical office and NBRM calculations.

unchanged, in spite of the rise of prices of heating energy, due to their marginal share in the inflation index.

The domestic demand does not create any pressures for increase of inflation⁵¹. This is perceived through the core inflation developments (price component excluding food and energy), which in the last quarter equaled 0.9% on annual basis, being by 0.4 percentage points lower compared to the previous quarter. The slowdown of long-term inflation component primarily results from the lowered contribution of prices of utility and housing services and hygiene agents, due to the base effect.

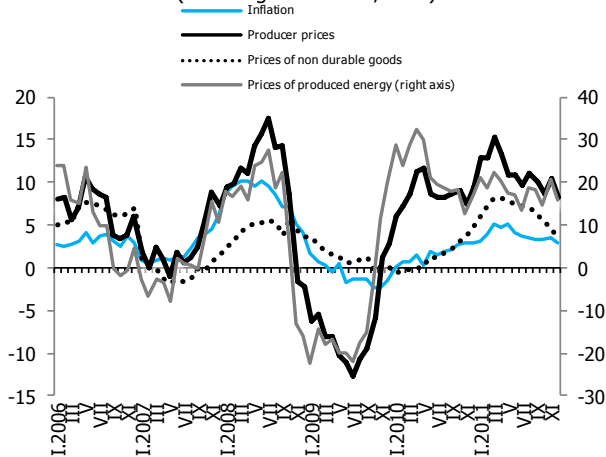
Price categories

	(annual growth rates, in %)						(contributions to annual growth rates, in p.p.)					
	2011					2011	2011					2011
	2010	Q1	Q2	Q3	Q4		2010	Q1	Q2	Q3	Q4	
Consumer price index - all items	1.6	4.1	4.7	3.6	3.2	3.9	1.6	4.1	4.7	3.6	3.2	3.9
Food	0.3	7.1	8.4	5.4	4.7	6.4	0.1	2.7	3.2	2.0	1.8	2.4
Fresh food	-0.9	4.6	6.7	2.0	3.1	4.1	-0.2	0.8	1.2	0.3	0.5	0.7
Processed food	1.3	8.5	9.9	8.4	6.3	8.3	0.3	1.7	2.0	1.8	1.3	1.7
Energy	11.2	7.1	6.9	6.8	7.0	6.9	1.4	0.9	0.9	0.9	1.0	0.9
Fuels and lubricants	19.3	18.4	10.9	12.0	12.2	13.4	0.6	0.6	0.4	0.4	0.5	0.5
Electrical power	9.8	1.8	5.4	5.4	5.4	4.5	0.6	0.1	0.4	0.4	0.4	0.3
Heating power	6.5	6.3	5.7	4.2	5.0	5.3	0.2	0.2	0.2	0.1	0.2	0.2
Food and energy (volatile prices)	2.9	7.1	8.0	5.7	5.3	6.5	1.5	3.6	4.1	3.0	2.7	3.4
Core inflation (inflation excl. food and energy)	0.2	1.0	1.2	1.3	0.9	1.1	0.1	0.5	0.6	0.6	0.5	0.5

Source: State Statistical Office and NBRM calculations.

Inflation and industrial producer prices

(annual growth rates, in %)



Source: State statistical office and NBRM calculations.

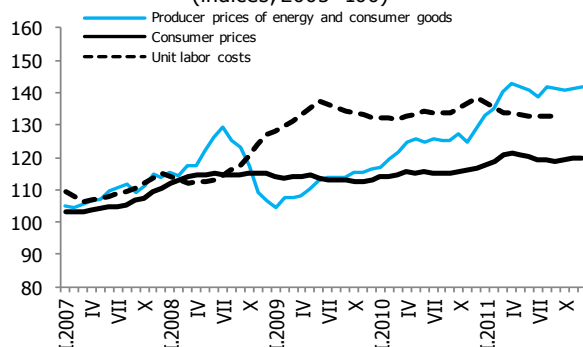
Producer prices of industrial products

in the fourth quarter registered a minimum quarterly increase of 0.2% (2.7% increase according to seasonally adjusted data), registering no significant oscillations by product category. Observed annually, the growth decelerated and reduced to 9.5% (10.2% in the preceding quarter). Prices of oil derivatives, food products and electricity contributed the most to this growth. **Movements of producer prices that have an effect on the domestic inflation component⁵² indicate lower inflation pressures in the period ahead** (quarterly stabilization and slower annual growth pace of 11.2%).

The downward trend of unit labor costs is expected to potentially have a downward effect on the consumer prices. These costs remained unchanged in the third quarter of 2011, and register annual fall for two consecutive quarters.

Factors affecting consumer prices

(indices, 2005=100)



Source: State statistical office and NBRM calculations.

⁵¹ NBRM estimations show that domestic production is still below the potential (negative production gap).

⁵² Joint consumption (durable and nondurable) products and energy.

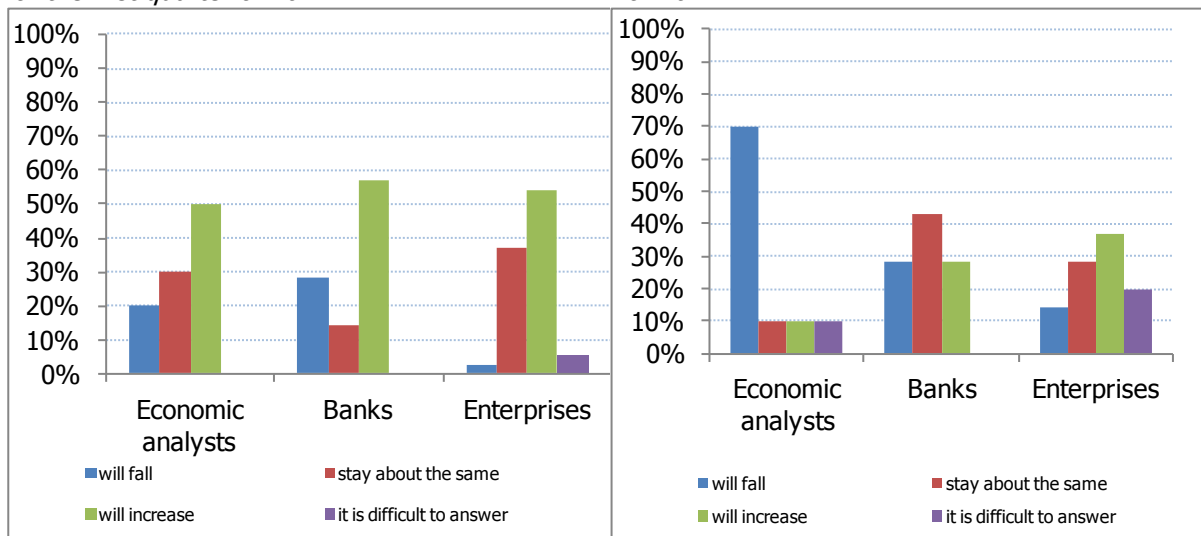


As of January 2012, prices of electricity and heating were increased, following the trends of global energy prices. However, **2012 is expected to witness a moderate rise of the general price level**, a perception based on the expectations for exhaustion of inflationary pressures of the global food and crude oil prices, deceleration of foreign inflation and a slower growth of the domestic economy.

Annex 4: Inflation expectations of economic agents in the Republic of Macedonia

According to the Survey of Inflation Expectations conducted in January 2012⁵³, in the period ahead the inflation rate is expected to accelerate. Most of the respondents (53.8%) expect at the end of the first quarter of 2012 the annual inflation rate to exceed the 2.8% inflation rate registered in December 2011. One third of the respondents (32.7%) consider that the inflation will remain at the existing level, and a few (9.6%) expect it to reduce⁵⁴. Analyzing by group of respondents, more than a half (54%) of the surveyed **companies** have higher inflation expectations, 37% have stable expectations, and only 3% consider that the inflation will be lower. Most **banks** subjected to the survey have higher inflation expectations (57%), and the remaining banks have lower (28.6%) and stable (14.3%) inflation expectations. **Analysts** have similar expectations - most of them (50%) expect inflation higher than the one in December, 30% expect stabilization of inflation, and only 20% expect it to reduce. *Thus based on the responses of economic agents, in March 2012 the expected annual inflation rate would equal roughly 3%.*

Distribution of responses for inflation expectations, by group of respondents for the first quarter of 2012



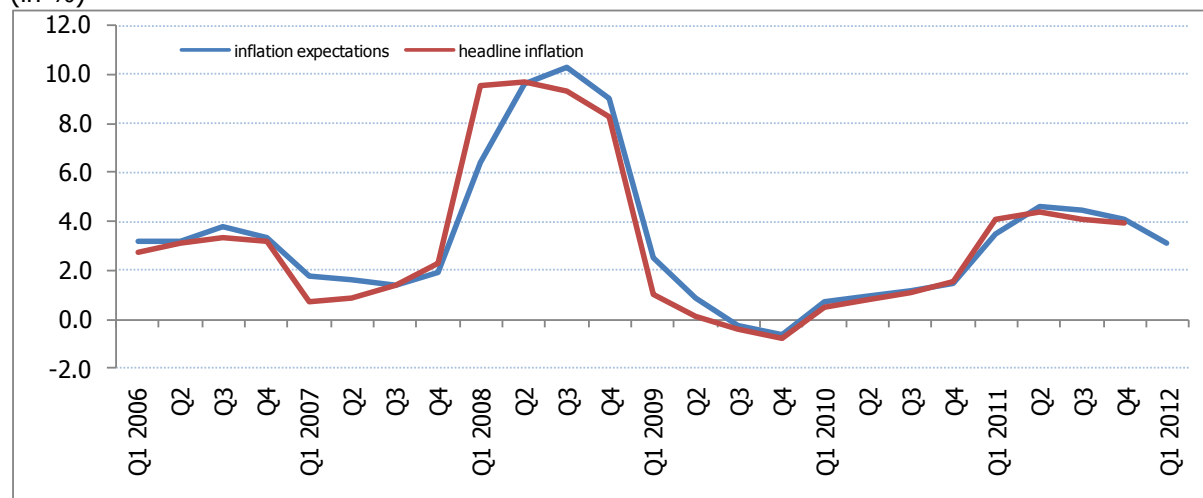
Source: NBRM, Inflation Expectations Survey.

⁵³ The survey had 71% responsiveness, i.e., 52 of 73 respondents answer this survey. Observed by group of respondents, the responsiveness of banks is 100%, followed by economic analysts (76.9%) and companies (60.0%).

⁵⁴ The remaining percentage to 100% throughout the text, are respondents that chose the option "hard to determine".

As to 2012, responses point to nearly equal distribution of inflation expectations of the respondents. Expectations for lower and stable inflation are equally distributed, (27% for each), and 31% of respondents expect the inflation to increase relative to the average inflation rate for 2011 (3.9%)⁵⁵. Analyzing by group of respondents, 37.1% of surveyed **companies** expect the inflation rate to rise, 28.6% expect it to persist, and 14.3% expect it to reduce. Most **banks** (42.9%) expect stable inflation, and the remaining banks expect the inflation to decrease and to increase (28.6% for each). Most **analysts** expect lower inflation in 2012 (60% of respondents), 20% expect it to increase and merely 10% expect it to stabilize. *Taking into account the responses of surveyed economic agents in 2012, the average expected inflation rate would equal around 3.5%, which is downward adjustment of inflation expectations relative to the preceding survey (about 3.9%).*

Expectations for average inflation rate throughout the year and average cumulative inflation (in %)



Source: NBRM, Inflation Expectations Survey and SSO.

Responses point to the uncertainty surrounding the EU approximation to the fiscal union that tends to weaken the euro, the increase of regulated prices of electricity, central heating and oil derivatives, and the expectations for contraction of both domestic and global economic activity as major factors that influenced the formation of inflation expectations of the economic agents.

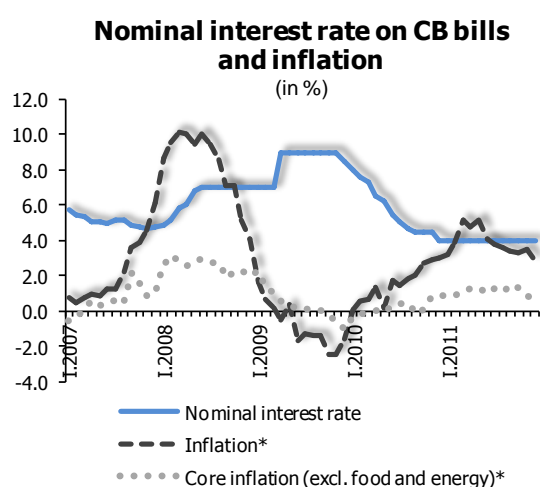
II. Monetary Policy

In the fourth quarter of 2011, NBRM preserved the key interest rate unchanged at the level of 4%, set in December 2010. The monetary setup was created taking into account the present and expected future trends of key macroeconomic variables and the presence of exacerbated risks in the analyzed and forthcoming period. Thus the annual inflation rate in the fourth quarter was in line with the recent NBRM macroeconomic forecasts, and as expected, the growth of the domestic economy in the third quarter contracted, although at a slightly faster pace than expected. On the other hand, the high uncertainty stemming from the sovereign debt crisis in the Euro area and the unpredictability of the implications to the Macedonian economy marked almost the entire quarter, creating a need for high prudence of the monetary policy. The foreign exchange market experienced similar trends, where the foreign currency inflows oscillated throughout the quarter. In December, the NBRM made an unexpectedly high net-

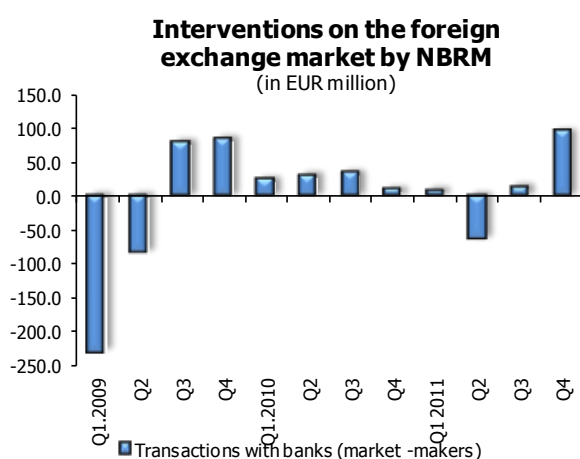
⁵⁵ The remaining percentage to 100% throughout the text, are respondents that chose the option "hard to determine".



purchase of foreign assets. This was partially attributable to the higher uncertainty clouding the future of the Euro pending the EU Summit (in the first ten days of December), evident through the temporary increased demand for Denars and high foreign currency inflows on the currency exchange and foreign exchange markets. These movements, along with the government borrowings from abroad and the inflows from direct investments, made a favorable effect on the gross foreign reserves, which were markedly higher than projected at the end of 2011, setting up a solid ground for the strategy of de facto fixed exchange rate. According to the present assessments, the environment for conducting monetary policy in the period ahead is also expected to be generally favorable. Yet, the risks are still present and are closely related to the efficiency in finding solution for the sovereign debt crisis in the Euro area and the risk of slower recovery of the global economy than expected.

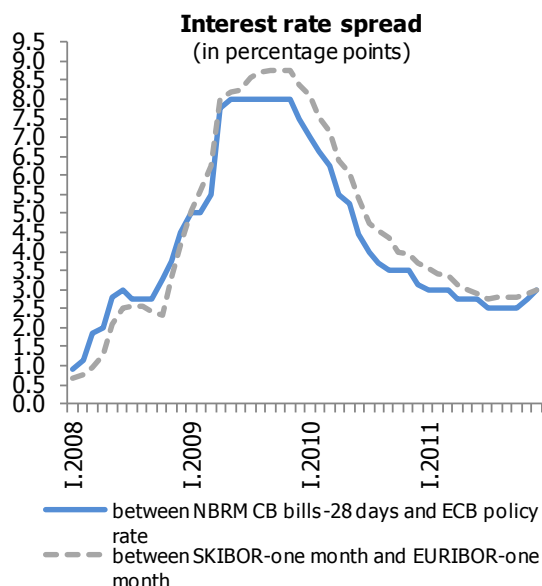


*Current month/same month of the previous year.
Source: State Statistical Office and NBRM.

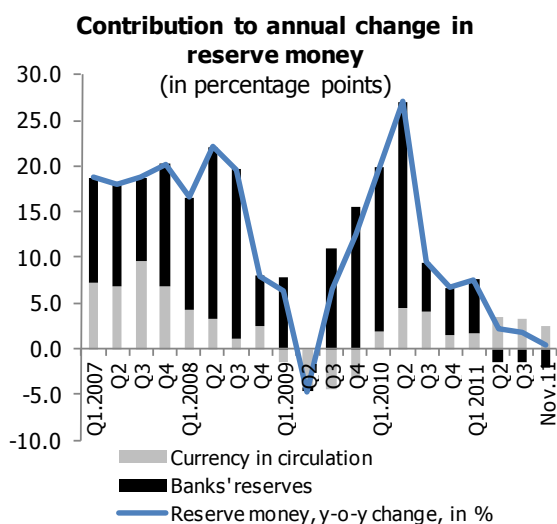


Source: NBRM.

Given the generally positive developments of the key macroeconomic parameters on the one hand, and the higher uncertainty and risks surrounding the global economy, on the other hand, in the last quarter of 2011, the NBRM preserved the key interest rate unchanged at the level of 4%. Thus, in the fourth quarter, the average annual inflation rate equaled 3.2%, which follows the latest NBRM projections for 3.4% price growth in the last quarter. The core inflation rate that excludes the effect of food and energy prices, slowed down in the fourth quarter, and equaled 0.9%, on average, on annual basis. According to the NBRM most recent forecasts, the economic activity kept on expanding annually in the third quarter, but at a slower pace, with the growth deceleration being faster than expected. The developments on the foreign exchange market were generally stable, but with volatile dynamics during the last quarter. Thus in October, the NBRM made a minor net-purchase of foreign currencies on the foreign exchange market, unlike in November, when no interventions with market-makers were reported. These trends were present in conditions of higher uncertainty and risks arising from the debt crisis in the Euro area. This was a period of intensive speculations for escalation of the debt crisis and uncertainty for the future of the Euro area that culminated in the first ten days of December, ahead of the EU Summit, and stabilized immediately after. These events affected the Macedonian economy through a temporary increase in the demand for Denars at the beginning of December, which resulted in high foreign currency inflows on the currency exchange and foreign exchange market. In such circumstances and given the SDR-based inflows, in December, the NBRM made high net-purchase of foreign currency on the foreign exchange market. During the fourth quarter, the net-purchase of foreign currency amounted to Euro 94 million, thus



Source: NBRM, ECB (www.ecb.int) and De Nederlandsche Bank (www.statistics.dnb.nl).



Source: NBRM.

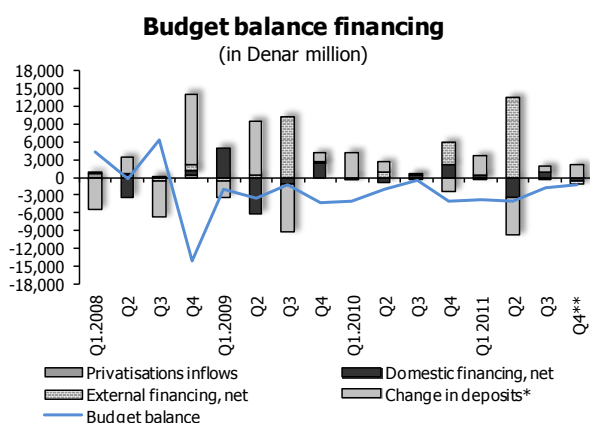
contributing to a higher than expected foreign reserve accumulation. Consequently, 2011 ended with far more favorable position of foreign reserves than expected, thus strengthening the credibility of the fixed exchange rate strategy in the period ahead. Yet, risks surrounding the European debt crisis remain, which creates a need for prudential monitoring of the situation, in order to respond timely for successful achievement of the ultimate and intermediary monetary policy objectives.

The growing downward risks surrounding the economic perspectives of the Euro area in the forthcoming period, and the assessment for controlled inflation pressures in a long run, **triggered changes in the ECB key interest rate in the last quarter that aimed to relax the monetary environment in the Euro area.** Thus, during this quarter, ECB cut the key interest rate on two occasions (on November 3, 2011 and on December 8, 2011) by 0.25 percentage points, each, reducing it to the lowest historical level of 1%, in December. The reduction of ECB interest rate, while the NBRM key interest rate remains unchanged, resulted in broadening of the interest spread between the key interest rates of NBRM and ECB, which equaled 3 percentage points in December, compared to 2.5 percentage points in September. The switch of the ECB monetary policy setup was followed by the financial markets, where the EURIBOR dynamics, in all maturities, showed a downward trend during November and December. On the domestic financial market, SKIBOR⁵⁶ registered generally stable developments. In such environment, the interest spread between one-month SKIBOR and one-month EURIBOR equaled 3 percentage points in December (2.8 percentage points in September). The interest spread between domestic and European interest rates widened after its contraction in the previous two quarters (owing to the restricted monetary policy of the ECB in April and July). Such changes suggest a potentially higher interest for domestic financial instruments compared to the foreign ones, and consequently, a possibility of higher interest-sensitive inflows of foreign currencies.

At the end of the fourth quarter of 2011, banks' accounts with NBRM⁵⁷ increased quarterly by Denar 4,718 million. In the fourth quarter of 2011, the banks allocated on average 2% over the reserve requirement (in

⁵⁶ Interbank interest rate on Denar deposits, calculated using the quotations of reference banks.

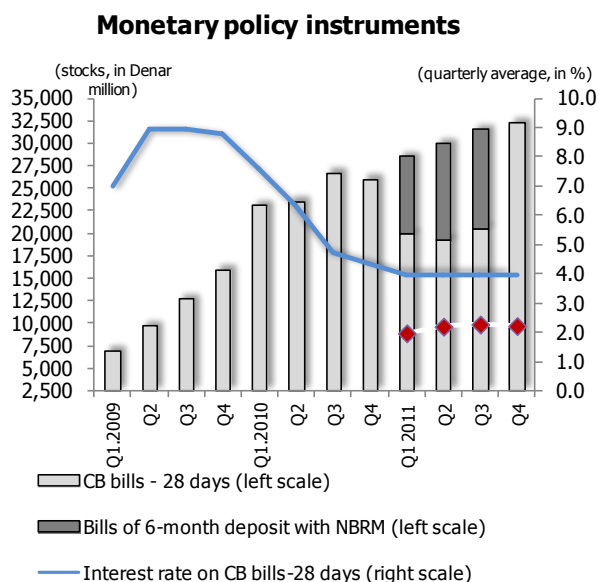
⁵⁷ Denar accounts of banks obliged to allocate reserve requirement.



* Positive change- deposits withdrawal; negative change- deposits accumulation.

** Refers to October and November 2011.

Source: Ministry of finance of the Republic of Macedonia.



Source: NBRM.

Denars)⁵⁸, which is almost at the average level of the third quarter. Excess liquid assets over the reserve requirement in the fourth quarter of 2011 registered no significant changes compared to the average in the same period of the previous year. In November 2011, the annual growth rate of reserve money⁵⁹ equaled 0.5%, compared to 1.8% at the end of the third quarter of 2011.

Observing the factors that influence the banking sector liquidity, in the fourth quarter of 2011, liquid assets were created mainly through the NBRM foreign currency transactions with the market makers in the total amount of Denar 5,772 million. On the other hand, liquidity was withdrawn through the currency in circulation that increased by Denar 2,410 million on quarterly basis, due to the seasonally higher demand for currency in circulation in December (prior to the New Year and Christmas holidays) and the increased demand for Denars in this month motivated by the increasing uncertainty stemming from the European debt crisis. Government transactions (Denar government deposits and NBRM foreign currency transactions for the account of the government) created liquid assets with total liquidity effect of Denar 1,628 million, where Denar government deposits with the NBRM acted towards withdrawing liquid assets in the amount of Denar 887 million on cumulative basis in the fourth quarter. The Budget of the Republic of Macedonia (central budget and funds budget) in the October-November 2011 period registered a deficit of Denar 1,146 million.

In the fourth quarter of 2011, the NBRM monetary instruments (CB bills and bill of six-month deposit) acted towards withdrawing liquidity of Denar 715 million on a net basis. Typical for this quarter was the increase of demand for CB bills, when at the auctions of CB bills the banks demanded by 13.1% more than the matured amount. Consequently, in the fourth quarter, total liquidity of Denar 11,760 million was withdrawn through the CB bills, roughly 90% of which in October. These developments could be partially attributed to the changes in the NBRM macro-prudential framework⁶⁰ of September 2011 (in effect since

⁵⁸ The period from 11th in the current month to 10th in the next month shall be regarded as period for maintaining (fulfilling) reserve requirement by the banks.

⁵⁹ Includes reserve requirement in foreign currencies.

⁶⁰ On September 15, 2011, the NBRM made amendments to the Decision on managing banks' liquidity risk, allowing for integrated fulfillment of banks' liquidity, irrespective of the currency, by maintaining a single liquidity ratio (rather than to fulfill liquidity ratios separately for Denar and currency



October 2011), that resulted in readdress of the investments in bills of six-month deposit to CB bills. On quarterly basis, the bill of six-month deposit acted towards creation of liquid assets in the total amount of Denar 11,045 million, and at the end of October 2011, the banks had no more investments in this monetary instrument. At the end of December 2011, CB bills amounted to Denar 32,285 million.

Observing the existing trends and expectations, the environment for conducting monetary policy in the forthcoming period could be perceived as relatively favorable. Yet, the risks are still high, mainly attributable to the global developments. The debt crisis in the Euro area remains a crucial source of uncertainty and risks to both the global and domestic macroeconomic environment. In such conditions, NBRM will keep on monitoring the situation, thus being permanently alert to respond adequately and to ensure accomplishment of the primary objectives.

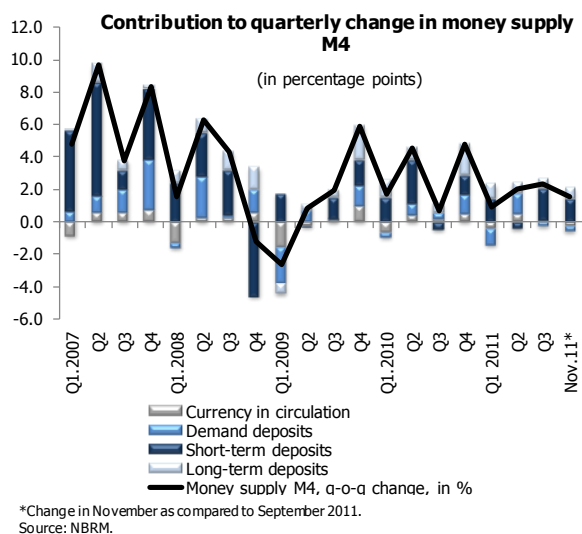
2.1. Monetary Aggregates

The third quarter of 2011 witnessed acceleration of the quarterly growth of the broadest money supply and the banks' total deposit potential. The intensified deposit growth was registered in conditions of stabilization of the quarterly growth rate of the household deposits (identical rate of quarterly growth as in the preceding quarter), thus ceasing the trend of growth deceleration characteristic for the previous two quarters. Such a dynamics corresponds with the favorable tendencies with the private transfers, the real quarterly increase in the net wages and the stabilization of the inflation rate, as factors that tend to increase the disposable income of the households, as well as to the real return on the saving deposits. The larger preference of the households for saving in the third quarter can partially be stirred by the recurrence of the tensions on the global market, related to the European debt crisis, which increased the uncertainty about the future economic perspectives, entailing cautious income planning and delay of part of the consumption. This is verified through the decrease in the private consumption in the third quarter, which meant reduced demand for money for transaction purposes, and consequently slight decrease in the most liquid monetary aggregate M1 on a quarterly basis. In the third quarter, the corporate deposits registered a quarterly growth, following the decrease in the preceding quarter because of the payment of dividend. The savings growth continued also in October and November, given the further increase in both household and corporate deposits. In the following period, further widening of the money supply is expected, with the intensity still

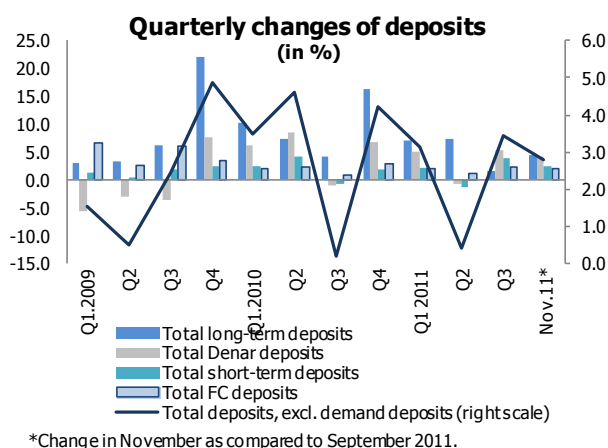
positions). For amendments to the banks' liquidity risk management see the Decision on managing banks' liquidity risk ("Official Gazette of the Republic of Macedonia no. 126/2011" and www.nbrm.mk).



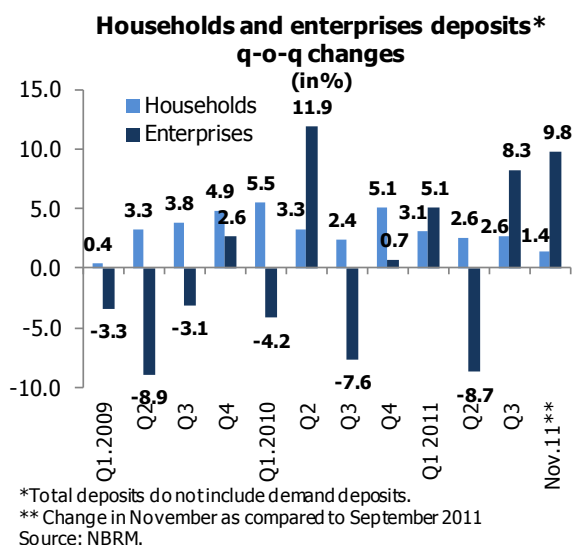
depending on the pace of recovery of domestic economy and the movements in the external sector.



In the third quarter of 2011, the broadest money supply M4 registered quarterly growth of 2.4%, compared to 2% in the preceding quarter. The quarterly increase in the broadest money supply was fully driven by the intensified savings of the private sector, while the narrowest and the most liquid monetary aggregate M1 (currency in circulation and demand deposits) registered slight quarterly fall of 0.9%. Such movements are opposite to the performances in the previous quarter, when the monetary aggregate M1 made outstanding contribution to the growth of the broadest money supply, having a marginal contribution of the total deposits. The reasons for the developments in the M4 growth structure can be found in the decrease in the private consumption in the third quarter, reflected through the lower demand for money for transaction purposes, as well as of the influence of extraordinary factors in the second quarter (high outflows from the corporate deposit accounts, because of the payment of dividend and consequently, moderate quarterly growth of the total deposits in the banking sector).



In the third quarter, the banks' total deposits potential⁶¹ augmented by 3.4% on a quarterly basis, compared to 0.4%, in the second quarter. Analyzing the maturity structure, the total short-term deposits went up by 3.9% on a quarterly basis, making dominant contribution to the increase in the total deposit potential, which is different from the movements registered in the preceding quarter, when the short-term deposits fell quarterly by 1.3% (mostly because of the dividend payment effect). The increase in the long-term deposits slowed down and in the third quarter equaled 1.6% (7.3% in the previous quarter). Observing the currency structure, the Denar deposits, after the moderate decrease in the second quarter (of 0.9% on a quarterly basis, mainly as dividend payment effect), in the third quarter registered quarterly rise of 5.4%, contributing with 60% to the growth in the total deposit potential. The foreign currency deposits continued to mount, thus being higher by 2.2% on a quarterly basis (1.2% in the second quarter). Such movements in the currency structure of the total deposits resulted in slight decline of the



⁶¹It refers to the total deposits without demand deposits. If demand deposits are included, the quarterly growth in the total deposits in the third quarter of 2011 will equal 2.5%, as opposed to 1.6% in the previous quarter.



euroization degree⁶² to 61.1% in September 2011 година, compared to 61.8% at the end of the second quarter.

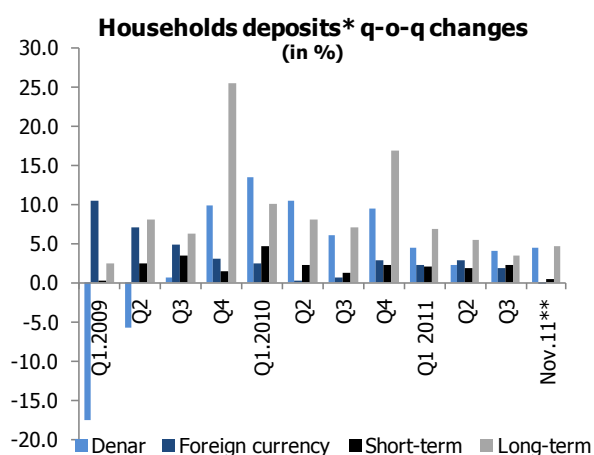
Average share in total deposits*, in the respective quarter, in %

	2008				2009				2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4**
Total Denar deposits	46.4	45.5	44.8	42.6	39.4	36.7	33.9	35.1	35.7	36.9	36.6	37.9	38.6	38.1	38.4	39.2
Households	28.4	26.8	25.4	25.7	22.0	19.5	19.0	19.5	21.1	22.4	24.2	25.0	25.9	26.5	26.1	26.9
Enterprises	16.3	17.2	18.0	15.2	13.8	13.5	10.9	10.9	9.9	9.7	7.7	8.1	8.2	7.1	7.9	8.2
Total FC deposits	53.6	54.5	55.2	57.4	60.6	63.3	66.1	64.9	64.3	63.1	63.4	62.1	61.4	61.9	61.6	60.8
Households	39.8	40.5	41.3	43.5	46.9	50.9	53.3	52.3	52.2	50.0	50.3	49.2	48.9	50.1	49.0	48.2
Enterprises	13.6	13.9	13.7	13.6	12.9	11.5	11.9	11.7	11.2	12.3	12.2	12.1	11.8	11.0	11.8	11.8
Total deposits	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

* total and Denar deposits do not include demand deposits.

** refers to October and November 2011.

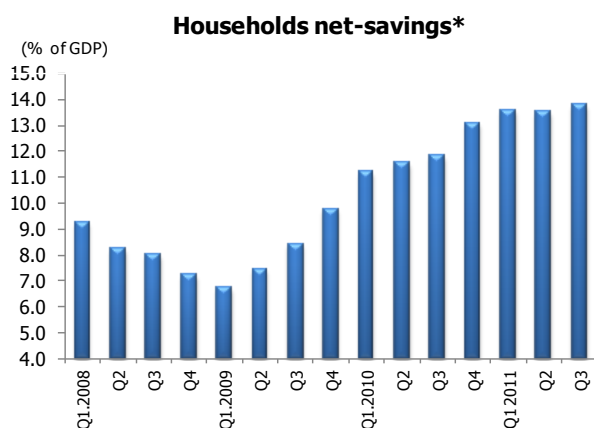
Source: NBRM.



*Denar deposits do not include demand deposits.

** Change in November as compared to September 2011

Source: NBRM.



*Net-savings refers to difference between households total deposits (excl. demand deposits) and households total credit.

Source: NBRM and SSO.

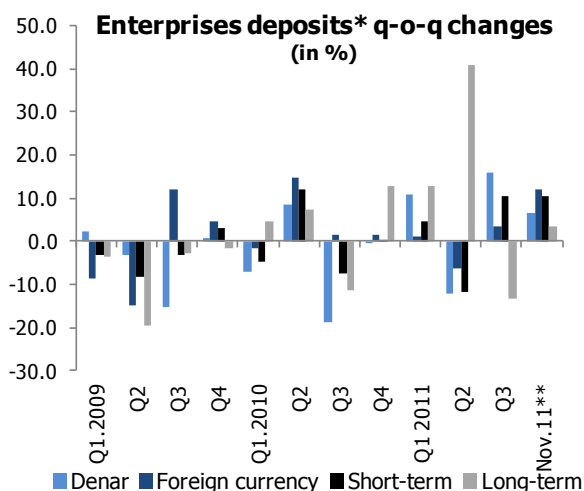
Analyzing the sector structure, the household deposits (without demand deposits)⁶³ went up by 2.6% on a quarterly basis, which is identical quarterly growth rate, as in the preceding quarter. This ceased the trend of deceleration of the household deposits growth characteristic for the first half of the year. The stabilization of the quarterly growth was followed also by favorable tendencies in the currency structure of the total household deposit potential. Thus the Denar deposits increased quarterly by 4.1% (2.2% in the preceding quarter), contributing with 54% to the total deposit growth, which is almost twice as big as contribution compared to the preceding quarter. On the other hand, the growth rate of the foreign currency deposits slowed down and reduced to 1.8% in the third quarter from 2.8% in the second quarter. From the viewpoint of the maturity structure, about 70% of the new household savings in the third quarter were allocated in the form of short-term deposits. Accordingly, the short-term deposits maintained and additionally strengthened their significant position in the creation of the new deposit base of the households. The quarterly growth rates of the short-term and long-term household deposits in the third quarter equaled 2.4% and 3.5%, respectively, compared to 1.8% and 5.5%, respectively, as they equaled in the preceding quarter.

In the third quarter of 2011, the total corporate deposits⁶⁴ augmented by 8.3% on

⁶² Measured through the share of the foreign currency deposits in the total deposits (without demand deposits).

⁶³ With the demand deposits being included, the quarterly growth rate of the total households' deposits equals 2.1% in the third quarter of 2011, as opposed to 3.2% in the previous quarter.

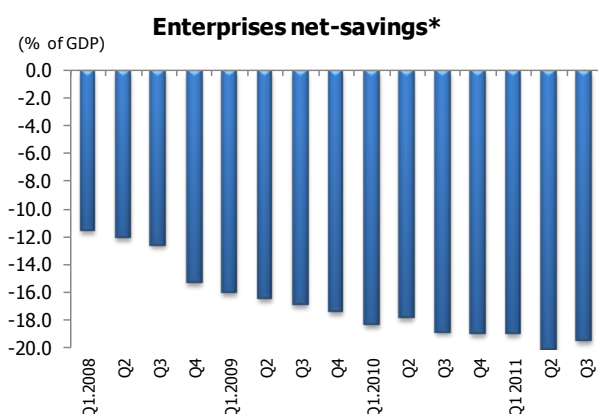
⁶⁴ It refers to the total deposits without demand deposits. With included demand deposits, quarterly growth of 2.8% is registered, as opposed to the decrease of 2.8% in the previous quarter.



*Denar deposits do not include demand deposits.

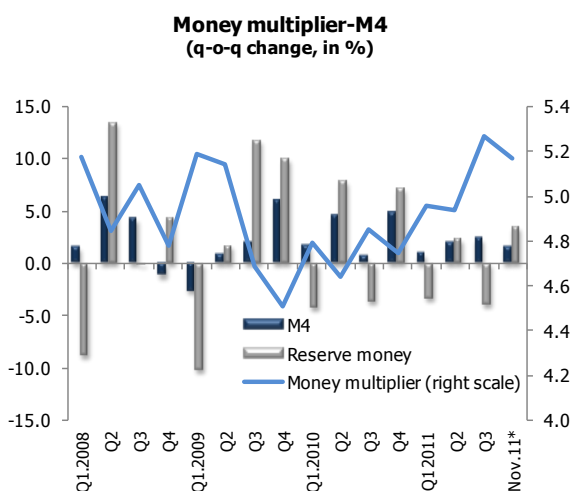
** Change in November as compared to September 2011

Source: NBRM.



*Net-savings refer to difference between enterprises total deposits (excl. demand deposits) and enterprises total credit.

Source: NBRM and SSO.



*Change in November as compared to September 2011.

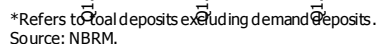
Source: NBRM.

a quarterly basis. The high quarterly growth can partially be explained with the base effect i.e. the lower comparison base in the previous quarter, when because of the dividend payment, the outflows from the corporate deposit accounts were significant, which conditioned a fall in the corporate total deposits of 8.7% on a quarterly basis. The exhaustion of the effect of this extraordinary factor, resulted in change in the growth structure of the total corporate deposits compared to the preceding quarter. Thus the long-term deposits were the sole category with positive change in the second quarter, while in the third quarter it fell by 13.4% on a quarterly basis. The short-term deposits once again augmented by 10.4%, as opposed to the decrease of 11.8% in the preceding quarter. From the viewpoint of the currency structure, in the third quarter, the increase in the total corporate deposits was mostly driven by the domestic currency deposits (with a share of 75% in the quarterly growth), which were higher by 15.7% on a quarterly basis. The quarterly growth rate of the corporate foreign currency deposits equaled 3.4%, as opposed to the decrease of 6.4% the second quarter.

The growth of the broadest money supply in the third quarter was realized amid moderate strengthening of the monetary multiplication intensity compared to the previous quarter. **In September 2011, the monetary multiplier of the broadest money supply M4 equaled 5.3, compared to 4.9 at the end of the second quarter.**

Analyzed on annual basis, the increase in the broadest money supply M4 equaled 10.5% (8.6% in June), which is twice as high compared to the rise in the nominal GDP in the third quarter. In such conditions, the monetization rate, measured through the share of the money supply in GDP, in the third quarter intensified and equaled 55%, compared to 54.3% in the previous quarter. The structure analysis of the broadest money supply M4 showed deceleration of the annual growth rate of the monetary aggregate M1 to 6.9% (10.4% in June), which was partially compensated with acceleration of the growth rate on the total deposits (without demand deposits⁶⁵) to 11.6% in September (8.1% in June). Most of the annual increase in the total deposits (without demand deposits) was driven by the household deposit growth of 14.1% in September (13.8% in June),

⁶⁵ With demand deposits, the annual growth rate of the total deposits equaled 10.5% in September, as opposed to 9.2% in June 2011.



The latest data in October and November show further increase in the broadest money supply M4, but with slower dynamics and in November 2011 it was higher by 8.6% on annual basis. The deceleration of the annual increase in the broadest money supply was registered in conditions of slower rise in both the total deposits (without demand deposits)⁶⁶ and the money supply M1, which in November increased by 10.1% and 3.8%, respectively on annual basis. Within the total deposits (without demand deposits), in November 2011 the household deposits and the corporate deposits were higher by 12.1% and 7.8%, respectively, on annual basis.

In the following period, further broadening of the money supply is expected, according to expectations for further moderate growth of the economic activity and relatively favorable position in the balance of payments. The risks about the monetary growth dynamics remain related to the capacity of the domestic economy for generating additional income, i.e. to the recovery pace of the domestic economic activity, as well as to the movements in the external sector.

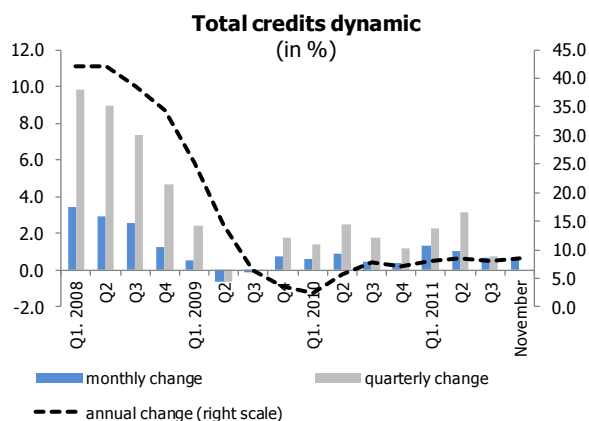
2.2. Credit Activity

The credit flows towards the private sector slowed down in the third quarter, compared to the growth intensification in the preceding quarter. In conditions of solid financial capacity and relatively favorable fundamentals of the banking sector, the smaller credit supply is a result of the more conservative banks' perceptions of the risks in the domestic and the global economy. The main factors in this context are: the materialization of some of the negative expectations about the Euro area, the downward revision of the projections for the global growth and the initial signals for pressure spillover from the new tide of unfavorable developments in the domestic real economy. The oscillations in the trend on the credit market are expected, having in mind that the banking sector, like the other economic agents, run business in a period of large uncertainty which leads to a constant reassessment of risks. Thus, banks adjust the credit policy in accordance to their perceptions which prevail in the period under review. In October and November, the monthly credit flows were relatively stable and higher on average, compared to the third quarter. In the following

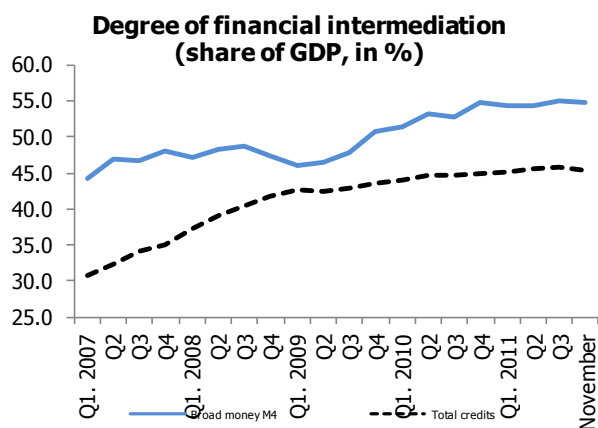
⁶⁶ The deceleration in the annual growth rate of the total deposits in November arises, to great extent, from the higher comparison base, having in mind that the October - November 2010 period, the total deposits (without demand deposits) registered high increase of Denar 7,011 million on cumulative basis.



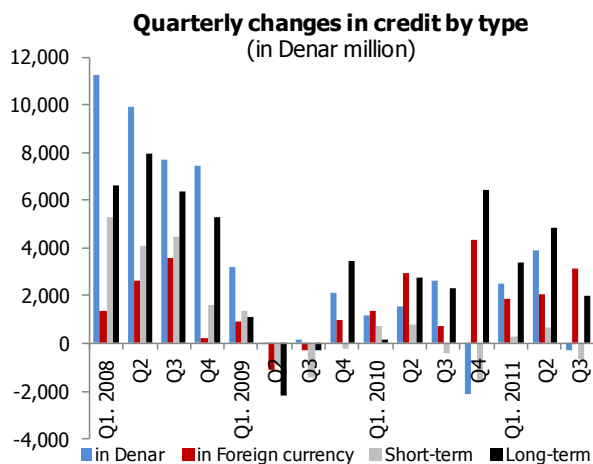
period, the crediting is expected to further increase, expecting the banks to support the economic growth.



Source: NBRM



Source: NBRM and SSO.



Source: NBRM

In the third quarter, the credit flows to the private sector were almost twice as small compared to the preceding quarter, with the quarterly growth of the total credits being reduced to 1.4% (3% in the previous quarter). From the viewpoint of the maturity structure, the slowdown mirrors the reduced short-term⁶⁷ crediting (quarterly drop of 1.2%) and the decelerated growth of the long-term crediting of 1.6% (compared to 4% in the second quarter). The analysis of the currency structure shows that the deceleration is fully due to the Denar crediting, which fell by 0.2% in conditions of intensified quarterly growth of the foreign currency crediting (6% compared to 4.1% in the previous quarter). However, the share of the total credit in GDP remained stable and at the end of the third quarter it equaled 45.7%. In conditions when the banks' deposit potential was continuously mounting and the banks' capital adequacy was maintained high over the prescribed minimum, the decelerated credit growth is probably a result of the banks' perceptions for higher risk for the domestic economic activity related to the economic problems in the Euro area. In such conditions, the banks' main focus is to provide certain placement of assets, which means meeting of only high-quality credit demand and channeling the uncommitted financial assets to liquid and non-risk investments. Thus the interest of the banks for investment in liquid portfolio (CB bills, Treasury bills and, in higher amount in this quarter, foreign currency short-term deposits in foreign banks), remained high thus contributing to the maintenance of liquidity of the banking system at relatively high level. According to Lending Survey in the third quarter, the banks are mainly reluctant to make larger change in the crediting terms, but, as in the previous Survey, some of the banks pointed to their tightening. In conditions of slower increase in the regular credits⁶⁸ and intensified rise in the suspicious and contested claims relative to the second quarter, worsening of the indicators for the credit portfolio quality is registered⁶⁹.

⁶⁷ Maturity analysis excludes the suspicious and contested claims and accrued interest.

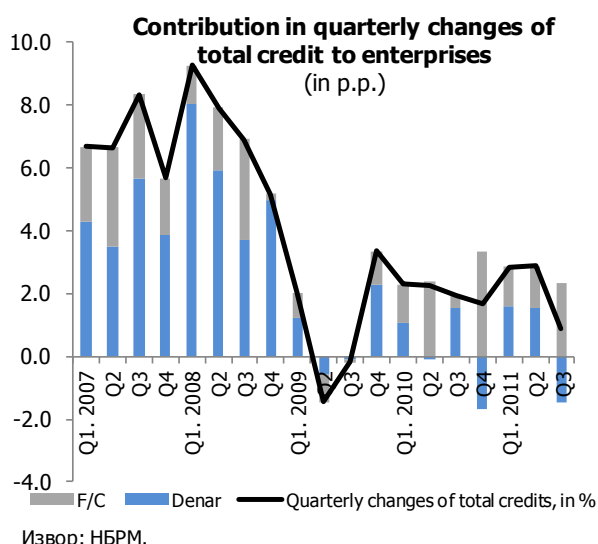
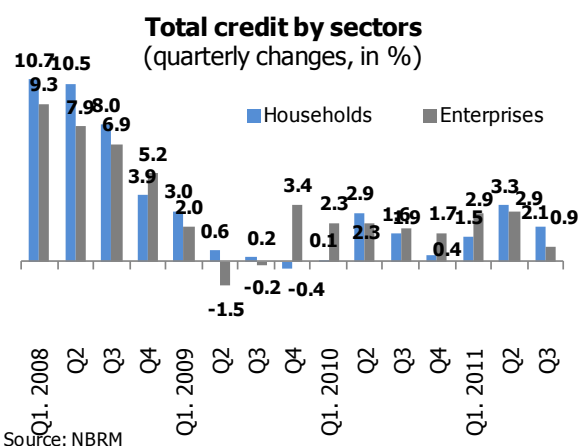
⁶⁸ Total credits reduced by the suspicious contested claims and accrued interest.

⁶⁹ "Report on the Banking System of the Republic of Macedonia in the third quarter of 2011", January 2012 (www.nbrm.mk).



Total credit

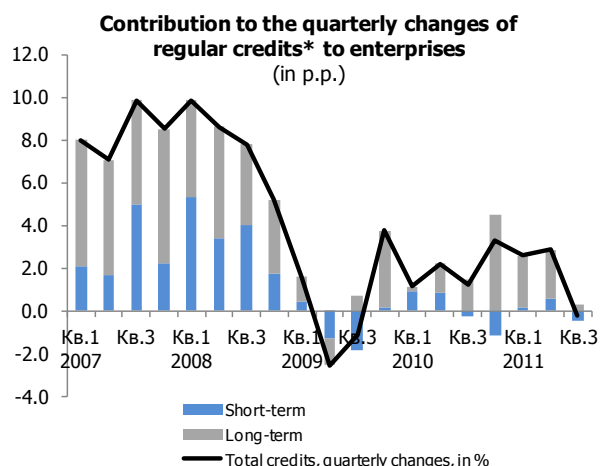
	quarterly change in total credits (%)	contribution in quarterly change of total credits, in p.p.					
		households	enterprises	short-term	long-term	denar	F/C
Q1. 2008	9.8	4.2	5.6	4.1	5.2	8.8	1.0
Q2	8.9	4.2	4.7	2.9	5.6	7.1	1.9
Q3	7.4	3.2	4.1	2.9	4.2	5.0	2.3
Q4	4.7	1.6	3.1	1.0	3.2	4.5	0.1
Q1. 2009	2.4	1.2	1.2	0.8	0.6	1.9	0.5
Q2	-0.6	0.3	-0.9	-0.5	-1.2	0.0	-0.6
Q3	-0.1	0.1	-0.1	-0.8	-0.2	0.1	-0.2
Q4	1.8	-0.2	2.0	-0.1	2.0	1.2	0.6
Q1. 2010	1.4	0.0	1.4	0.4	0.1	0.7	0.7
Q2	2.5	1.1	1.4	0.5	1.5	0.9	1.6
Q3	1.8	0.7	1.2	-0.2	1.2	1.4	0.4
Q4	1.2	0.2	1.0	-0.9	3.4	-1.1	2.3
Q1. 2011	2.3	0.6	1.7	0.2	1.8	1.3	1.0
Q2	3.0	1.3	1.7	0.3	2.5	2.0	1.1
Q3	1.4	0.8	0.5	-0.3	1.0	-0.1	1.6



From the viewpoint of the sector structure, the credit growth deceleration is more apparent with the corporate segment.

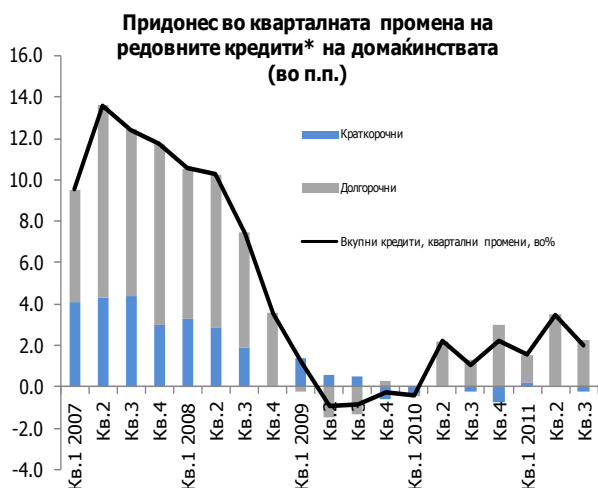
Namely, the growth rate of the corporate credits reduced to 0.9% on a quarterly basis (2.9% in the preceding quarter), which in conditions of intensified increase in the foreign currency component (6.2% compared to 3.5% in the second quarter) is fully due to the drop in the Denar loans (of 2.3%). Observed from the maturity structure, the short-term loans reduced (by 1.4%, as opposed to the increase of 1.7% in the previous quarter), while the long-term credits registered substantial growth deceleration (from 3.5% in the second to 0.4% in the third quarter). The regular credits registered moderate decrease, unlike the intensified increase in suspicious and contested claims, which contributed towards larger share of the suspicious and contested claims in the total corporate credits at the end of the third quarter. Such movements with the corporate segment correspond to the decelerated economic activity, provided that usually, the enterprises are more sensitive to the movements in the business cycle and react more rapidly than the households, having in mind the direct effect on their profit position and the sources of funding.

Slower credit growth with the households was also registered, where the quarterly growth rate equaled 2.1% (3.3% in the previous quarter). From the viewpoint of the currency structure, both the Denar and the foreign currency component contributed towards smaller credit growth. However, the decelerated growth of the Denar credits, which dominated the structure of the total household credits, contributed more in this direction. The Denar credits rose by 1.9% on a quarterly basis (2.9% in the previous quarter), while the credits extended in foreign currency



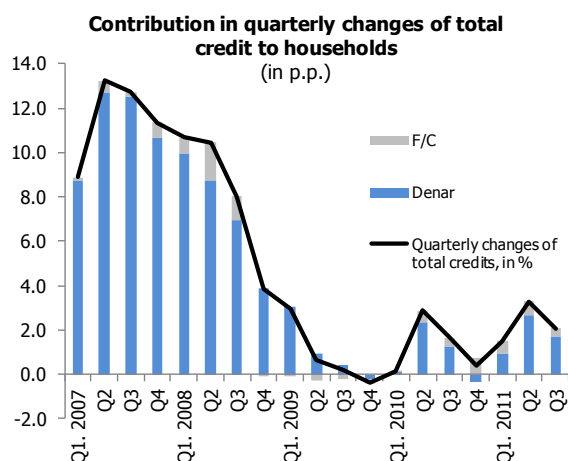
* Total credit to households minus doubtful and contested claims and accrued interest.

Source: NBRM



* Вкупни кредити на домаќинства намалени за сомнителните и спорни побарувања и пресметаната камата.

Извор: НБРМ.

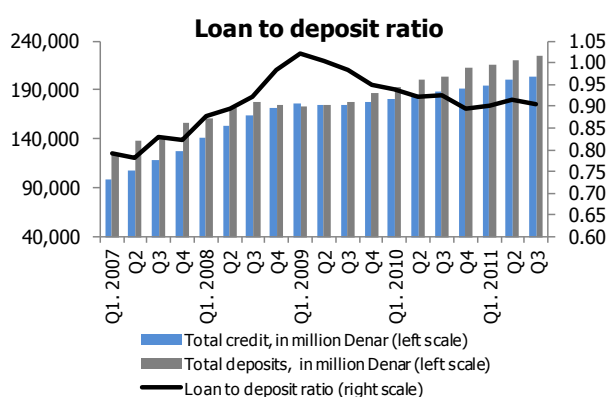
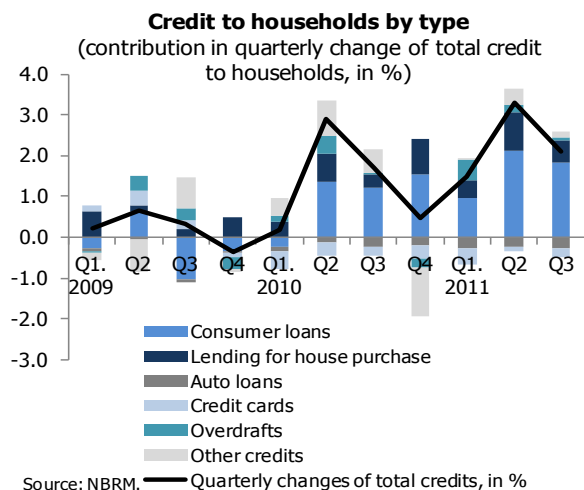


Source: NBRM

increased by 4.5% (compared to 8.8% in the second quarter). From the viewpoint of the maturity structure, the increase is fully due to the enhanced long-term lending (which increased by 3%), given the fall in the short-term credits by 0.9%. In environment of larger absolute increase in the regular credits compared to the rise in the suspicious and contested claims, the share of the suspicious and contested claims in the total credits on this market segment, reduced. According to the Lending Survey, most of the banks preserved the lending terms unchanged also during the third quarter, unlike the terms relaxation trend characteristic for the first half of the year. The factors from the risk perception group having neutral influence on the change in the crediting terms, had larger influence in this direction, contrary to their positive influence in the preceding two quarters.

From the viewpoint of individual types of household credits, the consumer credits remain to be the main driving force of the increase, with a share of 89.2%. However, compared to the preceding quarter, the growth rates of these credits slowed down and equaled 5.3% (6.4% in the second quarter), which corresponds to the decrease in the private consumption in the third quarter. Downward movements also with other credits being in function of the consumption were registered. Thus the car credits and credits cards deepened the quarterly drop (to 6.8% and 1.3%, respectively), while the overdrafts pursued the downward trend of the quarterly growth (to 1.1% in the third quarter). Simultaneously, after the growth intensification in the second quarter, the increase in the housing credits in the July - September period decelerated to 2.5% on a quarterly basis.

Deceleration of the private sector crediting in the third quarter is characteristic if observed on annual level, as well. The growth rate of the total credits decelerated to 8.1% in September (8.6% in June), which in conditions of intensified foreign currency crediting arises from the poorer growth of the Denar credits. With individual sectors, the deceleration is evident with the corporate segment, where the annual rise decelerated to 8.6% in September (9.7% in June). On the other hand, on annual basis, the household crediting, on average, was higher in the third quarter, compared to the previous quarter, despite the monthly oscillations in the growth intensity. The lending to households was higher in September by 7.4% on annual basis (7% in June).



The latest monetary data for the October - November period shows upward movements in the credit growth dynamics.

Growth intensification on annual basis was registered with both Denar and foreign currency credits, directed towards both sectors (households and enterprises). The corporate credits and foreign currency credits remain to be the major contributor to the increase in the total credits (with a share of about 63.3% and 71%, respectively, on average for the October - November period). From the viewpoint of maturity, the long-term credits register continuous increase, while the short-term credits, although slower, are still falling.

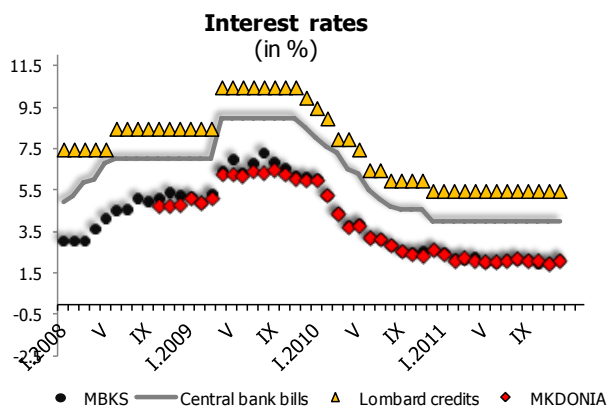
In the following period the banking sector is expected to provide further credit support to the domestic economy.

The banks lending capacity is perceived in the safety and soundness of the banking system, as well as the available stable sources of financing. Namely, in November, the credit-deposit ratio equals 90%, which, in conditions of anticipated further increase in the deposit base, indicates the banks solid potential for intensified lending activity. However, the banks' perception for the risk degree, the general economic situation and the financial condition of the private sector will remain to be the basic factors the credit growth dynamics in the following period will depend on.

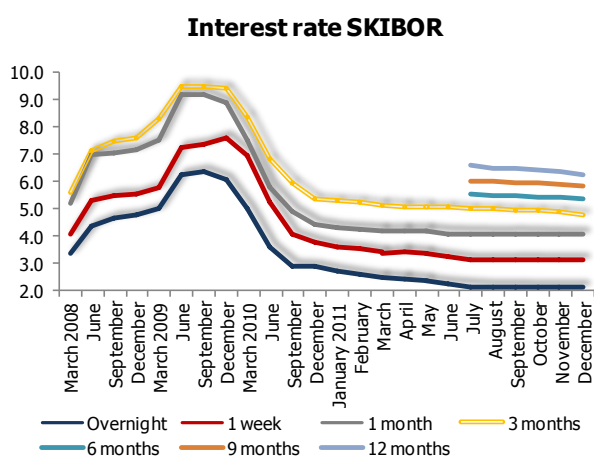
2.3. Interest rates

In conditions of unchanged key interest rate of NBRM since the end of 2010, the bank interest rates were relatively stable in the third quarter. The banks' generally preserved interest rate policy corresponds to the slower credit activity due to the large uncertainty related to the global economy and the possible negative effects on the domestic economy. In such conditions, the banks, from prudence reasons, preserved their reluctance for changing the lending interest rates during the analyzed period, a behavior which also reflected on the deposit interest rate side. In October and November, the banks interest rates were maintained stable near the average in the third quarter, except the interest rate on the newly accepted deposits, which significantly increased in November. In conditions of mounting uncertainty about the economic activity in the country, such adjustment is probably a result of the competitiveness pressures on the deposit market for maintaining stable deposit potential of the banks.

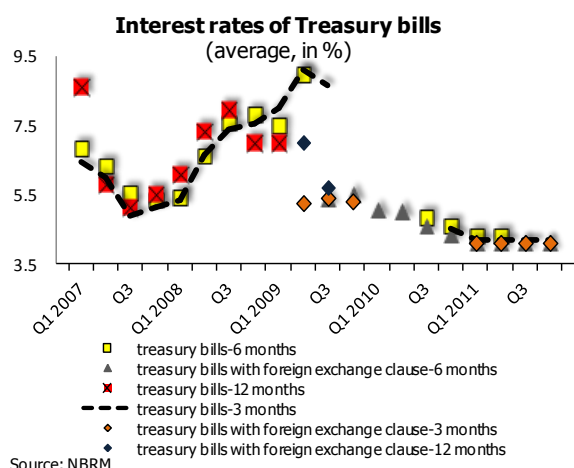
NBRM preserved the key interest rate unchanged at the level of 4% also in the fourth quarter. In conditions of unchanged key interest rate, in the fourth quarter of 2011, **the interbanks interest rate (MBKS)¹** moved downwards, opposite to the upward trend in the



Source: NBRM



Source: NBRM



Source: NBRM

preceding quarter. In December, this interest rate equaled 2.16% (2.19% in September). Similar trend was registered also with the **interbank interest rate for concluded overnight transactions (MKDONIA)**, which reduced to 1.99% in November and increased in December, so it equaled 2.15% (2.17% in September). As for the **listed interbank interest rate on the deposit market (SKIBOR)**, the downward changes with the shorter maturities (up to one month) were minor (from 0.01 to 0.04 percentage points), while larger changes (decrease of 0.11 to 0.2 percentage points) were registered with the longer maturities (three, six, nine and twelve months).

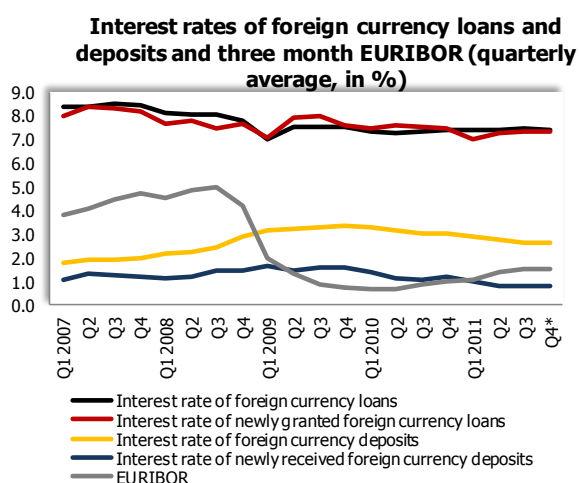
At the Treasury bills auctions, held as usually according to the "volume tender and fixed interest rate" principle, the volume of the supply of Treasury bills was higher by 51.3% in the fourth quarter, compared to the preceding one. The interest rates on the offered types of securities⁷⁰ remained on the levels registered in the preceding quarter, while the realization of the bid amount is 91% (90% in the previous quarter). In December, on the Treasury bills market, government bonds in Denars and in Denars with FX clause with five-year maturity were offered and their interest rates remained unchanged compared to the preceding auction held in September⁷¹ (of 5.7% and 5.5%, respectively). The higher amount of subscribed Treasury bills corresponds to the larger uncertainty, when the investors through investment in non-risk securities ensure relatively attractive yield, thus providing currency risk hedging, as well.

In the third quarter, the bank interest rates (Denar and foreign currency)⁷² on the new credits and deposits were stable and preserved the average in second quarter (8% and 1.5%, respectively). Also **the interest rate on the total credits** registered no changes, remaining at the level of 8.4% during the quarter (this was also the average registered in the previous quarter). Moderate decrease with the **interest rate on the total deposits** was registered, which equaled 3.8% on average (3.9%

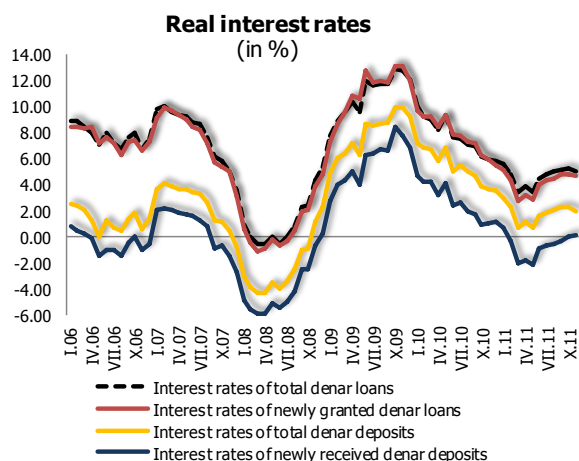
⁷⁰ During the fourth quarter, Denar Treasury bill with three-month maturity were offered, as well as in Denars with FX clause, with maturity of three-to-six months.

⁷¹ As in the previous auction, the most interested for purchasing these securities were the pension funds.

⁷² Since November 2011, in the reports for the weighted interest rates of NBRM, cumulative interest rates on total and new credits and deposits (Denar and foreign currency) are published. As a result, since this Quarterly Report, analysis of these interest rates is included.



*Refers to October and November
Source: NBRM



Source: NBRM

on average, in the second quarter). The stable movements with the interest rates correspond to the banks reluctance to make bigger change in the crediting terms⁷³ and to accept additional credit exposure⁷⁴, in conditions of higher uncertainty about the economic activity. **In October and November, the interest rates on the total and the new credits and deposits, retained, on average, the level registered in the third quarter, except the interest on the newly accepted deposits which registered an increase (of 0.2 percentage points).** In conditions of slower increase in the economic activity and continuous uncertainty, globally, the increase in the interest rates on the new deposits can be interpreted as expected bank reaction driven by the competitiveness pressures on the deposit market for maintenance of stable deposit core.

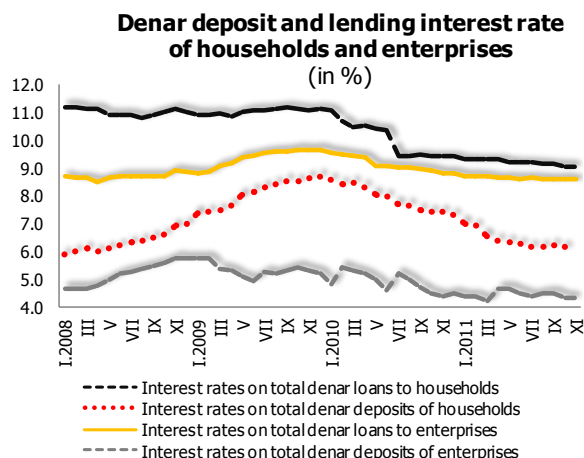
The interest rates on the Denar credits and deposits⁷⁵ in the third quarter registered divergent movements relative to individual interest rates categories. Thus, the interest rates on the new credits and deposits registered slight increase of 0.1 percentage point, and on average, they equaled 8.3% and 3.1%, respectively, while the interest on the total Denar credits preserved the level of the second quarter and it equaled 8.8%, on average. Downward change with the interest on the total Denar deposits was registered, falling by 0.2 percentage points and equaling 5.8%, on average. **In October and November, the interest rates on credits remained unchanged compared to the third quarter, while certain movements were registered with the deposits interest rates.** Thus the interest rate on the newly accepted deposits went up by 0.4 percentage points and on average, it equaled 3.5%⁷⁶, while the interest rate on the total deposits continued to move downwards, and for the both months, it equaled 5.7%, on average. **As for the interest rates on the foreign currency credits and deposits,** the interest rates on the total credits and the newly accepted deposits remained unchanged relative to the second quarter average (7.4% and 0.8%, respectively). The interest rate of the total deposits reduced moderately and on average, it equaled 2.7%, while

⁷³ According to the Lending Survey for the third quarter of 2011.

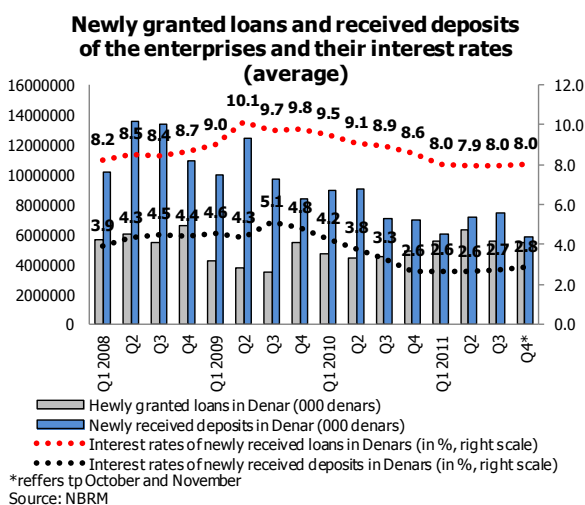
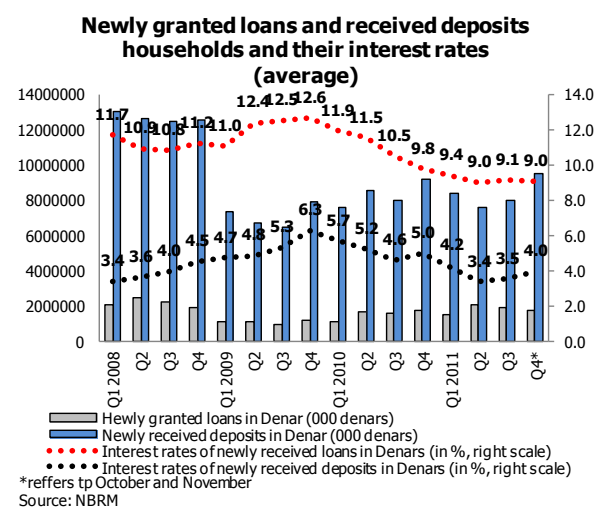
⁷⁴ In the third quarter, the data on the credit flows indicate decelerated credit activity compared to the previous quarter.

⁷⁵ It refers to the total credits and deposits, the newly extended credits and newly accepted deposits.

⁷⁶ The increase is mostly due to the increased interest rate on the long-term Denar deposits of the households without currency clause in November 2011.



Source: NBRM



the interest rate on the newly extended foreign currency credits increased by 0.1 percentage point and equaled 7.4%. The increase is probably a result of the adjustment of the domestic interest to the higher EURIBOR during the analyzed period.

In October and November, the interest rates on the total and new foreign currency credits and deposits fell moderately (on average, by 0.1 percentage point compared to the average in the third quarter), with exception to the interest on the newly accepted deposits, which registered no changes.

From the viewpoint of individual sectors, moderate quarterly changes in both directions with the interest rates of the household sector were registered, while with the corporate sector, the interest rates remained relatively stable, on average. Thus, **the interest rate on the total household Denar credits and deposits** registered small downward movement (of 0.1 percentage point, on average, for the third quarter) and they equaled 9.2% and 6.2%, respectively. On the other hand, **the interest on the new credits and deposits** incremented by 0.1 and 0.2 percentage points, respectively, and equaled 9.1% and 3.5%. The answers given in the Lending Survey for the third quarter of 2011 point mainly to unchanged lending interest rates for this market segment, contributed by the banks' expectations for the whole economic situation, the consumers' solvency and the foreclosure risk. Certain tightening of the credit standards, according to the survey, was registered with the consumer and the other credits. **In October and November**, the interest rates on the total credits and deposits additionally decreased by 0.1 percentage point, and they equaled 89.1% and 6.1%, on average. The interest rate on the new deposits increased more intensively and equaled 4%, on average, while the interest rate on the new credits registered moderate decrease and equaled 9%, on average, for both months.

On the corporate market segment, in the third quarter, the interest rates on the Denar credits and deposits⁷⁷ remained unchanged on average, except the interest rates on the total deposits, which reduced by 0.2 percentage points. Thus in the third quarter, **the interest on the total Denar credits and deposits** equaled, 8.6% and 4.5%, respectively, on average, while **the interest on the new credits and deposits** equaled 8% and 2.7%, respectively. The answers

⁷⁷ It refers to the total credits and deposits, the newly extended credits and newly accepted deposits.

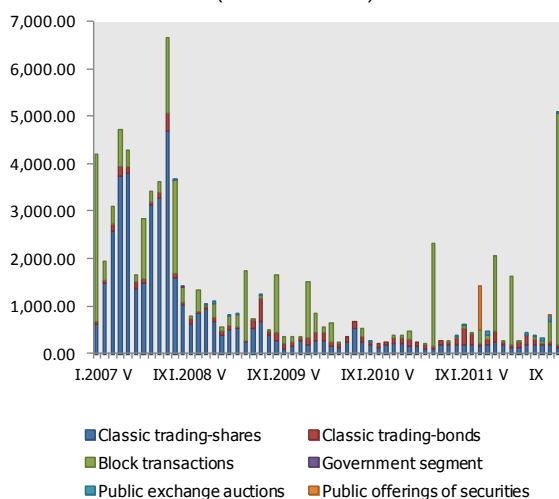


provided in the Lending Survey underpin the small changes in the lending interest rates on this market segment. According to the Survey, the main factors contributing towards non-changeability of the crediting terms are the banks' perceptions for the risk degree, the competitiveness pressure, as well as the costs of the financial assets and the on-balance sheet limitations. **In October and November**, the interest rates on the total and new credits remained on the level of the third quarter, on average, while slight downward and upward movements (by 0.1 percentage point, on average, in both directions) are also recorded with the interest rates on the total and the new deposits, respectively.

III. Capital Market

In the fourth quarter of the year, the total stock exchange turnover registered substantial quarterly rise because of the block transactions traded by one large domestic company⁷⁸, while the turnover based on classical trading registered a decrease. The Macedonian stock exchange index registered downward trend during the second half of the year, which was characteristic also for the regional stock exchange indices. The instability on the Euro area financial markets and the expectations for slowdown of the global and domestic economic activity in 2012 are factors that would act towards smaller preference for investment on the domestic capital market. Such expectations in future could result in stagnation of the turnover on the Macedonian stock exchange and maintenance of the stocks prices within the current level.

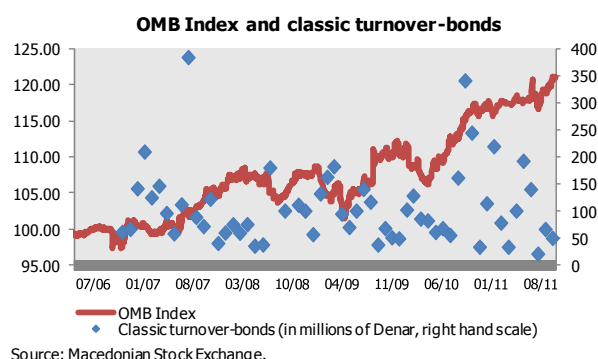
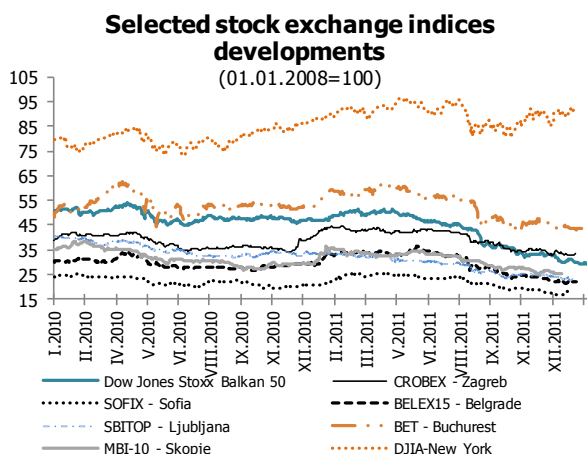
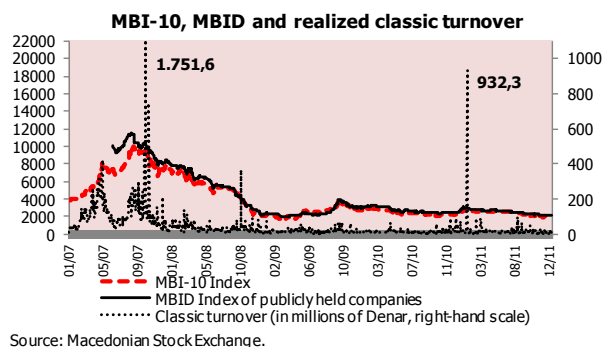
Stock exchange turnover structure per months
(in millions of Denar)



Source: Macedonian Stock Exchange.

The dynamics on the capital market in the last quarter of 2011 follows an upward trend in the total stock exchange turnover, given a decrease in the stock exchange indices (except to OMB). The total stock exchange turnover increased by 5.6 times compared to the previous quarter, which is mainly due to the two block transactions. Unlike the increased turnover based on block-transactions, the turnover realized on the basis of classical trading fell by 32.5% quarterly, which is mostly a result of the reduced bond-based turnover by 68.3%, while the decrease in the turnover based on share equals 2.8%. Accordingly, the Macedonian stock exchange index MBI-10 and the public-owned company index MBID registered downward movement during the quarter, and at the end of the year compared to September 30, 2011 they declined by 8.7% and 9.6%,

⁷⁸ On December 14, 2011, two block transactions with common shares of "Skopska Pivara" AD Skopje were realized, with a total value of Denar 4,867.8 million were traded. These block-transactions comprise 90.7% of the total realized quarterly turnover on the basis of block-transactions.



respectively. In contrast, the OMB index surged by 2%. During the analyzed quarter, the foreign investors have sold securities in the amount of Denar 406.5 million, compared to Denar 129.6 million in the preceding quarter. At the auction held on December 15, 2011, the Ministry of Finance reissued the five-year continuous government bonds⁷⁹.

During the second half of 2011, the regional stock exchange indices registered downward trend. It is due to the reduced turnover and higher risk aversion by the domestic and foreign investors as a result of the larger instability on the financial markets in the Euro area during the second half of the year, which spilled over on the capital markets in the regional countries. Additional factor that increased the risk aversion of investors from investments on the capital markets was the hindered world economic activity and growth in the Euro area in the third quarter of 2011, as well as the larger uncertainty and the continual downward revisions of the growth for 2012. The effects of the slowed down foreign demand reflected with the economic activity of these countries, through initial signs of deceleration of the GDP growth in the third quarter. At the end of December, all regional stock exchange indices, compared to June 2011, registered a decline greater than 20%, with the largest decrease of 33.3% and 25.2%, respectively of the Belgrade BELEX and the Budapest BUX indices. On annual basis, the regional stock exchange indices, also registered substantial decline of over 10%, with the largest decrease of of the Ljubljana SBITOP of 30.7% and Belgrade BELEX of 23.4%. The Macedonian indices MBI-10 and MBID also registered substantial annual fall of 13.3% and 15.2%, respectively, while the OMB index increased by 4.3%, annually.

IV. Macroeconomic projections

The economy growth decelerated to 2.3% in the third quarter of 2011, which is faster deceleration than expected in the October projection, due to the significantly more negative contribution of the net export demand. It is estimated that the deceleration trend has continued in the last three months of the year. In accordance with these movements, domestic economy growth has been estimated to 3.3% in 2011, given the increase in the domestic demand and negative contribution of the net export. The high degree of uncertainty due to the debt crisis in the Euro area and its negative effects on both trade and capital flows, point out to larger, than previously expected, growth deceleration in 2012.

⁷⁹ Without foreign currency clause in the amount of Denar 271 million and interest rate of 5.7%, as well as with Euro clause in the amount of Denar 50 million and interest rate of 5.5%.



It is estimated that the growth will equal to 2.4% in 2012. The estimates about the inflation this year remained the same as in the October projection, i.e. the average annual inflation rate for 2012 is projected to 2%. The risks to the economic growth and inflation for 2012 are downwards and refer to more evident contraction of the foreign demand and more severe drop in the world food and energy prices.

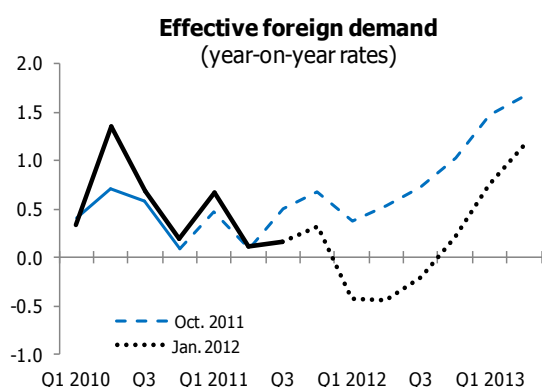
As expected in the October projection, in the third quarter of 2011 the economy growth decelerated. However, the data shows differences regarding the intensity of the deceleration, as well as different growth structure than previously expected. Namely, although annual growth of 3.5% for the third quarter was expected, GDP decelerated to 2.3% mostly as a result of the misbalance in the foreign trade. Thus, the export growth slowed down significantly as a result of a weakening foreign demand, whereas imports registered considerable rise in the third quarter. In other words, despite the expectations for a gradual slowdown and decrease in the exports in the following period, the import of raw materials of the large import-export companies, as well as the import of energy remained high in the third quarter of the year. This resulted in considerable increase in the total import, as opposed to the anticipated deceleration in the October projection⁸⁰. These trends in the external trade components resulted in high negative contribution of the net export in the GDP growth. The contribution of the domestic demand remained positive (in line with the expectations), but with differences regarding the anticipated individual contribution of the components. Namely, the continuous decrease in the real disposable income in the first three quarters of 2011 resulted in a significantly lower private consumption growth than previously expected. On the other hand, the gross investments registered high annual increase, as opposed to the projected fall. Having in mind that the short-term indicators of the investments do not indicate intensified growth, this outcome is most probably related to the weakening of the downward trend of inventories, which characterized the second quarter of the year.

⁸⁰ High negative contribution of the net export, which is second by its volume in 2011, of -6.5%, was registered, as opposed to the anticipated -0.7% in the October projection. The high negative contribution of the net export of -7.4% in the first quarter of 2011 was a result of the same factor -high quantity of import of raw materials for the export of the import-export companies. The high monthly import of raw materials, given the stable export of these companies, results in unequal dynamics of both foreign trade components.

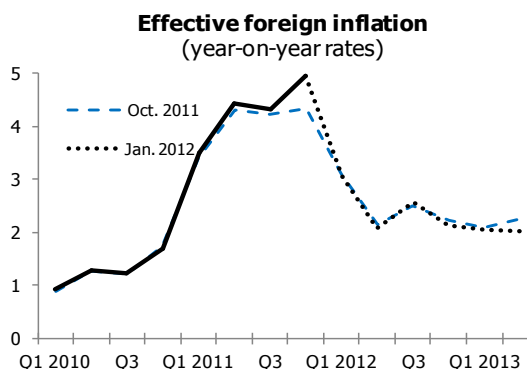
Annex 5: Assumptions about exogenous variables⁸¹

Foreign effective demand⁸² growth was reduced to 0.1% in the third quarter of 2011; this is a downward deviation of 0.4 p.p. compared to the previous projection. Lower growth of the foreign effective demand is a result of lower than that projected GDP of almost all countries included in the calculation. This, accompanied with the high uncertainty about the future developments in the Euro area resulted in a downward revision of the economic growth projections for 2011 and 2012. Thus, according to the latest projections of the "Consensus Forecast", smaller increase of 0.2% in 2011 and decrease of 0.3% in 2012 is expected, as oppose to the October projection, when the foreign effective demand was expected to rise by 0.4% in 2011 and 0.7% in 2012.

In the fourth quarter of 2011, the annual **foreign effective inflation⁸³** was moderately higher than the projected one (5% compared to 4.4% in October projection). This upward divergence can mainly be explained with higher inflation rate in EU countries than expected, as a result of the transmission effect of the increase in the prices of energy and non-energy primary products during the summer period. The expectations regarding the price developments in 2012 in the most important trading partners are in line with the October projection, i.e. foreign effective inflation is expected to equal 2.5% in 2012.



Source: Statistical offices and Consensus Forecast (December 2011); actual data up to and including 2011 Q3 are in solid line.



Source: Statistical offices and Consensus Forecast (December 2011); actual data up to and including 2011 Q4 are in solid line.

In the fourth quarter of 2011, **the average oil price** totaled US Dollar 109.4 per barrel, which is an annual increase of 26.5%. This movement is in line with the preceding projection, when annual increase of 27.7% was expected in the fourth quarter. The average oil price in 2012 is expected to reach US Dollar 109.3 per barrel (US Dollar 106 per barrel in October projection), which is

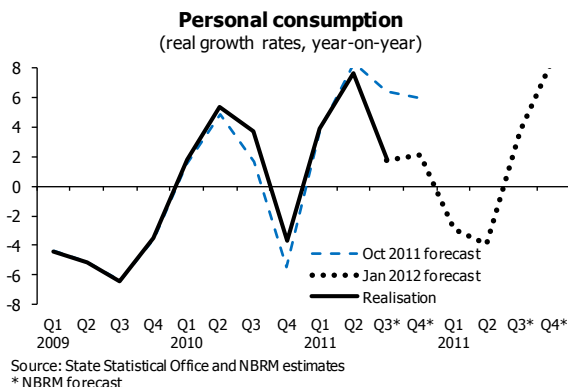
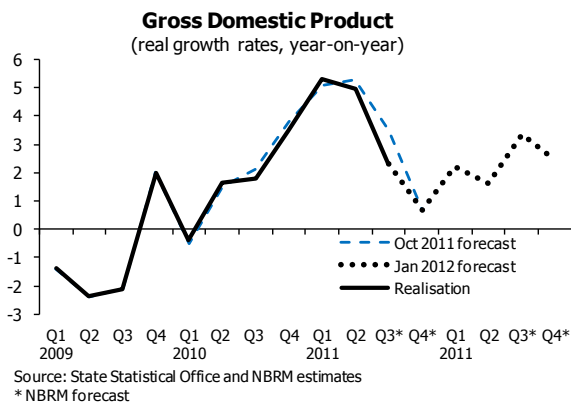
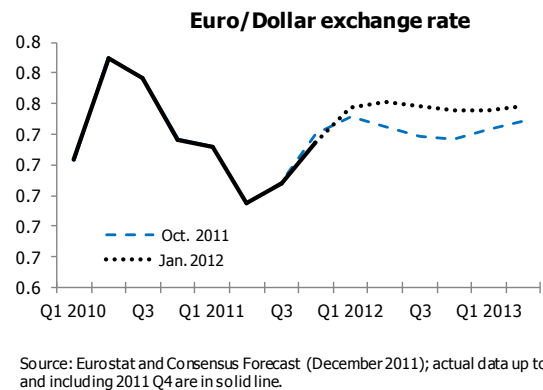
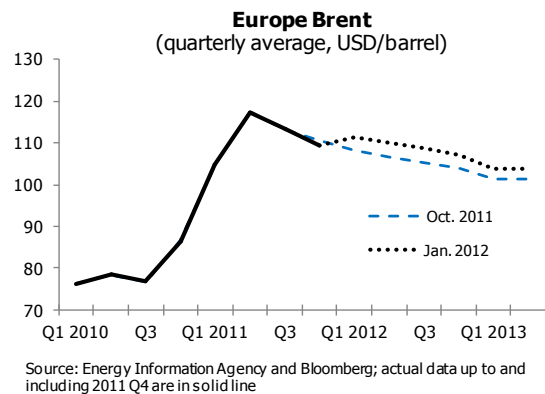
⁸¹ Eurostat and state statistical offices of the respective countries are used as sources of the historical data on foreign demand, foreign inflation and US Dollar / Euro rate, while the US Energy Information Administration (EIA) provides the oil prices. The foreign demand, foreign inflation and US Dollar rate projections are based on Consensus Forecast, while the oil price projections are based on Bloomberg projections.

⁸² This indicator is calculated as a sum of weighted GDP indices of the most important countries - importers from the Republic of Macedonia, through the normalized share in the exports of these countries within 2005-2010 period. The calculation of this indicator includes the following countries: Germany, Greece, Italy, the Netherlands, Belgium, Spain, Serbia, Croatia and Bulgaria.

⁸³ This indicator is calculated as a sum of weighted price indices of the most important countries - exporters of joint consumption goods to the Republic of Macedonia, through the normalized share of these countries in the imports within 2005-2010 period. The calculation of this indicator includes Bulgaria, Germany, Greece, France, Italy, Austria, Slovenia, Croatia, USA and Serbia.



annual drop of 1.8% compared to 2011. On the other hand, having in mind the anticipated depreciation of Euro compared to the US Dollar, the end effect on the domestic oil prices is expected to be positive.



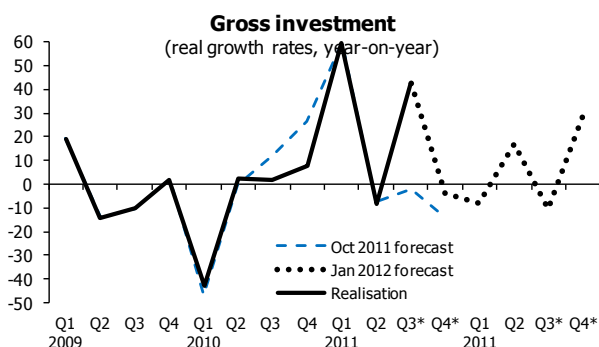
The estimates suggest further slowdown of the domestic economy in the fourth quarter (to 0.7% on annual basis), which is in line with the October projections. However, the growth structure differs from the October projections, i.e. it is estimated that the contribution of the net export was positive in the fourth quarter, whereas the contribution of the domestic demand was negative. The upward revision of the net export demand in the fourth quarter is fully due to the larger downward adjustment of the imports, following its substantial rise in the third quarter of 2011. These estimates can be verified by the foreign trade data and the movement of the import and export prices in the last quarter of the year. According to these data, in the fourth quarter of the year real import was declining by 1.2% (after the high annual increase in the preceding quarter of 12.1%), whereas export growth remained relatively stable, around 3% (3.2% in the third quarter). Foreign trade movements in the fourth quarter smoothed the unequal dynamics in the external sector caused by the high import of raw materials for the export-oriented production in the third quarter of the year. **The higher import contraction corresponds to the downward revision of the domestic demand in the fourth quarter.** Namely, the faster than previously expected, deceleration of the private consumption in the third quarter of the year initiated a downward revision of the projected growth in the fourth quarter of 2011. This resulted in considerable narrowing of the positive contribution of the private consumption in the total domestic demand, which together with reduced investments and public consumption, lead to negative contribution of the domestic demand (as



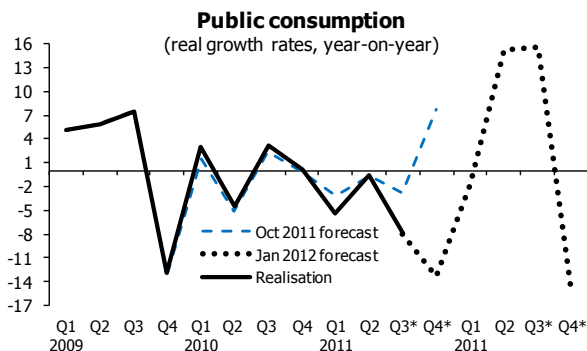
opposed to the October projection were positive contribution was expected).

According to the latest projections, in 2011 the economy growth is estimated to 3.3%, which is a moderate downward revision compared to the October projection (3.6%) fully due to the faster growth deceleration in the third quarter of the year. On the whole, the dominant driving force of the economic growth in 2011 remains to be the domestic demand, while the net export demand had negative contribution.

In 2012, the Macedonian economy growth is expected to slow down to 2.4% (compared to 3% in October projection), given downward revision of all GDP expenditures component. The estimates mirror the latest macroeconomic trends, which clearly indicate gradual materialization of some of the identified risks for the growth in the October projection. Namely, the latest data obtained from the foreign sources (Consensus Forecast) shows a decline in the foreign demand for the Macedonian products for 2012, thus indicating intensification of the exports deceleration trend that commenced in the second quarter of 2012. The lower export activity and the higher risk aversion of the domestic and foreign investors, because of the developments in the Euro area, are expected to result in a delay of some of the planned investment projects. However, the investments will further be the component with the highest positive contribution to the growth in 2012. The factors having influence in this direction are the planned high amount of government capital investments (higher compared to 2011) and the expected foreign direct investments. In line with the mounting uncertainty, the latest estimates indicate smaller increase in the private consumption (than previously projected), i.e. larger restraint from consumption as a result of expected unfavorable income movements and higher propensity for saving. The smaller export accompanied with moderate slowdown of the domestic demand will result in downward adjustment of the import of goods and services growth.



Source: State Statistical Office and NBRM estimates
* NBRM forecast



Source: State Statistical Office and NBRM estimates
* NBRM forecast

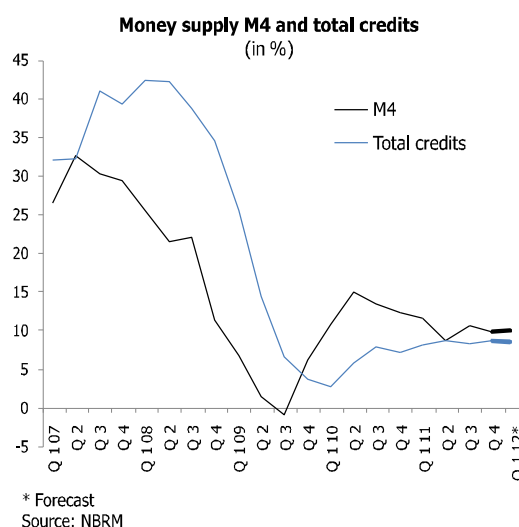
Annex 6: Projections about the banks' credit activity

At the end of the fourth quarter of 2011, the broadest money supply M4 was higher by 9.7%, compared to 9%, as envisaged in the October projection. The intensified monetary growth in the last quarter was substantially affected by the psychological factors, created from the developments in the Euro area. Thus, in conditions of enhanced speculations for escalation of the European debt crisis and "survival of the Euro", the households reacted with temporary higher demand for Denars thus, exchanging their foreign currency deposits into Denar deposits. Also, part of

the households Euro savings "under the mattresses" most likely went into the banking system converted in Denars, as well. The psychological pressures culminated in the first decade of December (just before the EU Summit), after which the situation stabilized. In the forthcoming period, the effects of these factors are expected to sooth gradually, with the money supply in 2012 being driven from the economic fundamentals. These assumptions accompanied with the revision of the key macroeconomic aggregates forecast, indicate to an annual increase of 9.8% in the broadest money supply, at the end of the first quarter, and to an increase of 9%, at the end of 2012 (9.8% in the October projection). The estimate for slightly smaller monetary growth compared to the October projection matches the downward revision of the projected economic growth, and partially reflects the effect of the higher comparison base from December 2011, as previously expected. **The risks related to the monetary growth dynamics** remain to be connected with the growth pace of the domestic economy, i.e. the capacity of the economy to generate additional income.

The activity on the credit market in the fourth quarter enhanced, but with slightly slower pace than expected, and at the end of December the annual credit growth rate equaled 8.5% (9.2% in October projection).

The lower credit activity than expected reflects the larger effect of the factors on the credit supply side, indicated by more conservative risk assessment by banks. Namely, in conditions when the banks' financial potential for lending was constantly mounting, its partial utilization points to a conclusion that the banks refrain from crediting, which means maintenance of the credit portfolio solely through meeting the high quality credit demand and directing the available financial assets towards liquid and risk-free instruments. Such banks' attitude, having in mind that the forecasts for the domestic and global economic growth are



accompanied with large uncertainty, is expected to continue in the following quarter. **The annual credit growth, at the end of March, is expected to equal to 8.3%, whereas at the end of the year, it is anticipated to decelerate to 7.6% (8% in the October projection).** Among the factors that are expected to act towards credit growth slowdown are the banks' perceptions for the client's solvency and the quality of the credit portfolio of the private sector. It is expected that the restraint will prevail also on the credit demand side, where, in environment of slower economic activity and uncertain income position of the households, smaller "appetite" for further indebtedness can be expected. However, one should not exclude the possible effect of the increased uncertainty on the global financial markets and intensification of the current process of the so-called "deleveraging" of the large European banks, which is a negative risk for the projected credit growth dynamics. Although the Macedonian banks do not depend on external sources of financing to great extent, however, certain indirect effects on the credit growth through banks perceptions of the credit risk are still possible. Additional risk is related to the possibly lower economic activity than expected.

The anticipated trends in the economic activity for 2012 will be evident in the first quarter already. The downward adjustment of the private consumption is expected to continue in the first quarter of 2012. The expectations for a decline in employment and smaller transfers are the main factors having negative influence on the sources of financing. Furthermore, current savings yields, which are still high, together with the unfavorable expectations of the households, are expected to increase the attractiveness of the savings and

additionally to reduce the consumption. **Investment activity will be negative in the first quarter of the year, mainly as a result of the high comparison base from the previous year.** Additionally, certain deterioration of the investments' fundamental factors is also expected, arising from the expectations for reduced domestic production and reduced export activity that will ultimately result in smaller investment. **The deterioration of the domestic demand components will result in negative contribution of the domestic demand to the growth in the first quarter of 2012.**

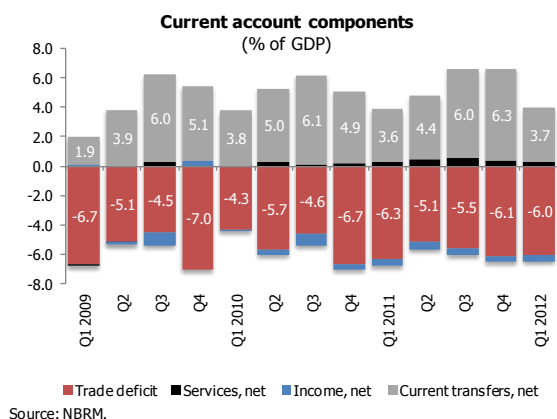
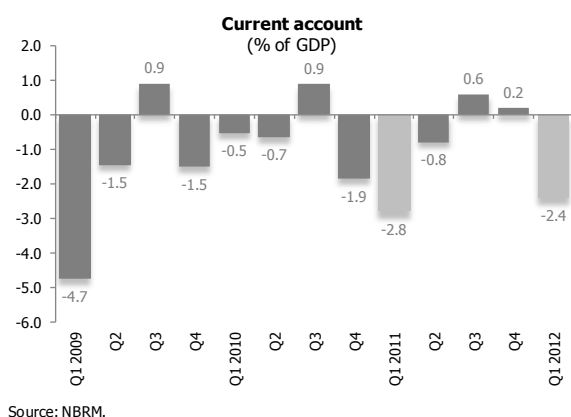
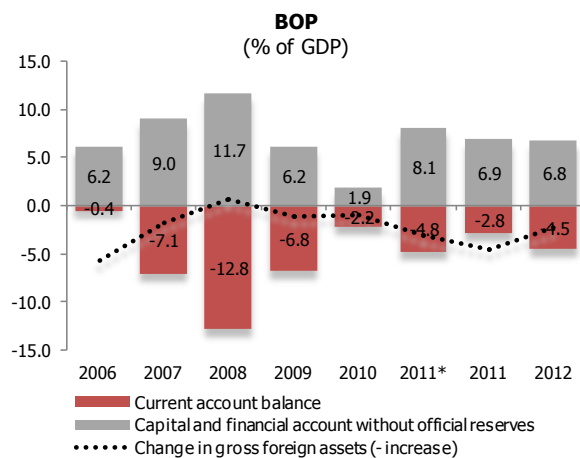
The downward revisions of the foreign effective demand and the anticipated decrease in the world export prices indicate decline in the volume of **export of goods and services in the first quarter of 2012** (for the first time since 2009). Similar movement is also expected with the **import of goods and services, although with stronger intensity.** The reasons for larger adjustment of the import are due to the combined effect of the following two factors. First, the domestic demand does not create macroeconomic imbalances, meaning that the imports segment driven by this component will adjust very fast. . Second, given the high import dependence of the domestic economy, the reduced exports will result in a decrease in the imports segment driven by export. **The projected movements of exports and imports are expected to result in positive contribution of the net export in the GDP growth in the first quarter of 2012.** The positive contribution of the net export is expected to offset the negative contribution of the domestic demand, which will be the main driver of the annual growth of GDP in the first quarter of 2012 **that is expected to reach 2%.**

Annex 7: Projections of the movements of the external sector

In accordance with the latest available data on the external sector⁸⁴, the deficit on the current account has narrowed by 2 p.p. of GDP compared to the October projection and it is estimated at 2.8% of GDP. The lower current account deficit is largely explained by the latest data on current transfers, which yielded an estimate of the current transfers to GDP ratio of 20.3% (compared to 18.3% in October projections). Namely, as of the end of 2011, the net purchase on the currency exchange market registered annual growth of 8.4%, as opposed to the expectations for small annual drop of 1.1% as predicted by the October projection. High upward divergences were registered in the last quarter of 2011, when the higher uncertainty about the future of the Euro before the EU Summit (in the first decade of December) resulted in smaller confidence in Euro, which caused substantial conversion of this currency in Denars and their depositing in banks, or their conversion in other foreign currencies. The favorable movements in the other current account components, mainly

⁸⁴ The latest disposable data on the external sector used in the January projection are as follows: balance of payments, October 2011, foreign trade, November 2011 and currency exchange market, as of the end of 2011.

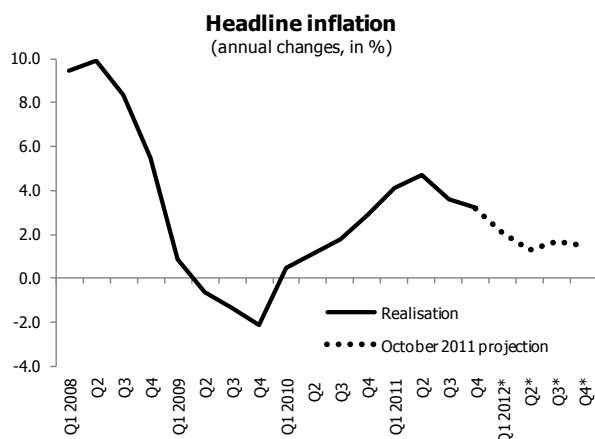
foreign trade of goods⁸⁵ and higher services surplus acted towards narrowing of the negative gap on the current account. An exception is the income sub-balance where the deficit was higher than expected.



In the first quarter of 2012, it is expected that the deficit on the current account will equal about 2.4% of GDP, which is annual contraction of 0.4 p.p. of GDP. Most of the positive change is due to the expected rise in the current transfers of 6.4%, on annual basis, in conditions of almost unchanged level with all sub-balances within the current transactions. In the first three months of the year, the negative foreign effective demand is expected to cause additional deceleration of the exports, which in conditions of high import dependence of the Macedonian economy and the expectations for deceleration of the domestic demand is expected to result in deceleration of imports as well. **Until the end of 2012, the current account deficit in the balance of payments is expected to equal 4.5% of GDP, compared to 4.8% according to the October projection.** On annual basis, the gap on the current account is expected to expand by 1.7 p.p. of GDP, as a result of the further worsening of the trade deficit and lower anticipated net inflows of private transfers. The financing of the planned deficit from the current transactions, is expected to be provided from the capital net inflows, which will enable additional accumulation of foreign reserves and their maintenance at the level higher than the 4-month import coverage. The risks related to the realization of the balance of payments projection, identified in the October projections cycle, are still present. Namely, the downward risks are related to the uncertainty about the resolving of the debt crisis in the Euro area and its influence on the European Union growth, and generally on the global economic growth that will trigger downward movement of the world prices. Additional downward risks are

⁸⁵ The analysis of the trade balance in relative shares in GDP points to downward revision of 0.2 p.p. of GDP, which arises from the change in the estimate for lower nominal growth of GDP for 2011.

related to the greater uncertainty about the realization of the anticipated capital inflows due to the uncertainty related to the fulfillment of the expected private investments.



Despite the downward revision of the growth for 2012, the risks remain downwards. The main risk still refers to the high uncertainty related to the debt crisis in the Euro area and its unfavorable impact on the financial markets. The possibly larger repercussions on the real sector of these countries would mean additional contraction of the foreign effective demand, which will directly affect the exports and will have negative impact on production and investments. The materialization of these risks would lead to lower economic growth in 2012 than expected.

In the fourth quarter of 2011, the annual inflation rate equaled 3.2%, which is in line with the anticipated inflation rate of 3.4%. Having in mind the actual data, and almost unchanged presumptions about the foreign prices, the expectations for the inflation in **2012 remained the same as in the October projection. The average inflation rate in 2012 will equal about 2%⁸⁶, which is substantial deceleration compared to the previous year (3.9%).** The forecast corresponds to the estimates of no domestic demand pressures in 2012 (estimated negative production gap in 2012). **In the first quarter of 2012 annual inflation rate is expected to equal 2.1%.** The inflation will mostly be driven by the supply side factors, i.e. foreign inflation and oil prices. Having in mind that no pressures on the demand side are expected, the core inflation is expected to decline and to equal 0.6% in the first quarter of 2012. The risks about the inflation projection are generally downward and may result from the possibly larger contraction of the world economic activity, which will trigger severe drop of the foreign prices. Additional downward risk is lower than projected domestic economy growth.

⁸⁶ The inflation projection for 2012 incorporates the already adopted decisions of the Energy Regulatory Commission on increasing the prices of electricity and central heating from the beginning of 2012, which were included also in the assumptions in the October projection.

STATISTICAL APPENDIX

Tables from the real sector

Table 1: Gross domestic product

Table 2: Prices

Table 3: Industrial production index

Table 4: Employment and productivity in total economy

Table 5: Wages

Table 6: Budget of the Republic of Macedonia

Tables from the monetary sector

Table 7: National bank of the Republic of Macedonia - balance sheet

Table 8: Report form for other depository corporations (banks and saving houses)

Table 9: Depository corporations survey - NBRM, other depository corporations (ODI-banks and saving houses)

Table 10: Banks and saving houses' loans

Table 11: Monetary aggregates and components thereof (non-government sector)

Table 12: Claims of other depository corporations (banks and saving houses)

Table 13: Liabilities of other depository corporations (banks and saving houses)

Table 14: Report on weighted interest rates on deposits and borrowings

Table 15: Interest rates of the National Bank of the Republic of Macedonia

Table 16: Reserve requirements of banks and saving houses

Table 17: Interest rates on government securities

Tables from the foreign exchange sector

Table 18: Republic of Macedonia:balance of payments

Table 19: Republic of Macedonia:balance of payments

Table 20: Republic of Macedonia:balance of payments - services

Table 21: Republic of Macedonia:balance of payments - income

Table 22: Republic of Macedonia:balance of payments - current transfers

Table 23: Republic of Macedonia:balance of payments - capital and financial account

Table 24: Merchandise trade by sections of SITC and by end use

Table 25: Foreign trade by countries

Table 26: Stock of foreign direct investment in Republic of Macedonia by contry

Table 27: Stock of foreign direct investment in Republic of Macedonia by activity

Table 28: International investment position of the Republic of Macedonia, as of the end of the period

Table 29: International investment position of the Republic of Macedonia, as of the end of the period

Table 30: Republic of Macedonia:gross external debt

Table 31: Republic of Macedonia:gross external claims

Table 32: Republic of Macedonia:net external debt position

Table 33: Reserve assets

Table 34: Exchange rates (average for the period)

Table 35: Mid exchange rates (end of period)

Table 36: Indices on effective exchange rate of the Denar

Methodological explanations

Gross Domestic Product (by production approach)

In millions of denars (at constant prices - reference year 2005) and real annual growth rates (in %)

	GDP total	%	Agriculture, hunting, forestry and fishing	%	Mining and quarrying, manufacturing and electricity, gas and water supply	%	Construction	%	Wholesales and retail sales	%	Hotels and restaurants	%	Transport, storage and communications	%	Financial intermediation, real estate and other business and service activities	%	Public administration and defence	%
			A+B		C+D+E		F		G		H		I		J+K+L		M+N+O+P	
1997 ¹	242107	1.4	30099		45646		12570		26280		2844		15378		38109		35331	
1998	250294	3.4	31090	3.3	46303	1.4	13537	7.7	26379	0.4	3052	7.3	19453	26.5	38109	0.0	35759	1.2
1999	261176	4.3	31370	0.9	47089	1.7	14946	10.4	27179	3.0	3804	24.7	22792	17.2	38838	1.9	37226	4.1
2000	273030	4.5	31689	1.0	51493	9.4	15335	2.6	28005	3.0	3375	-11.3	24723	8.5	39887	2.7	37261	0.1
2001	260674	-4.5	28268	-10.8	49140	-4.6	13122	-14.4	27771	-0.8	3223	-4.5	22666	-8.3	40720	2.1	36387	-2.3
2002	262899	0.9	27693	-2.0	48741	-0.8	13203	0.6	29276	5.4	3759	16.6	22268	-1.8	39218	-3.7	37649	3.5
2003	270314	2.8	29030	4.8	51214	5.1	14957	13.3	29796	1.8	4121	9.6	22366	0.4	37794	-3.6	39501	4.9
2004	282748	4.6	30888	6.4	52648	2.8	15810	5.7	33282	11.7	4051	-1.7	21292	-4.8	43010	13.8	39264	-0.6
2005	295052	4.4	30991	0.3	55052	4.6	15761	-0.3	38649	16.1	4245	4.8	23459	10.2	42625	-0.9	40670	3.6
2006	309895	5.0	32465	4.8	56465	2.6	16513	4.8	40528	4.9	4309	1.5	25759	9.8	46139	8.2	41301	1.6
2007	328951	6.1	31508	-2.9	63607	12.6	17063	3.3	43186	6.6	4677	8.5	28460	10.5	48015	4.1	42274	2.4
2008	345239	5.0	33293	5.7	65133	2.4	16125	-5.5	46014	6.5	4954	5.9	31920	12.2	51177	6.6	44175	4.5
2009 ²	342062	-0.9	34175	2.6	58159	-10.7	16835	4.4	48974	6.4	4528	-8.6	31563	-1.1	53556	4.6	45215	2.4
2010 ³	348125	1.8	35610	4.2	58937	1.3	17192	2.1	50766	3.7	4302	-5.0	32832	4.0	53544	0.0	46038	1.8
2010 ² Q1	75197	-0.4	6352	5.1	12905	-3.7	2504	-1.8	11167	3.5	871	-13.0	7214	-0.4	13411	1.2	11538	3.6
Q2	85811	1.7	8222	4.4	14660	1.5	4027	-17.8	12486	4.4	1102	-2.9	8201	4.5	13431	0.2	11438	0.8
Q3	89108	1.8	9153	3.8	15233	3.9	4751	6.9	13134	4.7	1300	-3.4	8019	-2.8	13493	-0.5	11462	1.2
Q4	98009	3.5	11883	3.9	16138	3.1	5910	19.6	13979	2.1	1029	-1.5	9397	14.3	13210	-1.0	11599	1.7
2011 ² Q1	79152	5.3	6525	2.7	14941	15.8	3046	21.6	11741	5.1	909	4.3	7713	6.9	12988	-3.2	11744	1.8
Q2	90110	5.0	8451	2.8	16734	14.1	4968	23.4	14560	16.6	1157	5.0	8302	1.2	13100	-2.5	11799	3.1
Q3	91167	2.3	9706	6.0	15166	-0.4	5337	12.3	13540	3.1	1391	7.0	8328	3.9	13149	-2.5	11770	2.7

¹ Real value of GDP and value added by sectors from 1997q1 to 2003q4 are NBRM staff calculations based on national accounts data from SSO.

² Estimated data.

³ Provisional value.

Source: State Statistical Office and NBRM staff calculations.

Prices

Annual rates (%)

	Consumer price index (growth rates)															Producer price index (growth rates)
	By categories															
	Total	Goods	Services	Food	Tobacco and beverages	Clothing and footwear	Housing				Hygiene and health	Culture and entertainment	Transport means and services	Restaurants and hotels ^{1/}	Other services ^{1/}	
							Total	Flat (rent, water, services)	Fuel and lighting	Household appliances						
1997	2.6	2.2	3.8	4.2	-3.9	-1.6	1.7	0.3	3.8	1.6	-0.5	-8.6	19.4	-	-	4.2
1998	-0.1	0.0	-0.4	-0.2	3.6	2.4	0.4	0.0	0.4	2.0	0.1	-10.3	2.4	-	-	4.0
1999	-0.7	-1.1	0.5	-1.6	0.2	1.2	0.3	0.1	1.1	-1.9	-1.4	-2.2	-0.8	-	-	-0.1
2000	5.8	5.2	8.9	-0.4	13.9	-2.3	19.3	8.8	27.4	1.7	-1.7	-1.6	22.4	-	-	8.9
2001	5.5	4.5	10.9	6.9	2.3	1.3	5.5	11.3	3.9	0.1	-0.7	1.9	9.5	-	-	2.0
2002	1.8	1.2	5.0	1.8	1.0	6.8	1.7	4.1	1.0	-0.6	-3.8	3.6	2.1	-	-	-0.9
2003	1.2	0.3	5.9	-1.4	3.4	2.2	3.9	3.9	4.4	1.1	3.9	2.2	4.2	-	-	-0.3
2004	-0.4	-1.1	3.3	-3.1	1.1	0.9	2.2	-0.3	3.0	4.2	0.4	1.3	4.0	-	-	0.9
2005	0.5	0.3	1.3	-1.2	5.5	2.2	0.4	0.3	1.0	-1.2	-3.5	0.9	3.7	-	-	3.2
2006	3.2	3.7	1.3	2.2	17.8	0.2	2.0	-0.7	3.7	-0.8	2.0	6.4	1.8	-	-	6.9
2007	2.3	3.0	-0.3	3.9	1.8	1.8	4.7	6.3	5.8	-0.7	0.3	2.4	-3.1	4.7	8.6	2.5
2008	8.3	9.2	5.1	15.3	4.0	1.8	6.0	6.1	7.3	1.4	1.5	0.2	3.2	11.4	2.2	10.2
2009	-0.8	-0.8	-0.8	-1.6	4.0	0.0	4.5	2.0	6.3	1.7	2.1	-3.8	-7.9	2.2	-5.8	-7.0
2010	1.6	1.9	0.0	0.3	0.5	0.8	5.1	0.6	8.7	0.4	0.4	0.4	3.7	0.4	-5.6	8.7
2010 Q1	0.5	0.6	-0.2	-2.4	1.2	-0.4	4.9	0.3	8.7	-0.2	1.2	-0.1	4.0	-0.4	-2.3	7.3
Q2	1.1	1.4	-0.2	-0.9	0.1	0.9	4.7	-0.2	8.3	0.2	-0.3	0.8	5.2	-0.1	-7.1	10.5
Q3	1.8	2.0	0.6	1.2	-0.2	1.1	5.2	0.0	8.9	0.7	0.0	1.6	2.6	0.5	-6.8	8.4
Q4	2.9	3.5	0.0	3.3	0.8	1.6	5.8	2.5	8.9	1.1	0.7	-0.8	3.1	1.6	-6.2	8.6
January	0.1	0.1	0.2	-3.5	2.4	-1.2	5.4	0.4	9.5	-0.2	1.2	-0.5	3.7	-0.4	-0.2	6.0
February	0.6	0.8	-0.3	-1.9	0.7	-0.3	4.8	0.3	8.6	-0.3	0.9	-0.3	4.0	-0.4	0.8	7.2
March	0.7	0.9	-0.6	-1.9	0.5	0.4	4.5	0.3	7.9	-0.2	1.6	0.4	4.2	-0.5	-7.6	8.5
April	1.4	1.8	-0.5	-0.3	0.3	0.7	4.7	0.0	8.3	0.0	0.2	1.1	5.4	-0.5	-7.4	11.2
May	0.2	0.3	-0.7	-3.4	0.0	1.1	4.7	-0.3	8.3	0.2	-0.4	0.0	5.7	-0.1	-6.9	11.6
June	1.8	2.0	0.7	0.9	0.0	1.0	4.6	-0.4	8.2	0.4	-0.6	1.2	4.5	0.3	-6.9	8.7
July	1.5	1.6	0.8	0.2	-0.2	1.0	4.7	-0.2	8.2	0.6	-0.1	2.1	3.6	0.6	-7.1	8.2
August	1.9	2.0	1.4	1.0	-0.3	1.2	5.5	-0.2	9.5	0.7	-0.1	3.0	2.8	0.7	-6.8	8.3
September	2.0	2.5	-0.3	2.3	-0.2	1.2	5.4	0.4	9.1	0.7	0.1	-0.3	1.3	0.2	-6.4	8.6
October	2.7	3.5	-0.8	3.4	0.7	2.0	5.7	1.6	9.1	1.0	-0.1	-2.5	3.1	0.7	-6.5	9.0
November	2.9	3.5	0.4	3.4	0.9	1.5	5.9	3.0	8.9	1.3	0.6	0.3	2.5	2.2	-6.1	7.3
December	3.0	3.5	0.3	3.2	0.7	1.3	5.7	3.0	8.6	1.0	1.5	-0.3	3.6	1.9	-6.1	9.3
2011 Q1	4.1	4.5	1.0	7.1	1.0	1.0	3.0	6.0	3.3	0.4	1.4	-0.8	4.8	1.5	-5.5	13.6
Q2	4.7	5.4	1.1	8.4	1.0	1.4	4.3	6.9	5.5	-0.1	3.5	-2.6	2.8	1.6	2.4	11.7
Q3	3.6	4.4	0.2	5.4	1.2	1.5	3.9	6.3	5.0	0.0	3.8	-0.7	2.6	1.6	2.0	10.2
Q4	3.2	3.8	0.6	4.7	0.2	1.6	3.5	3.1	5.2	0.0	2.8	0.8	2.4	1.8	1.1	
January	3.2	3.6	0.7	5.3	0.8	0.9	2.3	4.8	2.3	0.7	1.2	-0.9	5.0	1.0	-8.3	12.7
February	3.9	4.2	0.9	6.8	1.1	1.0	2.3	6.5	2.0	0.4	1.4	-0.5	4.6	1.1	-8.3	12.8
March	5.2	5.7	1.5	9.1	1.2	1.2	4.3	6.7	5.6	0.1	1.6	-1.0	4.9	2.3	0.1	15.3
April	4.8	5.3	1.6	8.3	0.9	1.5	4.2	6.9	5.4	-0.1	3.3	-2.2	3.7	2.0	2.3	13.3
May	5.2	5.9	1.5	9.6	1.1	1.6	4.3	6.8	5.5	-0.1	3.4	-2.8	2.9	1.6	2.3	10.8
June	4.1	5.1	0.2	7.2	1.1	1.2	4.3	7.0	5.5	-0.1	3.9	-2.8	1.7	1.2	2.5	10.9
July	3.8	4.5	0.9	6.2	1.1	1.8	4.2	6.7	5.5	-0.2	3.3	-2.2	2.0	1.7	2.4	9.5
August	3.6	4.6	-0.6	5.6	1.2	1.4	3.9	6.5	4.8	0.2	4.2	-1.7	2.4	1.6	2.1	11.1
September	3.4	4.1	0.3	4.3	1.2	1.2	3.7	5.8	4.7	0.0	4.0	1.7	3.5	1.6	1.6	10.0
October	3.3	4.0	0.9	4.3	0.3	0.9	3.4	4.8	4.6	-0.1	3.9	2.2	3.6	1.5	1.1	8.6
November	3.5	4.3	0.5	5.3	0.2	1.9	3.5	2.3	5.5	-0.1	3.1	0.4	2.5	1.8	1.1	10.4
December	2.8	3.2	0.5	4.4	0.2	1.9	3.7	2.3	5.6	0.1	1.4	-0.1	1.1	2.1	1.1	

^{1/} Since 2007, the structure of the consumer price index (CPI) includes also the following categories: restaurants and hotels and the category of other services which are not mentioned anywhere else.

^{2/} Quarterly calculations are made in the Research Department in NBRM.

Source: State Statistical Office.

Industrial production

Annual growth rates (%)

	By sectors				By group of products				
	Total	Mining and Quarrying	Manufacturing	Electricity, Gas, Steam and Air conditioning supply	Energy	Intermediary goods, except energy	Capital goods	Durable consumer goods	Non-durable consumer goods
2002	-5.3	-24.5	-4.7	-3.8	-16.8	-8.0	53.3	-22.6	-2.4
2003	4.7	-39.1	5.9	9.8	28.7	-12.1	-9.0	36.9	19.0
2004	-2.2	-5.0	-2.1	-2.6	-1.8	0.9	-20.1	9.1	-3.4
2005	7.0	40.4	7.3	2.5	4.6	14.2	-3.2	-14.9	3.8
2006	5.9	11.1	6.4	0.8	3.2	10.1	6.1	-17.1	4.7
2007	3.9	10.0	5.5	-9.5	-6.9	11.8	25.0	9.3	-1.3
2008	5.1	9.4	5.9	-3.1	-0.1	7.5	-1.0	64.6	2.8
2009	-8.7	-12.4	-10.4	8.7	2.5	-14.9	-23.1	-21.6	-3.3
2010	-4.8	-3.8	-7.5	14.4	6.8	-12.8	-10.8	-1.0	-1.8
2010 Q1	-9.3	-6.4	-14.6	19.1	-2.5	-15.5	-27.7	-1.3	-6.2
Q2	-0.9	-0.4	-5.8	38.5	28.6	-5.1	-5.9	1.9	-8.1
Q3	-3.6	5.1	-5.1	6.9	8.5	-12.6	-12.7	-5.8	3.0
Q4	-6.0	-12.5	-5.9	-3.8	-1.7	-17.6	5.1	1.1	2.9
January	-2.8	8.8	-8.0	16.8	6.6	-10.1	-36.7	5.9	0.0
February	-10.6	1.0	-17.9	31.3	7.2	-21.4	-26.5	0.0	-10.2
March	-13.3	-22.9	-16.6	10.6	-20.9	-13.8	-22.3	-8.5	-7.4
April	-7.2	-14.2	-11.4	29.6	2.5	-4.8	-24.3	10.3	-12.4
May	-1.1	-3.2	-6.1	37.6	55.1	-12.0	-21.4	-17.3	-6.9
June	5.5	20.6	0.1	49.7	33.3	2.1	31.3	14.1	-5.2
July	8.0	10.7	5.0	35.1	24.3	17.8	4.2	1.5	-4.0
August	-2.5	6.1	-3.2	-0.1	9.7	-13.2	-13.9	-3.3	6.2
September	-14.0	-0.5	-14.9	-10.8	-12.4	-29.0	-22.4	-13.2	7.9
October	-4.7	-7.5	-4.1	-8.2	-10.1	-9.3	2.9	-1.0	2.3
November	-2.9	-11.4	-1.0	-14.3	-4.3	-11.2	-16.7	-0.8	6.7
December	-10.0	-18.8	-12.2	10.0	8.7	-30.7	28.1	5.5	-0.6
2011 Q1	13.8	7.9	18.4	-3.1	6.8	19.9	64.5	65.2	3.8
Q2	5.3	14.6	9.7	-21.6	-23.3	4.2	44.7	117.5	9.7
Q3	1.4	-5.2	4.0	-16.7	-18.2	2.3	43.0	59.8	0.6
January	4.9	2.4	8.0	-4.8	-6.1	16.8	72.6	19.5	-1.8
February	10.9	-2.7	16.6	-7.9	1.2	18.2	81.9	22.4	3.2
March	24.5	24.4	28.9	4.1	31.8	23.6	47.4	150.2	9.3
April	11.8	20.8	14.7	-6.3	12.9	4.7	44.8	107.0	7.3
May	6.9	27.3	11.9	-24.4	-30.1	12.2	87.0	103.9	10.2
June	-1.8	-2.8	3.4	-33.5	-45.7	-3.6	17.6	139.8	11.4
July	5.5	2.2	9.0	-18.7	-15.5	2.6	26.1	181.1	6.3
August	0.9	-8.9	3.1	-12.9	-21.1	9.9	55.0	3.8	-3.1
September	-2.3	-8.6	-0.3	-18.8	-17.9	-5.3	48.1	8.7	-1.8
October	-3.8	11.7	-5.3	1.2	-11.3	-10.6	17.3	-1.7	4.0
November	-5.3	15.5	-7.6	5.7	-4.2	-12.6	70.3	-0.7	-6.6

^{1/} Quartile calculations are made in the Research Department in NBRM.

Source: State Statistical Office.

Employment and productivity of the economy

	Total population fit for work	Active population			Number of employees by economic activities*:			Productivity ^{1/}
		Total	Employees	Unemployed	Agriculture	Industry	Services	
1996	1,436,602	789,081	537,591	251,489	100,067	193,975	243,548	-
1997	1,489,625	800,513	512,301	288,213	84,256	163,988	264,056	-
1998	1,503,365	823,826	539,762	284,064	107,249	190,674	241,839	-
1999	1,518,250	806,674	545,222	261,452	115,361	185,283	244,580	-
2000	1,534,256	811,557	549,846	261,711	119,971	187,066	242,809	-
2001	1,554,420	862,504	599,308	263,196	131,094	190,458	277,755	-
2002	1,566,953	824,824	561,341	263,483	134,293	186,917	238,868	-
2003	1,579,450	860,976	545,108	315,868	120,132	184,855	238,583	-
2004	1,594,557	832,281	522,995	309,286	88,050	171,390	261,810	-
2005	1,607,997	869,187	545,253	323,934	106,533	175,868	261,523	0.2
2006	1,618,482	891,679	570,404	321,274	114,777	186,085	268,117	0.5
2007	1,628,635	907,138	590,234	316,905	107,717	184,928	294,305	2.3
2008	1,633,341	919,424	609,015	310,409	119,749	190,530	297,189	1.9
2009	1,638,869	928,775	629,901	298,873	116,668	187,077	324,410	-4.2
2010	1,649,473	939,479	640,199	299,279	121,184	186,664	330,060	-0.7
2010 Q1	1,644,423	925,613	615,962	309,651	109,821	182,562	321,505	0.4
Q2	1,648,132	923,323	627,129	296,194	121,442	183,307	320,243	3.0
Q3	1,649,507	949,313	648,773	300,540	128,825	186,077	332,186	1.1
Q4	1,652,026	954,928	659,557	295,371	126,995	189,024	341,179	-2.8
2011 Q1	1,653,275	944,216	649,575	294,641	118,837	192,349	335,187	0.2
Q2	1,655,188	936,256	642,809	293,448	122,698	194,047	323,785	2.3
Q3	1,657,216	942,395	648,617	293,778	123,973	197,175	325,504	2.4

^{1/} Annual growth rates (%). NBRM staff calculations.

* Starting from January 2011 the State Statistical Office applied the new National Classification of Activities (NACE Rev.2) when compiling the data on number of employees. Note: due to the methodological changes, the data on employees by economic activities for 2011 is not fully comparable with the data for the previous period.

Source: State Statistical Office - Labour Force Survey and NBRM staff calculations.

Salaries

Amount in denars, change in (%)

	Gross salaries:						Net salaries:					
	Average, total	Nominal change	Real change	By economic activities:			Average, total	Nominal change	Real change	By economic activities:		
				Agriculture	Industry	Services				Agriculture	Industry	Services
1999	16,941	3.6	-	12,944	16,306	19,684	10,029	2.9	3.6	8,667	8,380	10,720
2000	17,958	6.0	-	15,733	17,785	20,968	10,526	5.5	-0.3	9,294	8,883	11,354
2001	17,893	-0.4	-5.6	14,739	18,304	20,467	10,592	3.5	-1.9	8,754	10,348	11,852
2002	19,030	6.4	4.5	14,437	19,243	21,648	11,550	6.9	5.0	8,833	11,415	12,791
2003	19,957	4.9	3.7	14,100	19,854	22,955	11,955	4.8	3.6	8,522	11,782	13,549
2004	20,779	4.1	4.5	17,287	20,692	23,748	12,534	4.0	4.4	10,337	12,290	13,999
2005	21,335	2.7	2.2	19,128	21,450	24,737	13,125	2.5	2.0	11,419	12,738	14,548
2006	23,037	8.0	4.6	19,485	23,570	25,624	13,854	7.3	4.0	11,660	13,983	15,036
2007	24,139	4.8	2.4	17,755	23,965	26,520	14,586	7.9	5.5	10,766	14,585	16,080
2008	25,349	8.7	0.3	17,342	25,478	28,492	16,095	10.3	1.9	10,693	15,780	17,581
2009	29,923	9.4	10.3	19,331	29,068	33,056	19,958	9.9	10.8	13,096	19,316	22,136
2010	30,226	1.0	-0.6	19,597	29,762	32,659	20,554	3.0	1.4	13,388	20,090	22,289
2010 Q1	29,879	1.1	0.7	19,358	29,223	32,467	20,303	3.3	2.8	13,234	19,774	22,136
Q2	30,238	0.3	-0.8	19,678	29,636	32,650	20,557	2.2	1.1	13,491	19,982	22,283
Q3	30,099	0.9	-0.9	20,072	29,724	32,325	20,465	2.9	1.1	13,668	20,056	22,049
Q4	30,688	1.7	-1.2	19,280	30,465	33,194	20,890	3.6	0.7	13,161	20,548	22,690
January '10	29,947	1.2	1.1	19,844	29,370	32,586	20,330	3.6	3.5	13,651	19,850	22,196
February	29,751	1.1	0.5	19,205	28,801	32,659	20,240	3.3	2.7	13,155	19,565	22,324
March	29,938	1.1	0.4	19,026	29,500	32,157	20,338	3.0	2.3	12,897	19,907	21,889
April	30,081	-0.2	-1.6	19,723	29,249	32,481	20,449	1.4	0.0	13,551	19,760	22,155
May	30,598	1.7	1.5	19,684	29,925	32,971	20,798	3.4	3.2	13,573	20,154	22,501
June	30,035	-0.5	-2.2	19,626	29,734	32,500	20,424	1.8	0.0	13,348	20,033	22,193
July	29,827	0.3	-1.2	20,661	29,164	31,921	20,299	2.7	1.2	14,125	19,728	21,792
August	30,207	1.5	-0.4	19,839	29,976	32,421	20,541	3.4	1.5	13,499	20,215	22,118
September	30,263	0.9	-1.1	19,716	30,031	32,634	20,554	2.5	0.5	13,379	20,226	22,236
October	30,279	0.6	-2.1	18,716	30,034	32,582	20,584	2.3	-0.4	12,630	20,245	22,232
November	30,349	1.7	-1.1	19,488	29,734	32,786	20,633	3.6	0.7	13,363	20,071	22,382
December	31,435	2.7	-0.3	19,636	31,629	34,213	21,454	4.7	1.7	13,491	21,329	23,456
2011 Q1	30,383	1.7	-2.3	20,478	31,582	33,718	20,682	1.9	-2.1	14,093	21,319	23,030
Q2	30,633	1.3	-3.2	21,613	32,000	34,397	20,864	1.5	-3.1	14,871	21,597	23,515
Q3	30,528	1.5	-2.1	21,581	31,974	33,808	20,795	1.6	-1.9	14,937	21,636	23,102
January '11**	30,902	3.2	0.0	20,689	31,900	34,252	21,029	3.4	0.2	14,247	21,369	23,431
February	30,032	0.9	-2.8	19,938	31,550	33,346	20,433	1.0	-2.8	13,731	21,394	22,748
March	30,216	0.9	-4.1	20,806	31,297	33,557	20,585	1.2	-3.8	14,301	21,193	22,910
April	30,172	0.3	-4.3	21,195	31,705	33,735	20,519	0.3	-4.3	14,542	21,276	23,027
May	30,736	0.5	-4.5	21,765	32,342	34,274	20,954	0.7	-4.3	14,966	21,850	23,441
June	30,990	3.2	-0.9	21,880	31,954	35,181	21,119	3.4	-0.7	15,104	21,664	24,078
July	30,528	2.4	-1.3	21,314	31,453	34,030	20,813	2.5	-1.3	14,741	21,343	23,281
August	30,715	1.7	-1.8	21,814	32,587	33,834	20,912	1.8	-1.7	15,109	22,027	23,086
September	30,340	0.3	-3.0	21,616	31,881	33,560	20,659	0.5	-2.8	14,961	21,537	22,938
October	30,680	1.3	-1.9	22,367	32,336	33,819	20,902	1.5	-1.7	15,561	21,867	23,098

*From January 2009 there is structural break in the wage data, due to the "gross wage" reform. Consequently, values for net and gross wages from January 2009 are significantly higher than in the previous period. On the other hand, growth rates for net and gross wages shown in the table correspond to data that are corrected for this structural break. The correction is done by the NBRM staff, assuming that the wage in January 2009 remains on the December 2008 level, and then multiplying this value with the official SSO monthly growth rates.

** Starting from January 2011 the State Statistical Office applied the new National Classification of Activities (NACE Rev.2) for collecting and processing data on the average monthly net and gross wages. Note: due to the methodological changes, the data on wages by economic activities for 2011 is not fully comparable with the data for the previous period.

Source: State Statistical Office and NBRM staff calculations.

Budget of the Republic of Macedonia (Central Budget and Budgets of Funds)

	Total 2007	Total 2008	Total 2009	2010				Total 2010	2011			2011	
				Q1	Q2	Q3	Q4		Q1	Q2	Q3	Oct.	Nov.
TOTAL BUDGET REVENUES	119,609	136,411	128,498	29,521	32,322	36,134	34,173	132,150	31,422	36,042	34,444	10,859	11,206
Revenues base on taxes and contributions	103,219	115,103	109,860	25,295	28,151	29,176	29,818	112,440	27,332	29,519	30,461	9,763	10,076
Tax revenues (SRA)*	247	295	269	177	160	196	282	815	192	146	151	66	70
Tax revenues	69,515	76,559	70,754	16,009	18,528	19,209	19,192	72,938	18,002	19,411	20,247	6,530	6,615
personal income tax	8,893	8,696	8,710	2,111	2,116	2,085	2,560	8,872	2,242	2,325	2,288	696	830
profit tax	5,898	8,579	4,434	879	623	1,154	1,034	3,690	920	1,496	731	229	220
value added tax	32,962	36,173	35,173	8,204	9,734	9,929	9,827	37,694	9,834	10,140	11,037	3,481	3,731
excises	13,265	14,276	14,533	3,140	3,542	4,304	3,939	14,925	3,423	3,687	4,326	1,483	1,260
custom duties	6,199	6,275	5,229	953	1,772	903	1,084	4,712	809	950	1,027	321	327
other	2,298	2,560	2,675	722	741	834	748	3,045	774	813	838	320	247
Contributions	33,457	38,249	38,837	9,109	9,463	9,771	10,344	38,687	9,138	9,962	10,063	3,167	3,391
Pension and Disability Insurance Fund of Republic of Macedonia	21,936	25,586	26,281	6,162	6,385	6,613	6,977	26,137	6,188	6,740	6,792	2,143	2,301
Employment Biro	1,523	1,790	1,848	400	400	412	439	1,651	388	425	434	135	144
Health Fund	9,998	10,873	10,708	2,547	2,678	2,746	2,928	10,899	2,562	2,797	2,837	889	946
Non-tax revenues	13,962	18,400	16,402	3,703	3,020	6,284	3,563	16,570	2,995	3,648	3,408	927	897
Non-tax revenues (SRA)*	5,912	7,160	6,859	1,864	1,431	1,821	1,320	6,436	1,677	1,536	1,523	444	447
Profit from public financial institutions	3,532	5,546	3,807	495	63	3,157	764	4,479	12	22	281	26	6
National Bank of the Republic of Macedonia	258	1,289	1,161	408	0	0	0	408	0	0	0	0	0
Asset Management Agency	164	260	132	0	0	0	0	0	0	0	0	0	0
Other property revenues	12	10	3	77	37	632	748	1,494	6	22	222	19	0
Interests from assets deposited in NBRM	218	182	111	8	26	15	15	64	6	0	59	7	6
Dividend	2,880	3,805	2,400	2	0	2,510	1	2,513	0	0	0	0	0
Administrative taxes	1,683	1,858	1,897	448	474	381	472	1,775	439	565	383	126	140
Participation for health services	367	390	312	85	80	75	75	315	82	90	77	25	25
Other administrative taxes	324	561	514	133	137	115	158	543	127	196	162	51	72
Other non-tax revenues	527	942	1,265	247	289	145	203	884	318	781	475	105	59
Compensations for the Road Fund	1,617	1,943	1,747	358	446	574	449	1,827	340	458	507	150	148
Capital revenues	1,397	1,390	1,167	268	331	227	333	1,159	532	2,495	182	48	85
Donations from abroad	906	1,327	833	201	648	281	329	1,459	231	277	254	109	92
Revenues of recovered loans	125	191	237	56	173	166	130	525	332	103	139	12	56
TOTAL BUDGET EXPENDITURES	117,436	140,222	139,393	33,625	34,293	36,644	38,130	142,692	35,148	40,048	36,103	11,333	11,878
Current expenditures	103,695	120,160	125,965	30,396	31,563	31,703	33,696	127,358	31,133	35,164	31,830	10,281	10,606
Wages and salaries	23,607	20,827	22,699	5,751	5,636	5,588	5,663	22,638	5,755	5,773	5,821	1,929	1,932
Goods and services	14,813	18,745	16,220	3,728	3,179	3,785	3,989	14,681	3,497	3,768	3,128	876	1,077
Transfers	62,401	77,942	84,601	20,687	22,086	20,960	23,132	86,865	21,523	24,938	21,392	7,309	7,384
Transfers (SRA)*	637	1,283	1,505	264	309	369	243	1,185	173	211	218	61	67
Social transfers	49,991	58,104	61,742	15,620	15,931	16,079	16,156	63,786	15,961	17,223	16,665	5,767	5,717
Pension and Disability Insurance Fund of Republic of Macedonia	28,185	33,366	36,455	9,231	9,380	9,378	9,625	37,614	9,521	9,800	9,733	3,443	3,352
Employment Agency	1,654	1,626	2,271	495	525	518	656	2,194	488	552	561	170	248
State benefit	4,047	3,990	4,305	1,267	1,336	1,215	856	4,674	1,100	1,777	1,275	393	327

Budget of the Republic of Macedonia (Central Budget and Budgets of Funds)

	Total 2007	Total 2008	Total 2009	2010				Total 2010	2011			2011	
				Q1	Q2	Q3	Q4		Q1	Q2	Q3	Oct.	Nov.
<i>Public health</i>	16,105	19,122	18,711	4,627	4,690	4,968	5,019	19,304	4,852	5,094	5,096	1,761	1,790
Other transfers	11,699	18,488	21,296	4,794	5,829	4,502	6,718	21,843	5,389	7,504	4,509	1,481	1,600
Refugees	74	67	58	9	17	10	15	51	0	0	0	0	0
Interest payments	2,874	2,646	2,445	231	661	1,370	912	3,174	358	685	1,489	167	213
Interest on domestic debt	1,053	943	1,011	99	464	185	271	1,019	196	444	224	100	68
Interest on external debt	1,821	1,703	1,434	131	198	1,185	641	2,155	162	241	1,265	67	145
Guaranties	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures	13,741	20,062	13,428	3,229	2,730	4,941	4,434	15,334	4,015	4,884	4,273	1,052	1,272
Investments in fixed assets	8,817	13,468	9,453	2,387	1,816	3,623	3,301	11,127	3,358	3,793	3,324	844	1,033
Capital transfers	4,920	6,594	3,975	843	914	1,318	1,133	4,208	657	1,091	949	208	239
BUDGET DEFICIT / SURPLUS	2,173	-3,811	-10,895	-4,104	-1,972	-510	-3,957	-10,543	-3,726	-4,006	-1,659	-474	-672
Financing	-2,173	3,811	10,895	4,104	1,972	510	3,957	10,543	3,726	4,006	1,659	474	672
Inflow	19,295	10,787	18,939	4,699	5,504	1,545	6,276	18,024	4,518	7,810	2,559	2,456	1,109
Revenues based on privatisation	662	1,640	0	0	0	0	0	0	0	0	0	0	0
Foreign loans	3,643	2,666	13,040	337	1,593	722	4,525	7,177	635	14,324	471	141	150
Deposits	15,454	3,345	-274	4,440	1,616	129	-2,173	4,012	3,199	-6,315	893	1,989	152
Treasury bills	-526	3,038	6,098	-78	2,295	695	3,884	6,796	615	-199	1,134	317	679
Sale of shares	62	97	75	0	0	0	40	40	69	0	61	9	128
Outflow	21,468	6,976	8,044	596	3,532	1,035	2,319	7,482	792	3,804	900	1982	437
Repayment of principal	21,468	6,976	8,044	596	3,532	1,035	2,319	7,482	792	3,804	900	1982	437
External debt	14,200	1,878	2,356	596	534	726	734	2,590	650	783	760	282	437
Domestic debt	7,268	5,098	5,688	0	2,998	309	1,585	4,892	142	3,021	140	1700	0

*Specific Revenue Accounts.

Source: Ministry of Finance.

in millions of denars

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accordance with the new introduced methodology for the period from January 2003

2) Starting from August 2009, Deposit Money Banks and Saving Houses are obliged to allocate compulsory deposit at NBRRM, according Decision of compulsory deposit at NBRRM, No 02-15/VI-1/2008 from 12.06.2008

3) Starting from January 2009 the data are compiled based on the New Banks' Chart of accounts

4) In accordance with the IMF guidelines, SDR allocations is treated as foreign liabilities and no longer as "shares and other equity". The all historical series is revised.

Report form for other depository corporations (Banks and Saving houses)^{1,2}

								2010										
	2003	2004	2005	2006	2007	2008	2009	I	II	III	IV	V	VI	VII	VIII	IX	X	
	XII	XII	XII	XII	XII	XII	XII											
A. ASSETS	128133	146283	171189	204745	254348	283710	306469	307928	309677	310961	317359	324351	328194	331352	331594	335190	337668	
1. Currency and Deposits	40700	44136	49509	55860	59192	50211	60794	57956	55073	53849	56658	60361	60487	60167	60032	59705	63303	
1.1. Currency	2368	2390	3332	3905	4791	5667	5912	5153	4932	5286	5231	5534	5297	6135	6152	5635	5514	
1.1.1. Holdings of National Currency	844	921	1389	1545	1986	3198	3216	2906	2862	3151	2702	3071	2801	3024	3135	2934	2939	
1.1.2. Holdings of Foreign Currency	1524	1469	1943	2360	2805	2469	2696	2247	2070	2135	2530	2463	2496	3111	3018	2701	2575	
1.2. Deposits	38332	41746	46177	51955	54401	44544	54882	52802	50140	48563	51427	54827	55190	54032	53880	54070	57789	
1.2.1. In National Currency	3583	2850	4814	7420	10848	11977	14614	15967	15031	13930	14952	14926	16737	14560	15320	14059	16609	
1.2.1.1. Central Bank/Required Reserves and Clearing Balances, Compulsory deposit Corporations	3295	2767	4742	7329	10649	11616	14176	15528	14586	13484	14580	14529	16312	14132	14871	13630	16173	
1.2.1.2. In Foreign Currency Corporations	288	83	72	91	199	361	438	439	445	446	372	397	425	428	449	429	436	
1.2.2. In Foreign Currency Corporations	34749	38896	41363	44535	43553	32567	40268	36835	35109	34633	36475	39901	38453	39472	38560	40011	41180	
1.2.2.2. Central Bank	771	343	766	1347	1185	1832	1686	1233	1123	1166	1095	1021	1010	934	1726	1748	1886	
1.2.2.3. Nonresidents	2951	3504	5323	6373	7277	9769	12225	12189	12171	12240	12468	12406	12702	12688	12891	13042	12921	
	31027	35049	35274	36815	35091	20966	26357	23412	21814	21227	22912	26474	24742	25850	23943	25221	26363	
2. Securities Other than Shares	10778	11656	16218	22912	34300	27339	29782	32668	35877	36709	36801	38309	38149	36272	38681	40898	39765	
2.1. In National Currency	4829	6041	16140	22835	34217	27240	29265	32145	35353	36336	36431	37952	37789	35919	38316	40530	39384	
2.1.1. Central Bank	4006	4465	8932	9457	21000	17437	15861	17776	20814	22954	23230	24814	23196	22816	24441	26630	24698	
2.1.2. Other Depository Corporations	0	0	0	0	300	529	833	836	839	840	831	835	837	838	840	841	842	
2.1.3. Other Financial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2.1.4. Central Government	823	1571	7205	13365	12837	9252	12571	13533	13701	12542	12360	12303	13756	12266	13036	13060	13845	
2.1.5. Other Nonfinancial Corporations	0	5	3	13	80	22	0	0	0	0	0	0	0	0	0	0	0	
2.1.6. Nonresidents	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2.2. In Foreign Currency	5949	5615	78	77	83	99	517	523	523	374	370	357	360	353	365	367	381	
2.2.1. Central Government	5889	5502	0	0	0	0	359	362	361	374	370	357	360	353	365	367	381	
2.2.2. Nonresidents	60	113	78	77	83	99	159	161	162	0	0	0	0	0	0	0	0	
3. Loans	49164	60126	72604	95069	131562	176417	184241	184395	185977	187083	188961	190102	191702	192930	194698	195411	195873	
3.1. In National Currency	40735	47799	54148	70302	99521	136665	142289	142513	142846	143465	143654	143816	144628	146210	147201	147004	147292	
3.1.1. Central Bank	0	0	0	0	0	0	14	13	12	13	12	13	13	14	14	13	14	
3.1.2. Other Depository Corporations	1342	743	796	1568	1966	2849	2925	2690	2911	2905	2245	2285	2486	2611	2849	2262	2056	
3.1.3. Other Financial Corporations	46	0	3	4	52	30	31	41	41	42	43	39	21	23	19	19	39	
3.1.4. Central Government	24	153	44	268	139	115	98	97	98	101	96	97	102	95	98	97	93	
3.1.5. State and Local Government	2	20	13	0	0	24	20	20	20	19	18	18	17	18	17	16	16	
3.1.6. Public Nonfinancial Corporations	458	677	517	363	315	133	33	32	31	25	23	18	13	12	11	10	10	
3.1.7. Other Nonfinancial Corporations	28507	30065	30336	37026	48498	68078	70993	71540	71734	72103	72594	72099	72006	73382	73620	73731	73866	
3.1.8. Other Resident Sectors	10355	16139	22428	31049	48487	65414	68121	68025	67945	68196	68561	69186	69908	69997	70517	70801	71141	
3.1.9. Nonresidents	1	2	11	24	64	22	54	53	54	54	61	55	56	57	57	55	57	
3.2. In Foreign Currency	8429	12327	18456	24767	32041	39752	41952	41882	43131	43618	45307	46286	47074	46720	47497	48407	48581	
3.2.1. Other Depository Corporations	917	666	962	988	1151	1175	1826	1817	2263	2908	2954	2850	3144	3150	3633	3526	3526	
3.2.2. Other Financial Corporations	0	0	0	2	0	0	41	46	46	46	45	44	45	44	45	43	41	
3.2.3. Central Government	2	1	0	0	0	0	18	18	17	17	17	17	17	17	12	11	11	
3.2.4. Local Government							0	0	0	0	0	0	0	0	0	0	0	
3.2.5. Public Nonfinancial Corporations	27	5	0	0	0	0	398	391	386	395	395	437	430	421	419	422	416	
3.2.6. Other Nonfinancial Corporations	7069	10934	16477	21864	28361	34128	34737	34798	35630	36057	36992	37744	38595	37973	38644	39041	39186	
3.2.7. Other Resident Sectors	180	458	750	1709	2358	4344	3823	3806	3778	3833	3990	4077	4218	4352	4435	4526	4649	
3.2.8. Nonresidents	234	263	267	204	171	105	1109	1005	1009	1005	961	1013	920	770	791	731	751	
4. Shares and Other Equity	1424	1349	1567	1622	1308	1593	1353	1337	1347	1351	1356	1342	1355	1340	1339	1333	1335	
4.1. In National Currency	1275	1200	1415	1451	1117	1402	1154	1137	1144	1143	1144	1143	1153	1145	1142	1140	1141	
4.2. In Foreign Currency	149	149	152	171	191	191	198	199	203	207	212	199	202	195	198	193	194	
5. Financial Derivatives	0	0	0	0	0	0	15	18	4	5	8	18	20	16	6	2	11	
6. Other claims	15085	17498	20113	18538	17935	17193	17861	19238	19079	19597	21036	21731	23890	27983	24206	24916	24468	
6.1. In National Currency	13686	15345	18946	17214	16141	16024	16549	17971	17810	18316	19774	20511	22637	26814	23017	23724	23399	
6.2. In Foreign Currency	1399	2153	1167	1324	1794	1169	1312	1267	1269	1282	1262	1219	1253	1169	1189	1191	1069	
7. Nonfinancial Assets	10982	11518	11178	10744	10051	10957	12424	12317	12321	12367	12538	12488	12591	12644	12631	12927	12913	
B. Liabilities	128133	146283	171189	204745	254348	283710	306469	307928	309677	310961	317359	324351	328194	331352	331594	335190	337668	
1. Deposit included in Borad money	65671	78831	92725	117838	155869	175130	187587	189304	189768	192433	196282	200480	201213	197149	201567	203658	206073	
1.1. In National Currency	31159	36262	41617	57385	87613	91298	87073	88078	89897	91937	95189	96197	92959	96227	97744	99695	99693	
1.1.1. Other Financial Corporations	398	285	338	492	1008	1947	7005	7062	7266	7497	7777	7896	7690	7985	8293	8148	8070	
1.1.2. State and Local Government	308	193	16	10	33	42	34	33	33	33	33	33	32	34	40	41	46	
1.1.3. Public Nonfinancial Corporations	457	659	609	674	2511	3095	3067	2410	3127	2799	2962	2684	2732	2546	3021	3381	3560	
1.1.4. Other Nonfinancial Corporations	15491	18866	20571	27691	37280	38913	31459	31777	29999	29881	30026	32156	32122	27750	29945	30428	30817	
1.1.5. Other Resident Sectors	14505	16259	20083	28518	46781	47301	45508	46273	47663	49685	51138	52420	53621	54644	54929	55747	57202	
1.2. In Foreign Currency	34512	42569	51108	60453	68256	83832	100513	101748	101681	102535	104345	105292	105016	104190	105340	105914	106378	
1.2.1. Other Financial Corporations	49	73	20	32	78	217	1108	1085	1044	1382	956	970	1010	1140	1052	1023	937	
1.2.2. State and Local Government	0	0	0	0	0	0	9	9	9	9	9	9	10	9	9	9	9	
1.2.3. Public Nonfinancial Corporations	0	0	0	0	0	0	358	369	364	362	363	365	341	351	360	294	279	
1.2.4. Other Nonfinancial Corporations	6834	9659	11522</															

Report form for other depository corporation

in millions of denars

	2011										
	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX
A. ASSETS	342815	349758	348059	351252	356990	360817	366040	369593	371368	372410	372235
1. Currency and Deposits	64985	68466	66204	66670	74245	77974	77060	76951	85044	85288	78185
1.1. Currency	5427	6204	5339	5340	4926	5577	5569	5773	6629	6148	5972
1.1.1. Holdings of National Currency	2922	3215	3061	3025	2801	3044	3311	3095	3332	3291	3172
1.1.2. Holdings of Foreign Currency	2506	2989	2278	2315	2125	2533	2258	2678	3297	2857	2800
1.2. Deposits	59557	62262	60865	61331	69319	72397	71491	71178	78415	79140	72213
1.2.1. In National Currency	16079	15978	16271	16293	23818	25905	25061	25135	28041	27998	23415
1.2.1.1. Central Bank/Required Reserves and Clearing Balances, Compulsory deposit Corporations	15647	15391	15826	15849	23372	25509	24666	24749	27639	27578	22994
1.2.2. In Foreign Currency	432	587	445	444	446	397	395	385	402	420	420
1.2.2.1. Other Depository Corporations	43479	46285	44595	45038	45501	46491	46430	46043	50374	51142	48798
1.2.2.2. Central Bank	1729	1789	1493	1630	757	996	792	854	1151	914	993
1.2.2.3. Nonresidents	12821	13170	13395	13490	13519	13655	13791	13907	14015	14044	14188
2. Securities Other than Shares	28828	31325	29707	29918	31224	31841	31847	31282	35208	36183	33618
2.1. In National Currency	42739	44492	44601	44793	38121	34060	36421	36058	32549	31708	36868
2.1.1. In National Currency	42357	44114	44222	44351	37675	33610	35965	35601	32107	31274	36432
2.1.1.1. Central Bank	26132	25943	26218	26465	19873	15944	19492	19218	15813	14764	20490
2.1.1.2. Other Depository Corporations	835	617	618	619	621	622	617	618	620	620	622
2.1.1.3. Other Financial Corporations	0	0	0	0	0	0	0	0	4	4	4
2.1.1.4. Central Government	15390	17554	17385	17267	17181	17044	15857	15765	15671	15886	15316
2.1.1.5. Other Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	0	0
2.1.1.6. Nonresidents	0	0	0	0	0	0	0	0	0	0	0
2.2. In Foreign Currency	381	377	379	442	446	450	455	457	442	435	437
2.2.1. Central Government	381	377	379	442	446	450	455	457	442	435	437
2.2.2. Nonresidents	0	0	0	0	0	0	0	0	0	0	0
3. Loans	196655	198375	198310	200049	203787	206275	209023	211061	211827	212059	213695
3.1. In National Currency	146911	144692	144552	145486	146885	148673	149914	150990	150698	149999	150702
3.1.1. Central Bank	13	16	15	13	21	35	46	52	61	72	49
3.1.1.2. Other Depository Corporations	1966	2061	1974	1756	1758	1849	2095	1940	1756	1719	1979
3.1.1.3. Other Financial Corporations	37	40	21	21	25	20	39	39	49	49	30
3.1.1.4. Central Government	95	99	89	92	97	88	97	105	107	114	84
3.1.1.5. State and Local Government	15	15	15	14	13	13	13	12	33	72	118
3.1.1.6. Public Nonfinancial Corporations	10	10	12	17	17	19	21	25	24	14	14
3.1.1.7. Other Nonfinancial Corporations	73386	71848	71792	72916	73681	74993	75100	75502	74752	73529	73748
3.1.1.8. Other Resident Sectors	71330	70544	70577	70601	71216	71600	72447	73260	73861	74375	74627
3.1.1.9. Nonresidents	57	58	57	56	57	56	55	55	55	55	54
3.2. In Foreign Currency	49745	53683	53758	54563	56902	57602	59109	60071	61128	62061	62993
3.2.1. Other Depository Corporations	3622	4593	4632	4742	5759	5654	6794	7059	6743	6789	6817
3.2.2. Other Financial Corporations	24	23	34	31	32	31	29	28	26	23	22
3.2.3. Central Government	11	10	10	9	9	8	7	5	4	4	4
3.2.4. Local Government	0	0	0	0	0	0	0	0	0	1	6
3.2.5. Public Nonfinancial Corporations	407	407	398	397	383	274	269	265	266	255	260
3.2.6. Other Nonfinancial Corporations	40170	42844	42815	43289	44313	44139	45272	46006	47253	48059	48869
3.2.7. Other Resident Sectors	4753	5085	5134	5299	5528	5786	5944	6014	6110	6167	6278
3.2.8. Nonresidents	758	721	735	796	877	801	794	694	726	762	737
4. Shares and Other Equity	1342	1430	1431	1436	1417	1416	1430	1434	1450	1447	1450
4.1. In National Currency	1145	1238	1242	1245	1228	1227	1233	1240	1252	1249	1247
4.2. In Foreign Currency	197	192	189	192	188	188	197	194	199	198	203
5. Financial Derivatives	1	3	12	12	0	0	0	0	0	0	0
6. Other claims	23288	23080	23627	24538	25437	26986	27883	29652	26027	27164	27233
6.1. In National Currency	22250	22101	22718	23132	24007	25589	26221	27932	24291	25423	25463
6.2. In Foreign Currency	1038	979	909	1406	1431	1397	1662	1720	1737	1741	1770
7. Nonfinancial Assets	13806	13913	13874	13754	13982	14106	14225	14437	14470	14744	14803
B. Liabilities	342815	349758	348059	351252	356990	360817	366040	369593	371368	372410	372235
1. Deposit included in Borad money	211217	213202	213743	214900	216220	215044	218119	219709	224616	226647	225103
1.1. In National Currency	102694	104409	104662	105056	105381	105271	106796	107536	108472	109759	110462
1.1.1. Other Financial Corporations	8111	7821	8022	8294	8073	8008	7903	7857	8304	8149	7320
1.1.2. State and Local Government	45	18	24	22	16	18	19	26	21	23	20
1.1.3. Public Nonfinancial Corporations	3467	2927	2856	2740	2739	2690	2880	2527	2513	2643	3025
1.1.4. Other Nonfinancial Corporations	32342	31646	32106	31223	31698	29936	31086	31696	32100	33140	33024
1.1.5. Other Resident Sectors	58730	61997	61655	62778	62854	64619	64908	65430	65534	65805	67074
1.2. In Foreign Currency	108523	108793	109081	109844	110839	109773	111323	112173	116144	116887	114641
1.2.1. Other Financial Corporations	1000	1037	985	977	931	1047	1076	1091	1145	1282	1243
1.2.2. State and Local Government	9	9	9	0	0	0	0	0	0	0	0
1.2.3. Public Nonfinancial Corporations	283	311	317	344	333	324	312	308	303	324	348
1.2.4. Other Nonfinancial Corporations	21196	20648	20581	20695	20893	19176	19383	19550	22654	22894	20178
1.2.5. Other Resident Sectors	86035	86788	87190	87829	88681	89226	90551	91225	92041	92388	92872
2. Deposit excluded from Broad money	19261	21811	19065	19029	20061	20986	21653	21582	22010	19219	20349
2.1. In National Currency	6083	5754	5428	5582	5630	5852	6195	6174	5889	5540	5832
2.1.1. Central Bank NC	0	1	1	0	1	1	1	0	1	0	0
2.1.1.2. Other Depository Corporations	517	679	499	488	516	564	565	574	576	584	645
2.1.1.3. Other Financial Corporations	16	16	16	15	15	25	26	27	19	19	20
2.1.1.4. Central Government	1118	1157	1100	1137	1095	1173	1088	1060	1051	1123	1330
2.1.1.5. Local Government	7	7	7	6	3	3	3	3	4	4	3
2.1.1.6. Public Nonfinancial Corporations	21	21	21	21	21	21	21	22	22	22	23
2.1.1.7. Other Nonfinancial Corporations	1059	984	947	939	909	937	1029	1094	1024	1021	1028
2.1.1.8. Other Resident Sectors	1402	1362	1292	1404	1544	1491	1812	1600	1859	1671	1648
2.1.1.9. Nonresidents	1943	1528	1545	1572	1525	1637	1648	1793	1333	1097	1134
2.2. In Foreign Currency	13177	16057	13636	13447	14431	15134	15459	15408	16121	13679	14517
2.2.1. Other Depository Corporations	718	870	571	717	769	1001	805	862	1041	902	599
2.2.2. Other Financial Corporations	14	15	15	13	19	19	19	19	21	22	23
2.2.3. Central Government	201	164	114	107	103	95	97	90	81	88	92
2.2.4. Other Nonfinancial Corporations	1472	1434	1397	1412	1393	1373	1314	1271	1211	1160	1193
2.2.5. Public Nonfinancial Corporations						0	14	14	0	14	14
2.2.6. Other Resident Sectors	2627	2639	2619	2633	2717	2802	2814	3336	2820	2921	3062
2.2.7. Nonresidents	8146	10936	8921	8564	9429	9844	10410	9829	10946	8572	9135
3. Securities Other than Shares	927	617	618	619	621	622	617	618	620	620	622
4. Loans	30882	33749	33349	33306	35518	37895	38563	38639	38394	36956	36874
4.1. In National Currency	4742	4807	4565	4353	4363	4282	4607	4466	5758	4286	4574
4.2. In Foreign Currency	26140	28942	28784	28952	31155	33613	33955	34173	32635	32670	32299
5. Financial derivatives	3	1	6	1	6	18	8	7	8	0	0
5.1. In National Currency	0	0	0	0	0	0	0	0	0	0	0
5.2. In Foreign Currency	3	1	6	1	6	18	8	7	8	0	0
6. Other liabilities	23855	23924	24456	25377	26650	28021	28452	30033	26272	27675	27692
6.1. In National Currency	22613	22572	23264	23631	24977	25847	26579	28202	24395	25676	25797
6.2. In Foreign Currency	1242	1353	1192	1746	1673	2175	1873	1832	1877	1999	1894
7. Shares and Other Equity	56671	56454	56822	58019	57913	58230	58629	59005	59449	61293	61596

Depository corporations survey NBRM, other depository corporations (ODI banks and saving houses) ^{1,2}

in millions of denars

	2003		2004		2005		2006		2007		2008		2009		2010										2011									
	XII	XII	XII	XII	XII	XII	XII	XII	XII	XII	2008		2009		2010										2011									
											I	II	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	
A. FOREIGN ASSETS (NET)	65371	67722	88937	107524	109068	90980	94764	95012	92917	92943	96911	100656	99983	94424	97854	97099	96366	99436	99869	99191	99443	110825	108111	107580	104757	108683	113703	111001						
1. Foreign Assets, Net	42096	41374	65725	84853	94424	90953	93246	94877	94978	94214	96534	98778	100343	96488	100903	99344	97662	98873	100610	100239	99928	112158	110875	111304	108236	107096	108940	109051						
1.1. Foreign Assets	46078	44831	69588	88102	94979	91908	97807	99515	99697	98935	101310	103590	105246	101212	105896	104160	102450	103745	105495	105025	104760	116919	118563	122646	120236	124943	123392	119141						
1.2. Foreign Liabilities	-3982	-3457	-3863	-3249	-555	-955	-4561	-4638	-4719	-4722	-4777	-4812	-4903	-4724	-4993	-4816	-4788	-4872	-4886	-4786	-4832	-4761	-7688	-11342	-12000	-17847	-14452	-10090						
2. Foreign Assets, Net	23275	26348	23212	22671	14644	27	1518	135	-2061	-1271	377	1877	-360	-2064	-3049	-2245	-1296	563	-740	-1048	-485	-1333	-2764	-3723	-3479	1587	4763	1950						
2.1. Foreign Assets	33080	37106	37797	39732	38478	23904	30643	27146	25372	24694	26761	30269	28488	30044	28071	29002	30009	32411	35346	33018	33332	34543	35503	35233	34985	39595	40137	37519						
2.2. Foreign Liabilities	-9805	-10758	-14585	-17061	-23834	-23877	-29125	-27012	-27433	-25965	-26383	-28392	-28848	-32108	-31120	-31247	-31304	-31848	-36086	-34066	-33817	-35876	-38267	-38956	-38464	-38008	-35375	-35570						
B. DOMESTIC CREDIT	43317	55212	57232	72912	121814	169749	178825	181649	184830	186027	188332	190973	193713	193501	195453	197962	201704	203991	206007	205104	208176	198325	199754	204961	208906	211014	210630	211868						
1. Claims on Central Government, Net	-4392	-4132	-15271	-21263	-8922	-5530	-2408	-91	2070	2145	2476	4153	5036	3675	4253	5726	8849	10365	11511	10800	12210	-294	531	3682	5595	6364	5831	5658						
1.1. Claims of Central Government	3890	3495	3549	2519	1271	1304	1327	1337	1347	1347	1355	1380	1394	1370	1381	5405	5402	5477	5493	5451	5468	19039	18451	18932	18750	19058	18739	19322						
1.2. Central Government Deposits	-12348	-12865	-24025	-34648	-20833	-12334	-12692	-11385	-9507	-8242	-7620	-6112	-6774	-7807	-8043	-10435	-8172	-8024	-9009	-9659	-8185	-34240	-32730	-28990	-26840	-26347	-26684	-26633						
1.3. Claims on Central Government	6833	7333	7542	13646	12995	9380	13059	14021	14195	13056	12865	12800	14266	12764	13550	13580	14379	15932	18060	17880	17833	17756	17605	16434	16354	16250	16474	15879						
1.4. Central Government Deposits	-2767	-2095	-2338	-2781	-2355	-3880	-4103	-4064	-3965	-4017	-4124	-3916	-3849	-2652	-2636	-2825	-2759	-3019	-3033	-2872	-2907	-2849	-2795	-2695	-2669	-2596	-2698	-2910						
2. Claims on State & Local Government	2	20	13	0	0	24	20	20	20	19	18	18	17	18	17	16	16	15	15	15	14	13	13	13	12	33	73	124						
2.1. Claims on State & Local 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						
2.2. Claims on State & Local Government	2	20	13	0	0	24	20	20	20	19	18	18	17	18	17	16	16	15	15	15	14	13	13	13	12	33	73	124						
3. Claims on Public NonfinancialCorporations	485	682	517	363	315	133	431	424	417	426	420	461	448	433	431	433	427	417	417	410	414	400	292	290	290	290	269	273						
3.1. Claims on Public NonfinancialCorporations	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						
3.2. Claims on Public Nonfinancial Corporations	485	682	517	363	315	133	431	424	417	426	420	461	448	433	431	433	427	417	417	410	414	400	292	290	290	290	269	273						
4. Claims on Private Sector	47172	58639	71967	93803	130366	174782	180196	180710	181736	182852	184832	185758	187635	188797	190177	191215	191822	192617	193394	193216	194878	197557	198274	200308	202335	203629	203763	205139						
4.1. Claims on Private Sector	-1	44	1063	1092	1412	1508	1512	1514	1493	1487	1468	1453	1444	1445	1492	1482	1475	1464	1455	1445	1437	1427	110	101	98	89	79	74						
4.2. Claims on Private Sector	47173	58595	70904	92711	128954	173274	178684	179196	180244	181364	183364	184305	186191	187352	188686	189733	190347	191153	191939	191771	193441	196130	198165	200208	202237	203540	203684	205065						
5. Claims on Other Financial Corporations	49	3	6	9	55	340	587	586	587	586	586	584	577	578	575	572	590	576	669	662	660	648	643	666	674	697	694	674						
Corporations	3	3	3	3	3	3	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0						
Corporations	46	0	3	6	52	337	586	585	585	585	585	582	576	576	574	571	589	575	668	661	659	648	643	666	674	697	694	674						
C. MONEY	28265	28842	31354	36788	48858	56942	54584	52872	53367	52866	53508	56104	55706	55854	56966	57197	57301	57428	59867	57755	57299	57505	61008	61896	61637	61116	61263	60969						
1. Currency outside Other Depository Corporations	14166	14150	14424	16187	17908	17601	16266	15525	15087	14844	15224	15505	15662	16728	16204	15945	16068	15585	16958	15814	16062	15944	16797	17281	17040	18086	17552	17185						
2. Public Sector Liabilities	0	0	679	635	1602	2823	2361	2896	2622	2592	2930	3162	3179	3157	3370	3425	3532	3420	2505	3124	3177	3452	3836	3716	3621	3273	3262	3471						
3. Other Financial Corporations Liabilities	1317	1569	1575	1882	2006	2794	3410	3300	3415	3459	3484	3460	3484	2270	2195	2282	2328	2330	2409	2476	2492	2559	2575	2626	2668	2704	2759	2813						
4. Demand Money	12782	13123	14676	18084	27342	33724	32547	31151	32242	31971	31871	33976	33381	33699	35198	35544	35373	36093	37995	36341	35567	35551	37801	38273	38308	37053	37691	37500						
D. RESTRICTED DEPOSITS	166	324	150	98	85	69	6077	6291	6268	6211	6241	6237	6601	6402	6232	6288	6411	6589	6447	6283	6416	6589	6627	6994	7326	6941	6812	6971						
1. Restricted Deposits	0	0	0	0	0	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
2. Restricted Deposits	166	324	150	98	85	58	6077	6290	6268	6211	6240	6237	6600	6401	6231	6287	6411	6589	6446	6283	6415	6589	6627	6993	7325	6940	6811	6970						
E. OTHER DEPOSITS	52889	65708	78049	99754	128527	141406	155040	158153	157526	160461	164411	166504	167832	163449	166369	168113	170700	175124	175207	177402	179333	180670	177243	179846	181402	187563	188956	187603						
1. Time, Savings, & Foreign Currency Deposits	52889	65708	78049	99754	128527	141406	155040	158153	157526	160461	164411	166504	167832	163449	166369	168113	170700	175124	175207	177402	179333	180670	177243	179846	181402	187563	188956	187603						
F. LIABILITIES TO OTHER FINANCIAL CORPORATIONS	0	0	0	15	346	10	397	398	396	379	378	363	348	415	402	383	357	365	407	413	401	407	423	459	487	536	584	576						
1. Liabilities to Other Financial Corporations	0	0	0	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
2. Liabilities to Other Financial Corporations	0	0	0	0	346	10	397	398	396	379	378	363	348	415	402	383	357	365	407	413	401	407	423	459	487	536	584	576						
G. CAPITAL ACCOUNTS	38327	40727	45756	47644	52570	61474	65554	66408	67627	67758	68609	70473	71522	69495	71133	71132	71169	72798	72902</															

Banks and saving houses' loans ^{1,2}

in millions of denars

	2003	2004	2005	2006	2007	2008	2009	2010												2011											
	XII	XII	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX			
TOTAL LOANS	46644	58298	70524	92017	128071	172150	178196	178702	179611	180722	182662	183668	185258	186222	187728	188609	189365	190133	190816	190799	192584	195209	196874	199135	201151	202374	202544	203972			
1. In National currency	39368	46901	53297	68442	97352	132639	139197	139660	139771	140391	141241	141366	141971	143432	144184	144577	145072	144779	142457	142417	143569	144952	146645	147621	148839	148719	148038	148537			
1.1. Short-term loans	15975	17200	17800	22121	32070	44469	44529	44518	44621	45084	45791	46018	46099	46151	46266	46238	46156	46161	44287	44374	44943	45601	45807	45978	45785	45380	44098	44524			
1.1.1. In National currency without a currency clause	-	-	-	-	-	-	36400	36099	35654	36159	36519	36657	36529	36595	36926	36878	36671	36626	35188	35498	35907	36615	36794	37008	36782	36416	35431	35906			
1.1.2. In National currency with a currency clause	-	-	-	-	-	-	8130	8419	8967	8925	9272	9360	9570	9556	9340	9360	9485	9535	9099	8877	9036	8986	9012	8971	9003	8964	8666	8618			
1.2. Long-term loans	14347	20810	26065	36856	56324	78193	81155	80273	80265	80545	80346	79934	80684	81155	80648	81191	81733	82337	83433	82675	83370	84230	85504	86111	87663	87284	86989	87504			
1.2.1. In National currency without a currency clause	-	-	-	-	-	-	28288	27841	27837	28200	28544	28906	29524	30007	29800	30386	31093	31804	33200	33087	33784	34540	35802	35975	37123	36771	36600	36963			
1.2.2. In National currency with a currency clause	-	-	-	-	-	-	52866	52433	52428	52345	51802	51028	51160	51149	50848	50805	50641	50533	50233	49588	49586	49690	49702	50136	50540	50512	50389	50541			
1.3. Accrued Interest	406	385	485	578	752	1027	1788	1913	1880	1874	1890	1921	1907	1941	1971	1933	1992	1971	1713	1790	1790	1821	1870	1896	1895	1946	1940	1899			
1.4. Doubtful and contested claims	8640	8506	8947	8887	8206	9990	11725	12954	13004	12889	13212	13494	13281	14185	15300	15217	15191	14310	13024	13578	13466	13300	13465	13636	13495	14109	15011	14610			
2. In foreign currency	7276	11397	17227	23575	30719	38471	38998	39042	39840	40331	41421	42302	43287	42790	43544	44032	44292	45354	48359	48382	49016	50257	50229	51514	52313	53655	54506	55435			
2.1. Short-term loans	1863	3246	3360	4654	6734	9829	8558	8303	8441	8704	8781	8705	8510	8084	8246	7964	7957	8007	8278	8312	8432	7264	7233	7572	7730	8143	8069	8312			
2.2. Long-term loans	4016	6993	12684	17692	22695	27064	26226	26256	26899	26963	28062	28543	29551	29805	30491	31338	31444	32468	35520	35444	35853	38102	38160	38765	39504	40195	41046	41667			
2.3. Accrued Interest	33	45	44	76	88	96	216	234	245	249	231	249	258	253	278	301	273	276	301	302	317	352	322	344	360	355	368	371			
2.4. Doubtful and contested claims	1364	1113	1139	1153	1202	1482	3999	4249	4255	4414	4347	4805	4968	4647	4529	4430	4619	4603	4260	4324	4413	4540	4514	4833	4719	4961	5023	5084			

annual growth rate

TOTAL LOANS		24.98	20.97	30.48	39.18	34.42	3.51	3.12	2.40	2.51	3.34	4.20	5.76	5.98	7.07	7.74	7.97	7.49	7.08	6.77	7.22	8.02	7.78	8.42	8.58	8.67	7.89	8.15
1. In National currency		19.13	13.64	28.42	42.24	37.32	4.13	4.28	2.78	2.55	2.98	2.94	3.72	4.39	5.13	5.49	5.74	4.75	2.34	1.97	2.72	3.25	3.83	4.43	4.84	3.69	2.67	2.74
1.1. Short-term loans		7.67	3.49	24.28	44.98	38.66	0.14	-0.94	-1.83	-1.33	-0.66	0.50	1.98	1.81	3.03	3.91	7.47	6.15	-0.54	-0.32	0.72	1.15	0.03	-0.09	-0.68	-1.67	-4.69	-3.71
1.1.1. In National currency without a currency clause								-10.21	-12.53	-10.55	-7.47	-6.02	-5.24	-4.76	-2.32	-1.23	2.45	1.21	-3.33	-1.67	0.71	1.26	0.75	0.96	0.69	-0.49	-4.05	-2.64
1.1.2. In National currency with a currency clause								77.68	90.99	69.44	39.90	37.96	43.82	38.39	31.51	30.77	32.60	30.65	11.92	5.43	0.77	0.69	-2.80	-4.16	-5.92	-6.20	-7.21	-7.92
1.2. Long-term loans		45.05	25.25	41.40	52.82	38.83	3.79	2.09	0.29	0.26	0.35	0.35	1.95	2.57	2.16	2.99	2.62	2.78	2.81	2.99	3.87	4.57	6.42	7.73	8.65	7.55	7.86	7.78
1.2.1. In National currency without a currency clause								-6.75	-10.11	-8.88	-0.13	2.15	4.00	6.62	6.55	9.05	11.01	13.71	17.36	18.85	21.36	22.48	25.43	24.46	25.74	22.54	22.82	21.65
1.2.2. In National currency with a currency clause								7.50	6.86	6.00	0.61	-0.64	0.80	0.33	-0.24	-0.32	-1.94	-3.08	-4.98	-5.43	-5.42	-5.07	-4.06	-1.75	-1.21	-1.24	-0.90	-0.52
1.3. Accrued Interest		-5.17	25.97	19.18	30.10	36.57	74.09	24.01	21.15	17.93	17.06	13.69	13.43	12.65	8.06	4.99	7.69	3.51	-4.21	-6.44	-4.81	-2.81	-1.08	-1.32	-0.61	0.26	-1.54	-1.73
1.4. Doubtful and contested claims		-1.55	5.18	-0.67	-7.66	21.74	17.37	47.07	45.20	38.79	40.93	32.27	22.31	26.32	33.24	28.09	19.12	12.57	11.08	4.81	3.55	3.19	1.91	1.06	1.61	-0.54	-1.88	-3.99
2. In foreign currency		56.64	51.15	36.85	30.30	25.24	1.37	-0.85	1.10	2.37	4.59	8.67	13.08	11.71	14.07	15.83	16.00	17.26	24.00	23.92	23.03	24.61	21.26	21.78	20.85	25.39	25.17	25.90
2.1. Short-term loans		74.24	3.51	38.51	44.69	45.96	-12.93	-16.75	-17.02	-12.67	-15.79	-11.05	-10.57	-15.39	-11.74	-9.47	-10.33	-13.06	-3.27	0.10	-0.11	-16.55	-17.63	-13.02	-9.17	0.74	-2.14	4.38
2.2. Long-term loans		74.13	81.38	39.48	28.28	19.25	-3.10	-1.14	2.19	3.60	9.78	12.14	18.05	18.84	21.68	24.98	24.92	28.24	35.44	34.99	33.29	41.31	35.98	35.81	33.68	34.86	34.61	32.96
2.3. Accrued Interest		36.36	-2.22	72.73	15.79	9.09	124.79	-3.73	-6.08	4.53	3.88	7.73	11.24	12.85	14.07	33.10	23.85	19.61	39.35	29.36	29.70	41.09	39.76	37.96	39.88	40.29	32.19	23.48
2.4. Doubtful and contested claims		-18.40	2.34	1.23	4.25	23.29	169.84	63.37	60.67	39.42	28.27	39.00	42.00	34.89	28.30	13.09	17.85	17.48	6.53	1.75	3.71	2.85	3.84	0.60	-5.02	6.76	10.92	14.77

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accordance with the new introduced methodology for the period from January 2003

2) Starting from January 2009 the data are compiled based on the New Banks' Chart of accounts

Monetary aggregates and components thereof (non-government sector) ^{1,2}

in millions of denars

	2003	2004	2005	2006	2007	2008	2009	2010										2011										
	XII	XII	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX
1. Currency in circulation	14166	14150	14424	16187	17908	17601	16266	15525	15087	14844	15224	15505	15662	16728	16204	15945	16068	15585	16958	15814	16062	15944	16797	17281	17040	18086	17552	17185
2. Demand Deposits	14099	14692	16251	19966	29348	36518	35957	34451	35658	35430	35355	37437	36865	35969	37393	37827	37701	38423	40404	38817	38060	38109	40376	40899	40976	39757	40449	40313
3. (1+2) Money supply M1	28265	28842	30675	36153	47256	54119	52223	49976	50745	50274	50578	52942	52527	52697	53596	53772	53769	54008	57362	54631	54122	54053	57172	58180	58016	57843	58001	57498
4. Short-term deposits	48986	61593	73802	94187	119697	124766	133761	136124	135063	136879	139799	141464	142646	138009	140246	141594	143320	146452	144217	145550	146838	147519	143712	145763	146532	151671	152807	151223
4.1. in denars	15752	20722	24677	36742	55599	49584	45735	47145	46229	47695	49297	50090	51574	47799	49184	50072	51562	52980	51296	52544	53326	53281	50782	51460	51660	53018	53240	53698
4.2. in foreign currency	33234	40871	49125	57445	64098	75182	88025	88979	88835	89184	90502	91374	91072	90211	91062	91522	91758	93472	92921	93006	93512	94238	92930	94303	94872	98654	99567	97526
5. (3+4.1.) Money supply M2 - Denar	44017	49564	55352	72895	102855	103703	97958	97121	96974	97969	99876	103032	104101	100495	102781	103844	105331	106988	108658	107175	107447	107334	107954	109640	109676	110860	111241	111195
6. (5+4.2.) Money supply M2 - total	77251	90435	104477	130340	166953	178885	185984	186100	185808	187153	190377	194406	195173	190706	193842	195366	197089	200460	201579	200181	200959	201572	200884	203944	204548	209514	210808	208721
7. Long-term deposits	3903	4115	4247	5567	8830	16640	21279	22029	22463	23582	24612	25040	25186	25440	26123	26518	27380	28672	30989	31852	32495	33150	33531	34083	34869	35891	36149	36380
7.1. in denars	2625	2417	2264	2559	4672	7990	8791	9260	9617	10231	10769	11123	11242	11460	11845	12127	12760	13621	15118	15777	16163	16549	16689	17063	17569	18401	18829	19264
7.2. in foreign currency	1278	1698	1983	3008	4158	8650	12488	12769	12846	13351	13843	13918	13945	13979	14278	14391	14619	15051	15872	16074	16332	16601	16842	17020	17301	17490	17320	17115
8. (6+7) Money supply M4 - total	81154	94550	108724	135907	175783	195525	207262	208129	208271	210735	214989	219446	220359	216146	219965	221884	224469	229132	232569	232033	233454	234722	234416	238026	239417	245406	246957	245101

annual growth rate

1. Currency in circulation		-0.11	1.94	12.22	10.63	-1.71	-7.59	-2.45	-1.65	1.35	3.14	7.35	10.22	9.34	9.74	10.30	10.03	7.71	4.26	1.86	6.46	7.41	10.33	11.45	8.80	8.12	8.32	7.78
2. Demand Deposits		4.21	10.61	22.86	46.99	24.43	-1.54	2.21	6.29	10.22	10.28	13.85	10.29	8.95	7.33	13.07	9.23	11.08	12.37	12.67	6.74	7.56	14.20	9.25	11.15	10.53	8.17	6.57
3. Money supply M1		2.04	6.35	17.86	30.71	14.52	-3.50	0.71	3.80	7.44	8.03	11.87	10.27	9.07	8.05	12.24	9.47	10.09	9.84	9.31	6.65	7.52	13.04	9.89	10.45	9.77	8.22	6.93
4. Short-term deposits		25.74	19.82	27.62	27.08	4.23	7.21	5.98	4.84	6.80	7.53	10.86	11.33	8.82	8.21	8.35	7.93	10.22	7.82	6.92	8.72	7.77	2.80	3.04	2.72	9.90	8.96	6.80
4.1. in denars		31.55	19.09	48.89	51.32	-10.82	-7.76	-6.54	-8.37	1.49	5.83	10.47	13.27	15.11	16.74	15.01	14.69	15.83	12.16	11.45	15.35	11.71	3.01	2.74	0.17	10.92	8.25	7.24
4.2. in foreign currency		22.98	20.20	16.94	11.58	17.29	17.08	14.07	13.34	9.87	8.48	11.07	10.26	5.76	4.10	5.02	4.47	7.28	5.56	4.53	5.27	5.67	2.68	3.21	4.17	9.36	9.34	6.56
5. Money supply M2 - denar		12.60	11.68	31.69	41.10	0.82	-5.54	-2.94	-2.38	4.46	6.93	11.18	11.74	11.86	12.04	13.56	11.96	12.85	10.92	10.35	10.80	9.56	8.09	6.41	5.36	10.31	8.23	7.08
6. Money supply M2 - total		17.07	15.53	24.75	28.09	7.15	3.97	4.51	4.55	6.97	7.66	11.13	11.04	8.89	8.17	9.39	8.35	10.19	8.39	7.57	8.15	7.70	5.52	4.91	4.80	9.86	8.75	6.84
7. Long-term deposits		5.43	3.21	31.08	58.61	88.45	27.88	50.74	49.17	52.95	57.25	57.41	55.60	54.56	58.36	54.75	51.79	46.92	45.63	44.59	44.66	40.57	36.24	36.11	38.45	41.08	38.38	37.19
7.1. in denars		-7.92	-6.33	13.03	82.57	71.02	10.02	28.96	32.85	40.24	48.62	52.63	57.00	64.30	73.61	69.35	69.30	69.84	71.97	70.38	68.07	61.76	54.98	53.40	56.28	60.57	58.96	58.85
7.2. in foreign currency		32.86	16.78	51.69	38.23	108.03	44.37	71.78	64.28	64.36	64.70	61.45	54.49	47.39	47.60	44.27	39.22	30.92	27.09	25.89	27.14	24.34	21.66	22.29	24.07	25.11	21.31	18.93
8. Money supply M4 - total		16.51	14.99	25.00	29.34	11.23	6.00	8.02	8.04	10.69	11.69	14.99	14.80	12.82	12.40	13.36	12.27	13.74	12.21	11.49	12.09	11.38	9.04	8.47	8.65	13.54	12.27	10.46

1) Revised data: Starting with Quarterly Report with Q1-2009 the data are revised in accordance with the new introduced methodology for the period from January 2003

2) Starting from January 2009 the data are compiled based on the New Banks' Chart of accounts

Claims of other depository corporations (banks and saving houses) ^{1,2}

In millions of denars

I. NON-GOVERNMENT SECTOR

- Nonfinancial Corporations (public and private)

Period	Loans				Accrued interest		Overdue and doubtful and contested claims based on loans		Securities		Shares		
	By currency		By maturity		By currency		By currency		By currency		By currency		
	In denars	In foreign currency	Short-term	Long-term	In denars	In foreign currency	In denars	In foreign currency	In denars	In foreign currency	In denars	In foreign currency	
2010	I	63659	31173	35100	59732	596	204	7318	3813	0	0	351	6
	II	63838	31965	35486	60317	596	221	7331	3831	0	0	357	6
	III	64418	32248	36317	60349	565	226	7152	3978	0	0	357	6
	IV	64627	33277	37090	60815	572	210	7420	3900	0	0	357	6
	V	64199	33603	37126	60676	572	228	7352	4350	0	0	355	6
	VI	64377	34409	37112	61674	542	237	7107	4378	0	0	355	6
	VII	64959	34134	37008	62085	560	232	7876	4028	0	0	353	6
	VIII	64256	34910	37181	61985	559	256	8816	3898	0	0	351	6
	IX	64591	35396	36867	63121	525	278	8625	3789	0	0	350	6
	X	64702	35366	36802	63266	565	249	8610	3987	0	0	350	6
	XI	64948	36313	36935	64326	565	252	7883	4012	0	0	351	6
	XII	63994	39303	35705	67592	476	275	7388	3672	0	0	351	6
2011	I	63485	39205	35721	66969	522	275	7798	3733	0	0	355	6
	II	64583	39575	36521	67637	523	291	7828	3820	0	0	356	6
	III	65507	40447	35899	70055	528	323	7664	3927	0	0	356	6
	IV	66620	40210	36184	70646	569	291	7822	3911	0	0	355	6
	V	66683	41010	36532	71161	571	311	7867	4220	0	0	353	6
	VI	67179	41821	36501	72499	520	327	7828	4123	0	0	352	6
	VII	65850	42823	36643	72031	569	321	8357	4375	0	0	352	6
	VIII	63771	43556	35208	72119	547	332	9224	4426	0	0	350	6
	IX	64486	44301	35996	72791	501	336	8775	4492	0	0	348	6

I. NON-GOVERNMENT SECTOR

- Households (Individuals and Self-Employed Individuals)

Period	Loans				Accrued interest		Overdue and doubtful and contested claims based on loans		Loans						
	By currency		By maturity		By currency		By currency		By purposes						
	In denars	In foreign currency	Short-term	Long-term	In denars	In foreign currency	In denars	In foreign currency	Consumer	Auto	Lending for house purchase	Credit cards and overdrafts	Other	Self - employed individuals activity	
2010	I	61003	3329	17663	46669	1316	29	5636	436	22220	4045	14211	17403	2850	3603
	II	60925	3318	17518	46725	1283	24	5673	425	22197	4028	14367	17246	2837	3568
	III	61069	3363	17411	47021	1308	23	5736	436	22346	3983	14498	17177	2854	3574
	IV	61363	3512	17426	47449	1317	21	5792	447	22585	3963	14678	17207	2919	3524
	V	61618	3591	17541	47667	1348	21	6137	454	22806	3918	14770	17312	2942	3461
	VI	62260	3599	17469	48390	1364	20	6169	589	23313	3897	14983	17257	2985	3424
	VII	62230	3693	17215	48708	1380	21	6304	619	23634	3823	15104	17003	3008	3351
	VIII	62535	3764	17315	48985	1410	21	6478	631	23845	3763	15217	17138	3061	3276
	IX	62721	3845	17317	49249	1407	21	6586	641	24187	3716	15226	17150	3048	3238
	X	63062	3977	17284	49755	1426	23	6576	631	24487	3664	15421	17120	3127	3220
	XI	63430	4127	17208	50348	1405	23	6423	590	24759	3617	15642	17087	3235	3216
	XII	63585	4460	16814	51231	1236	25	5631	588	25331	3579	15890	16719	3317	3210
2011	I	63456	4503	16938	51021	1267	27	5769	591	25203	3511	15888	16856	3338	3162
	II	63622	4665	16827	51461	1265	26	5627	593	25527	3444	16029	16732	3430	3125
	III	64219	4873	16939	52154	1292	28	5622	613	26071	3377	16199	16810	3536	3100
	IV	64548	5139	16787	52900	1300	30	5636	603	26615	3322	16368	16663	3620	3100
	V	65223	5285	16943	53565	1323	32	5762	613	27120	3260	16566	16826	3658	3080
	VI	66122	5372	16984	54510	1374	32	5667	596	27725	3210	16892	16868	3730	3068
	VII	66639	5477	16843	55272	1375	34	5751	586	28360	3151	17069	16721	3778	3036
	VIII	67108	5522	16922	55708	1391	35	5781	597	28773	3076	17195	16833	3779	2974
	IX	67302	5641	16824	56119	1397	35	5829	592	29256	2992	17304	16760	3788	2843

I. NON-GOVERNMENT SECTOR

- Other

(Nonprofit institutions serving households, Other financial corporations, Local Government)

Period	Loans				Accrued interest		contested claims based on		Securities		Shares	
	By currency		By maturity		By currency		By currency		By currency		By currency	
	In denars	In foreign currency	Short-term	Long-term	In denars	In foreign currency	In denars	In foreign currency	In denars	In foreign currency	In denars	In foreign currency
2010	I 130	57	58	129	2	0	1	0	0	0	493	4
	II 122	57	58	122	2	0	1	0	0	0	493	4
	III 142	56	59	139	1	0	1	0	0	0	493	4
	IV 147	55	57	145	1	0	1	0	0	0	493	4
	V 134	54	55	133	1	1	5	0	0	0	494	5
	VI 147	54	29	171	1	1	5	0	0	0	505	5
	VII 118	62	12	168	1	1	5	0	0	0	505	5
	VIII 123	63	16	170	1	1	5	0	0	0	505	5
	IX 116	60	18	159	1	1	5	0	0	0	505	4
	X 127	58	28	157	1	1	5	0	0	0	505	4
	XI 120	36	25	131	1	1	5	0	0	0	509	4
	XII 141	35	45	130	1	1	4	0	0	0	601	4
2011	I 108	48	27	129	1	0	11	0	0	0	601	4
	II 108	45	27	126	1	1	11	0	0	0	603	4
	III 105	45	27	123	1	1	14	0	0	0	587	4
	IV 142	44	68	118	1	1	7	0	0	0	587	4
	V 183	41	74	150	2	1	7	0	0	0	594	4
	VI 147	41	29	158	1	1	0	0	0	0	603	4
	VII 176	39	38	176	1	1	0	0	4	0	615	4
	VIII 207	37	37	208	2	0	6	0	4	0	614	4
	IX 240	38	17	261	2	0	6	0	4	0	614	4

II. GOVERNMENT

Period	Loans				Accrued interest		contested claims based on		Securities		Shares	
	By currency		By maturity		By currency		By currency		By currency		By currency	
	In denars	In foreign currency	Short-term	Long-term	In denars	In foreign currency	In denars	In foreign currency	In denars	In foreign currency	In denars	In foreign currency
2010	I 87	18	13	92	1	0	8	0	13533	362	0	0
	II 87	18	14	91	2	0	8	0	13701	361	0	0
	III 90	17	17	90	3	0	8	0	12542	374	0	0
	IV 86	17	14	89	1	0	8	0	12360	370	0	0
	V 85	17	14	88	3	0	8	0	12303	357	0	0
	VI 88	17	17	88	4	0	9	0	13756	360	0	0
	VII 85	17	15	88	1	0	9	0	12266	353	0	0
	VIII 85	12	12	85	4	0	9	0	13036	365	0	0
	IX 83	11	10	85	6	0	9	0	13060	367	0	0
	X 82	11	10	82	2	0	9	0	13845	381	0	0
	XI 81	11	11	81	5	0	9	0	15390	381	0	0
	XII 80	10	11	80	11	0	9	0	17554	377	0	0
2011	I 78	10	11	77	3	0	8	0	17385	379	0	0
	II 75	9	8	76	9	0	8	0	17267	442	0	0
	III 73	9	7	74	16	0	8	0	17181	446	0	0
	IV 75	8	10	73	4	0	8	0	17044	450	0	0
	V 74	7	12	69	14	0	8	0	15857	455	0	0
	VI 72	5	11	67	24	0	8	0	15765	457	0	0
	VII 66	4	7	63	32	0	8	0	15671	442	0	0
	VIII 65	4	7	62	40	0	8	0	15886	435	0	0
	IX 65	4	7	61	19	0	0	0	15316	437	0	0

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accordance with the new introduced methodology for the period from January 2003

2) Starting from January 2009 the data are compiled based on the New Banks' Chart of accounts

Liabilities of other depository corporations (banks and saving houses) ^{1,2}

in millions of denars

		Deposits										Securities		Other credit liabilities	
		In denars						In foreign currency							
Period		demand deposits	sight deposits	with maturity up to 3 months	with maturity over 3 months up to 1 year	with maturity over 1 year	restricted deposits	sight deposits	with maturity up to 1 year	with maturity over 1 year	restricted deposits	In national currency	In foreign currency	In national currency	In foreign currency
I. NON-GOVERNMENT SECTOR															
- Non-Financial Corporations (Public and Private Corporations)															
2010	I	17374	254	7766	7260	1044	490	8134	8561	297	1108	0	0	26	3
	II	18300	147	6280	6881	1039	479	7284	8630	273	1108	0	0	26	3
	III	17411	231	8980	4544	1008	507	7468	8817	219	1228	0	0	26	2
	IV	17217	154	8647	5486	960	526	9324	9487	231	958	0	0	26	2
	V	18776	375	6760	7394	1001	534	10305	9080	221	1453	0	0	26	2
	VI	18298	205	5980	8856	1003	512	9505	9277	206	1387	0	0	26	1
	VII	18233	307	5235	5043	977	500	9643	8107	206	1926	0	0	26	1
	VIII	20122	298	5567	5345	987	646	9356	8926	210	1528	0	0	26	1
	IX	20377	257	5069	6463	998	646	10023	9022	202	1428	0	0	26	1
	X	20388	303	4956	6993	1053	684	9175	9747	184	1673	0	0	26	0
	XI	20962	284	4830	8044	1058	631	9193	10259	57	1970	0	0	26	0
	XII	21180	276	3854	7510	1148	606	9885	9671	116	1288	0	0	26	0
2011	I	20545	248	4677	7680	1178	634	9584	9798	123	1393	0	0	26	0
	II	19412	242	5108	7573	1174	454	9196	9747	141	1954	0	0	26	0
	III	19568	106	6666	6468	1192	437	9666	10032	145	1383	0	0	26	0
	IV	20387	401	5337	4888	1166	447	10019	7924	68	1489	0	0	26	0
	V	21101	168	5584	5477	1226	410	9960	8163	69	1504	0	0	26	0
	VI	21136	181	5283	5715	1367	540	9634	8042	78	2104	0	0	26	0
	VII	19940	278	6064	6170	1684	478	12418	8903	92	1543	0	0	26	0
	VIII	21047	197	5954	6279	1781	525	12075	9563	97	1483	0	0	26	0
	IX	20906	137	4981	7472	1951	602	9707	9533	107	1180	0	0	25	0
- Households (Individuals and Self-employed individuals)															
2010	I	11943	2739	9010	13711	6374	318	19465	48340	12961	1509	0	0	10	0
	II	12142	2685	9463	14259	6612	334	19686	48688	13048	1589	0	0	10	0
	III	12725	2731	9820	14845	7118	338	19571	48434	13552	1557	0	0	12	0
	IV	12804	2906	9969	15482	7520	355	19037	48425	14040	1556	0	0	11	0
	V	13162	2828	10227	15880	7870	360	18776	48466	14148	1562	0	0	3	0
	VI	12787	2894	10590	16553	8124	369	18906	48621	14202	1602	0	0	5	0
	VII	13039	2748	10675	17011	8579	395	18643	48410	14246	1566	0	0	5	0
	VIII	12514	2619	10709	17504	8931	414	18817	48985	14557	1567	0	0	5	0
	IX	12597	2550	10707	17960	9220	430	18473	49202	14674	1554	0	0	6	0
	X	12859	2706	10738	18521	9606	443	18141	49682	14964	1535	0	0	6	0
	XI	13101	2624	10665	19105	10459	443	17996	50376	15517	1564	0	0	6	0
	XII	14981	2582	10628	19415	11697	434	18072	50589	16224	1463	0	0	9	0
2011	I	13634	2603	10809	19610	12277	476	17935	51021	16382	1503	0	0	9	0
	II	13960	2576	10920	20078	12593	493	17788	51495	16633	1565	0	0	9	0
	III	13879	2545	10658	20150	12924	529	17934	51861	16927	1595	0	0	10	0
	IV	15227	2780	10640	20126	13155	541	18006	51989	17248	1595	0	0	10	0
	V	15184	2743	10597	20145	13418	558	18326	52816	17464	1575	0	0	10	0
	VI	15174	2772	10592	20126	13772	581	18520	52994	17717	1581	0	0	5	0
	VII	14964	2723	10456	20423	14159	536	18764	53389	17913	1582	0	0	5	0
	VIII	14470	2635	10451	20890	14526	541	18540	54158	17758	1553	0	0	5	0
	IX	14725	2587	10475	21180	15051	515	18668	54758	17548	1516	0	0	6	0
I. NON-GOVERNMENT SECTOR															
- Other (Non-Profit Institutions serving households, Other Financial Corporations, State and Local Government)															
2010	I	1834	29	1753	3138	2452	65	486	698	174	13	0	0	380	0
	II	1801	40	1784	3182	2590	69	479	707	176	11	0	0	383	1
	III	1836	132	1550	3336	2724	62	786	715	176	11	0	0	361	0
	IV	1850	59	1225	3796	2926	55	450	655	172	10	0	0	359	0
	V	2038	48	1099	3893	2893	50	439	656	177	10	0	0	344	1
	VI	2296	36	1038	3836	2766	54	476	648	176	10	0	0	328	0
	VII	2427	8	1246	3953	2533	48	574	676	181	13	0	0	383	0
	VIII	2562	14	1342	4014	2592	47	508	689	183	13	0	0	370	0
	IX	2570	20	1287	3969	2562	62	483	655	185	13	0	0	351	0
	X	2126	20	1313	4138	2786	59	427	679	157	13	0	0	355	0
	XI	2029	19	1241	4335	2805	58	727	693	158	13	0	0	362	0
	XII	1835	20	1098	4146	2938	61	626	687	160	13	0	0	401	2
2011	I	2162	5	1050	4095	2927	50	497	679	155	11	0	0	407	3
	II	2194	40	1099	4079	3011	49	494	663	156	11	0	0	397	2
	III	2104	59	1020	3920	3089	67	478	640	165	11	0	0	398	2
	IV	2187	29	1185	3686	3022	68	601	661	161	11	0	0	405	0
	V	1989	40	1157	3823	3099	76	618	652	164	14	0	0	440	0
	VI	1998	42	1232	3841	3102	80	684	607	200	14	0	0	467	0
	VII	2149	56	1121	3949	3250	71	673	652	200	14	0	0	522	0
	VIII	2173	31	1106	3835	3247	70	790	653	204	14	0	0	569	0
	IX	1869	34	1163	3754	3011	49	603	807	201	13	0	0	560	0
II. GOVERNMENT															
2010	I	1013	2	88	142	0	11	6	0	0	0	0	0	1920	868
	II	888	52	38	142	0	2	7	0	0	0	0	0	1954	871
	III	918	2	109	142	0	4	6	0	0	0	0	0	1971	814
	IV	1051	2	109	142	0	3	6	0	0	0	0	0	1903	816
	V	908	2	109	132	0	3	6	0	0	0	0	0	1935	789
	VI	929	2	37	132	0	4	5	0	0	0	0	0	1970	752
	VII	686	2	72	91	0	2	5	0	0	0	0	0	1035	746
	VIII	661	2	71	91	0	2	7	0	0	0	0	0	1041	748
	IX	905	2	72	91	0	2	5	0	0	0	0	0	1051	685
	X	861	2	72	91	0	13	4	0	0	0	0	0	1019	685
	XI	954	2	69	91	0	2	201	0	0	0	0	0	1028	658
	XII	949	2	97	107	0	2	164	0	0	0	0	0	1038	635
2011	I	952	3	37	106	0	2	114	0	0	0	0	0	1007	630
	II	928	3	38	167	0	2	107	0	0	0	0	0	1012	630
	III	888	3	37	167	0	1	103	0	0	0	0	0	1023	575
	IV	1001	2	2	167	0	1	95	0	0	0	0	0	943	576
	V	979	3	4	102	0	1	97	0	0	0	0	0	951	549
	VI	949	3	4	102	0	3	90	0	0	0	0	0	969	537
	VII	940	3	3	101	0	5	81	0	0	0	0	0	930	531
	VIII	1007	3	7	101	0	5	88	0	0	0	0	0	941	531
	IX	1218	3	7	101	0	2	92	0	0	0	0	0	961	509

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accordance with the new introduced methodology for the period from January 2003
2) Starting from January 2009 the data are compiled based on the New Banks' Chart of accounts

Report on weighted interest rates on deposits and borrowings ^{1,2}

(in % on annual level)

	2005	2006	2007	2008	2009	2010												2011									
	XII	XII	XII	XII	XII	I.10	II.10	III.10	IV.10	V.10	VI.10	VII.10	VIII.10	IX.10	X.10	XI.10	XII.10	I.10	II.10	III.10	IV.11	VI.11	VII.11	VIII.11	IX.11		
LOANS INTEREST RATES (DENAR AND FOREIGN CURRENCY)					9.6	9.5	9.3	9.2	9.2	9.0	9.0	8.7	8.7	8.7	8.6	8.6	8.6	8.5	8.5	8.5	8.5	8.4	8.4	8.4	8.4		
DEPOSITS INTEREST RATES (DENAR AND FOREIGN CURRENCY)					4.7	4.6	4.7	4.7	4.6	4.5	4.5	4.4	4.4	4.3	4.3	4.3	4.3	4.2	4.2	4.0	4.0	3.9	3.9	3.8	3.8	3.9	
A. DENAR INTEREST RATES																											
1. INTEREST RATES ON DENAR CREDITS	12.1	10.7	9.9	9.8	10.3	10.2	10.0	9.8	9.8	9.6	9.6	9.2	9.2	9.2	9.1	9.1	9.0	9.0	9.0	8.9	8.9	8.9	8.8	8.9	8.8	8.8	
1.1. Interest rates on credits without FX clause	12.6	10.9	10.2	10.5	11.5	11.5	11.5	11.3	11.3	11.0	10.9	10.3	10.2	10.2	10.1	10.1	10.0	9.8	9.7	9.7	9.6	9.6	9.6	9.6	9.6	9.5	
<i>Interest rates on short-term credits without FX clause</i>	11.4	9.9	8.9	9.2	10.0	9.9	9.9	9.7	9.7	9.3	9.2	9.2	9.2	9.2	9.1	9.0	8.9	8.9	8.8	8.8	8.7	8.7	8.7	8.7	8.7	8.7	
- on short-term credits on enterprises	10.7	9.5	8.6	9.0	9.9	9.8	9.8	9.7	9.6	9.2	9.2	9.2	9.1	9.1	8.9	8.9	8.9	8.8	8.8	8.7	8.7	8.7	8.7	8.7	8.7	8.7	
- on short-term credits on households	19.4	16.9	13.4	13.5	14.3	14.4	14.6	14.0	14.0	13.7	13.4	11.7	11.7	11.7	11.7	11.5	11.2	10.8	10.6	10.5	10.3	10.1	10.0	10.1	10.1	10.0	
<i>Interest rates on long-term credits without FX clause</i>	13.5	11.7	11.3	11.6	12.5	12.5	12.5	12.3	12.3	12.1	12.0	10.9	10.9	10.9	10.8	10.7	10.6	10.3	10.2	10.2	10.1	10.1	10.0	10.0	10.0	9.9	
- on long-term credits on enterprises	10.0	8.4	8.4	8.8	9.8	9.7	9.7	9.5	9.5	9.1	9.1	9.0	9.0	9.0	8.8	8.8	8.7	8.8	8.7	8.7	8.6	8.6	8.5	8.6	8.6	8.5	
- on long-term credits on households	15.3	14.3	13.3	13.4	14.6	14.5	14.5	14.3	14.3	14.1	13.9	12.1	12.1	12.1	12.0	12.0	11.9	11.3	11.3	11.2	11.2	11.1	11.1	11.1	11.0	10.9	
1.2. Interest rates on credits with FX clause	11.1	10.3	9.5	9.1	9.3	9.2	8.9	8.7	8.7	8.5	8.5	8.3	8.3	8.3	8.3	8.2	8.2	8.3	8.3	8.3	8.2	8.2	8.2	8.2	8.2	8.2	
<i>Interest rates on short-term credits with FX clause</i>	9.0	8.1	7.2	7.4	8.9	8.8	8.7	8.7	8.6	8.5	8.4	8.4	8.3	8.3	8.3	8.2	8.3	8.3	8.2	8.1	8.1	8.0	8.1	8.1	8.1	8.1	
- on short-term credits on enterprises	9.1	8.3	7.2	7.4	8.9	8.9	8.7	8.7	8.6	8.5	8.4	8.4	8.3	8.3	8.3	8.2	8.3	8.3	8.3	8.1	8.1	8.1	8.1	8.1	8.1	8.1	
- on short-term credits on households	8.1	7.0	7.1	7.3	8.2	8.2	7.7	7.8	7.7	7.8	7.8	7.5	7.8	7.9	7.8	7.7	7.4	7.6	7.8	7.6	7.3	7.1	7.2	7.2	7.2	7.3	
<i>Interest rates on long-term credits with FX clause</i>	11.5	10.6	9.6	9.2	9.3	9.2	8.9	8.7	8.7	8.6	8.5	8.3	8.3	8.3	8.2	8.2	8.2	8.3	8.3	8.3	8.3	8.2	8.2	8.2	8.2	8.2	
- on long-term credits on enterprises	11.0	10.4	9.3	9.0	9.7	9.5	9.5	9.4	9.4	9.2	9.2	9.1	9.1	9.1	9.0	9.0	8.9	8.9	8.8	8.8	8.8	8.7	8.7	8.7	8.6	8.6	
- on long-term credits on households	11.9	10.8	9.8	9.4	9.0	8.9	8.4	8.0	8.0	8.0	7.9	7.6	7.5	7.6	7.5	7.5	7.5	7.9	7.9	7.9	7.8	7.8	7.8	7.8	7.8	7.8	
2. INTEREST RATES ON DENAR DEPOSITS	5.6	4.4	5.3	6.5	7.5	7.3	7.5	7.5	7.4	7.1	7.0	7.1	7.0	6.8	6.7	6.7	6.7	6.4	6.3	6.0	6.0	6.0	5.9	5.8	5.8	5.8	
2.1. Interest rates on Denar deposits without FX clause	5.7	4.5	5.6	6.8	8.4	8.0	8.0	8.0	7.9	7.6	7.5	7.3	7.2	7.1	7.0	7.0	7.0	6.7	6.6	6.2	6.1	6.1	6.0	5.9	5.9	6.0	
<i>Interest rates on Denar deposits without FX clause on enterprises</i>	7.2	3.4	5.4	6.2	7.1	6.2	6.5	6.5	6.3	5.9	5.8	5.8	5.6	5.4	5.3	5.3	5.4	5.2	5.2	5.0	4.9	4.9	4.8	4.7	5.0	5.1	
- on sight deposits	0.6	0.7	2.3	1.5	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.0	0.1	0.3	0.2	0.2	0.2	0.2	0.3	0.2	0.2	
- on short-term deposits	7.3	3.4	5.4	6.0	7.0	6.0	6.2	6.2	6.1	5.6	5.5	5.6	5.4	5.2	5.0	5.0	5.1	4.9	4.9	4.7	4.6	4.7	4.4	4.3	4.5	4.6	
- on long-term deposits	7.3	6.7	7.5	8.6	9.1	9.1	9.1	9.0	8.9	8.8	8.8	8.6	8.6	8.5	8.5	8.4	8.2	8.1	7.9	7.8	7.9	7.6	7.5	7.5	7.5	7.5	
<i>Interest rates on Denar deposits without FX clause on households</i>	4.8	5.0	5.7	7.0	8.7	8.5	8.4	8.4	8.3	8.0	8.0	7.7	7.7	7.5	7.4	7.4	7.3	7.0	6.9	6.5	6.4	6.3	6.2	6.2	6.2	6.2	
- on sight deposits	1.0	1.0	1.1	1.0	1.1	0.8	0.7	0.9	0.7	0.4	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.3	
- on short-term deposits	7.0	6.7	6.9	7.9	9.1	8.9	8.7	8.6	8.4	8.0	8.0	7.6	7.6	7.3	7.3	7.3	7.1	6.7	6.6	6.1	5.9	5.9	5.8	5.6	5.6	5.7	
- on long-term deposits	8.0	8.0	8.3	9.1	10.7	10.7	10.5	10.8	10.8	10.7	10.6	10.2	10.1	10.1	9.9	9.7	9.6	9.3	9.2	8.8	8.8	8.7	8.6	8.5	8.5	8.4	
2.2. Interest rates on Denar credits with FX clause	4.4	3.4	3.9	5.0	3.6	3.1	3.9	3.7	3.8	3.6	3.2	2.6	2.6	2.5	2.5	2.4	2.6	2.6	2.5	2.4	3.1	2.8	2.8	2.9	2.8	2.7	
<i>Interest rates on Denar deposits with FX clause on enterprises</i>	4.4	3.3	3.9	5.0	3.5	3.0	3.8	3.7	3.8	3.6	3.2	2.6	2.6	2.5	2.5	2.4	2.6	2.5	2.5	2.4	3.1	2.8	2.8	2.9	2.8	2.7	
- on short-term deposits	4.5	3.2	3.9	5.0	3.5	3.0	3.8	3.7	3.8	3.5	3.1	2.4	2.5	2.4	2.4	2.4	2.5	2.5	2.4	2.3	2.9	2.6	2.6	2.8	2.8	2.7	
- on long-term deposits	3.7	5.8	4.0	4.3	7.1	7.1	7.1	7.1	7.1	6.9	6.9	6.9	6.9	6.9	6.9	7.0	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	
<i>Interest rates on Denar deposits with FX clause on households</i>		8.8	8.3	9.2	7.6	7.6	7.6	9.6	9.6	9.6	9.6	9.6	9.8	9.8	9.8	9.8	9.8	9.8	9.8	4.3	4.6	6.3	6.3	6.8	6.3	6.3	
- on short-term deposits		8.8	8.3	8.9	7.5	7.5	7.5	5.3	5.3	5.3	5.3	5.4	5.3	5.3	5.3	5.3	5.3	5.3	5.3	4.3	4.6	6.3	6.3	6.8	6.3	6.3	
- on long-term deposits			8.0	9.9	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	10.0	10.0	10.0	10.0	10.0	10.0	10.0								

Report on weighted interest rates on deposits and borrowings ^{1,2}

(in % on annual level)

	2005	2006	2007	2008	2009	2010												2011								
	XII	XII	XII	XII	XII	I.10	II.10	III.10	IV.10	V.10	VI.10	VII.10	VIII.10	IX.10	X.10	XI.10	XII.10	I.10	II.10	III.10	IV.11	V.11	VI.11	VII.11	VIII.11	IX.11
B. FOREIGN CURRENCY INTEREST RATES																										
1. INTEREST RATES ON FOREIGN CURRENCY CREDITS	7.8	8.5	8.5	7.2	7.6	7.5	7.3	7.3	7.3	7.3	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.5	7.4	7.4	
1.1. Interest rates on foreign currency short-term credits	8.1	8.4	8.1	6.2	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.5	7.4	7.4	7.5	7.4	7.4	7.4	7.5	7.6	7.6	7.5	7.4	7.5	7.5	
<i>Interest rates on foreign currency short-term credits on enterprises</i>	8.0	8.4	8.0	6.2	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.5	7.4	7.4	7.5	7.4	7.4	7.4	7.4	7.5	7.6	7.6	7.5	7.4	7.5	7.5
- in Euros	8.1	8.4	8.1	6.8	7.7	7.7	7.8	7.8	7.8	7.7	7.7	7.7	7.6	7.6	7.7	7.6	7.6	7.6	7.6	7.6	7.7	7.7	7.5	7.4	7.5	7.5
- in USA Dollars	7.4	8.0	6.8	3.1	6.0	6.0	5.9	5.9	5.9	5.9	5.9	6.0	6.0	5.9	5.9	5.9	5.9	5.9	6.7	7.0	7.0	6.6	6.6	6.9	6.9	
<i>Interest rates on foreign currency short-term credits on households</i>	16.2	13.3	12.4	12.8	9.6	9.6	9.2	9.1	9.1	8.8	9.1	8.8	8.8	8.3	8.3	8.3	8.7	8.8	8.7	8.7	8.7	8.7	8.8	8.6	8.4	8.5
- in Euros	16.2	13.3	12.4	12.8	10.0	9.6	9.2	9.1	9.1	8.8	9.1	8.8	8.8	8.3	8.3	8.3	8.7	8.8	8.7	8.7	8.7	8.7	8.8	8.6	8.4	8.5
- in USA Dollars				3.0	2.0																					
1.2. Interest rates on foreign currency long-term credits	7.8	8.5	8.7	7.5	7.6	7.5	7.2	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.5	7.4	7.4	
<i>Interest rates on foreign currency long-term credits on enterprises</i>	7.6	8.4	8.7	7.3	7.3	7.2	7.1	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.2	7.3	7.4	7.3	
- in Euros	7.6	8.5	8.7	7.4	7.3	7.2	7.1	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.4	7.4	7.3	
- in USA Dollars	6.9	7.6	7.1	3.7	6.5	6.5	6.4	6.5	6.5	6.7	6.6	6.6	6.6	6.5	6.5	6.5	6.4	6.4	6.1	5.5	5.5	5.5	5.5	7.0	6.4	
<i>Interest rates on foreign currency long-term credits on households</i>	10.4	9.2	8.6	8.5	10.2	9.7	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.0	8.0	8.0	8.0	8.0	
- in Euros	10.4	9.2	8.6	8.5	10.2	9.7	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.0	8.0	8.0	8.0	
- in USA Dollars	4.2	4.1	4.7	3.0	2.8	2.8	3.9	2.8	2.8	2.7	2.7	2.8	2.8	2.9	2.8	2.8	2.8	2.8	2.5	2.4	2.4	2.4	2.4	2.5	2.4	2.4
2. INTEREST RATES ON FOREIGN CURRENCY DEPOSITS	1.4	1.8	2.0	3.0	3.4	3.3	3.3	3.2	3.2	3.1	3.1	3.0	3.0	3.0	3.0	3.0	3.0	2.9	2.9	2.8	2.8	2.8	2.8	2.7	2.7	
2.1. Interest rates on foreign currency deposits on enterprises	1.7	2.1	2.3	2.7	2.2	2.0	2.1	2.0	1.9	1.7	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.4	1.3	1.3	1.3	1.2	1.2	
- on sight deposits	0.5	0.6	0.6	0.7	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
- in Euros	0.5	0.6	0.6	0.7	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
- in USA Dollars	0.5	0.6	0.6	0.3	0.4	0.4	0.5	0.4	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
- on short-term deposits	2.5	3.2	3.6	4.2	3.6	3.5	3.5	3.4	3.5	3.1	2.9	3.2	3.1	3.1	2.8	2.7	2.9	2.9	2.9	2.5	2.7	2.6	2.7	2.6	2.6	
- in Euros	2.1	2.8	3.6	4.3	3.6	3.5	3.5	3.4	3.5	3.1	2.9	3.2	3.2	3.1	2.8	2.7	2.9	2.9	2.9	2.5	2.7	2.6	2.7	2.6	2.6	
- in USA Dollars	3.3	4.3	3.8	3.1	2.4	2.4	2.3	1.9	1.7	2.5	2.3	2.5	2.3	2.5	2.5	2.5	2.2	2.1	2.1	2.1	1.3	1.3	1.3	1.3	1.7	
- on long-term deposits		3.0	2.7	2.5	5.0	5.0	5.0	5.0	5.0	5.0	4.9	4.9	4.9	4.9	5.1	2.7	2.7	2.7	2.7	3.9	3.9	3.2	3.4	3.4	3.3	
- in Euros		3.0	2.7	2.5	5.0	5.0	5.0	5.0	5.0	5.0	4.9	4.9	4.9	4.9	5.1	2.7	2.7	2.7	2.7	3.9	3.9	3.2	3.4	3.4	3.3	
- in USA Dollars				2.5																						
2.2. Interest rates on foreign currency deposits on households	1.3	1.7	1.9	3.1	3.6	3.6	3.6	3.5	3.5	3.4	3.4	3.4	3.3	3.3	3.3	3.4	3.4	3.3	3.2	3.1	3.1	3.1	3.0	3.0	3.0	
- on sight deposits	0.6	0.8	0.8	0.8	0.7	0.7	0.6	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
- in Euros	0.7	0.8	0.8	0.8	0.8	0.7	0.6	0.5	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
- in USA Dollars	0.5	0.6	0.6	0.5	0.4	0.4	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
- on short-term time deposits	1.8	2.3	2.6	3.9	4.3	4.3	4.2	4.1	4.1	4.0	4.1	3.9	3.8	3.8	3.9	3.9	3.8	3.7	3.7	3.5	3.5	3.4	3.4	3.4	3.3	
- in Euros	1.8	2.3	2.6	4.1	4.5	4.5	4.4	4.3	4.3	4.2	4.3	4.1	4.0	4.0	4.0	4.0	4.0	3.8	3.8	3.6	3.6	3.6	3.5	3.5	3.5	
- in USA Dollars	1.7	2.3	2.4	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.8	1.8	
- on long-term time deposits	2.9	3.7	3.7	4.8	5.5	5.5	5.5	5.4	5.4	5.5	5.4	5.3	5.3	5.3	5.3	5.3	5.2	5.2	5.1	4.9	4.9	4.9	4.8	4.8	4.7	
- in Euros	2.9	3.8	3.9	4.9	5.5	5.5	5.5	5.5	5.5	5.6	5.5	5.4	5.4	5.4	5.4	5.3	5.3	5.2	5.1	5.0	5.0	4.9	4.9	4.9	4.8	
- in USA Dollars	2.5	3.1	3.0	2.8	3.6	3.6	3.7	3.7	3.1	3.6	3.6	3.6	3.1	3.2	3.2	3.2	3.1	3.1	3.1	3.0	3.0	2.9	2.8	2.8	2.9	

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accordance with the new introduced methodology for the period from January 2003

2) Starting from January 2009 the data are compiled based on the New Banks' Chart of accounts

Interest rates of the National bank of the Republic of Macedonia

(in %)

Period	Discount rate	Reference rate for calculating the penalty interest rate	Lending interest rates - creating liquidity		Deposit interest rates - withdrawing liquidity	
			Over night credits-Lombard credit	Auction repo-transactions	CB bills - basic maturity*	
					volume tender	interest rate tender
2003.XII	6.5		14.0			6.2
2004.XII	6.5		13.0		10.0	
2005.XII	6.5		13.0			8.5
2006.XII	6.5		9.5			5.7
2007.XII	6.5		7.5			4.77
2008.XII	6.5		8.5		7.00	
2009.XII	6.5	9.0	10.0		8.50	
2010.I	6.5	8.5	9.5		8.00	
II		8.5	9.0		7.61	
III		8.5	9.0		7.26	
IV		8.5	8.0		6.50	
V		8.5	7.5		6.24	
VI		8.5	6.5		5.46	
VII		5.0	6.5		5.00	
VIII		5.0	6.0		4.68	
IX		5.0	6.0		4.50	
X		5.0	6.0		4.50	
XI		5.0	6.0		4.50	
XII		5.0	5.5		4.11	
2011.I		4.0	5.5		4.00	
II		4.0	5.5		4.00	
III		4.0	5.5		4.00	
IV		4.0	5.5		4.00	
V		4.0	5.5		4.00	
VI		4.0	5.5		4.00	
VII		4.0	5.5	4.50	4.00	
VIII		4.0	5.5		4.00	
IX		4.0	5.5	4.50	4.00	

* 28 days

Reserve requirements of banks and saving houses*

in millions of denars

Period	Banks' reserve requirements ratio (in%)			Reserve requirements of banks in Denar						Reserve requirements of banks in foreign currency		Reserve requirements of saving houses in Denar		
	Liabilities in domestic currency (%)	Liabilities in domestic currency with FX clause	Liability in foreign currency	Percentage of the amount calculated from liabilities in foreign currency**	Reserve requirement	Average fulfillment	Excess / Shortage	Fulfillment in percents (%)	Renumeration rate (%)	Reserve requirement	Renumeration rate (%)	Reserve requirement rate (%)	Reserve requirement	Renumeration rate (%)
2003.XII	7.5		7.5	0.00	2,488	3,467	980	139.4	4.0	2,763	1.0	2.5	7	4.0
2004.XII	7.5		7.5	0.00	2,855	3,309	454	115.9	2.0	3,374	1.0	2.5	8	2.0
2005.XII	10.0		10.0	0.00	4,242	5,267	1,025	124.2	2.0	5,325	0.0	2.5	11	2.0
2006.XII	10.0		10.0	0.00	5,618	6,705	1,087	119.3	2.0	6,373	0.0	2.5	14	2.0
2007.XII	10.0		10.0	0.00	8,436	9,125	689	108.2	2.0	7,288	0.0	2.5	17	2.0
2008.XII	10.0		10.0	0.00	10,125	10,762	637	106.3	2.0	9,802	0.0	2.5	18	2.0
2009.XII	10.0	20	13.0	23.00	13,874	14,253	379	102.7	2.0	12,225	0.1	2.5	14	2.0
2010.I	10.0	20.0	13.0	23.00	14,097	14,549	452	103.2	2.0	12,151	0.1	2.5	14	2.0
II	10.0	20.0	13.0	23.00	14,212	14,606	394	102.8	2.0	12,144	0.1	2.5	14	2.0
III	10.0	20.0	13.0	23.00	13,914	14,217	302	102.2	2.0	12,237	0.1	2.5	14	2.0
IV	10.0	20.0	13.0	23.00	14,164	14,348	184	101.3	2.0	12,459	0.1	2.5	14	2.0
V	10.0	20.0	13.0	23.00	14,439	14,559	120	100.8	2.0	12,418	0.1	2.5	14	2.0
VI	10.0	20.0	13.0	23.00	14,843	15,152	309	102.8	2.0	12,693	0.1	2.5	14	2.0
VII	10.0	20.0	13.0	23.00	15,034	15,415	381	102.5	2.0	12,696	0.1	2.5	14	2.0
VIII	10.0	20.0	13.0	23.00	14,518	15,035	517	103.6	2.0	12,876	0.1	2.5	14	2.0
IX	10.0	20.0	13.0	23.00	14,420	14,887	467	103.2	2.0	13,030	0.1	2.5	15	2.0
X	10.0	20.0	13.0	23.00	14,572	14,919	347	102.4	2.0	12,942	0.1	2.5	15	2.0
XI	10.0	20.0	13.0	23.00	14,878	15,072	194	101.3	2.0	12,938	0.1	2.5	16	2.0
XII	10.0	20.0	13.0	23.00	15,284	15,595	311	102.0	2.0	13,170	0.1	2.5	17	2.0
2011.I	10.0	20.0	13.0	23.00	15,484	15,785	301	101.9	2.0	13,395	0.1	2.5	17	2.0
II	10.0	20.0	13.0	23.00	15,637	15,915	278	101.8	2.0	13,489	0.1	2.5	17	2.0
III	10.0	20.0	13.0	23.00	15,703	16,040	337	102.2	2.0	13,517	0.1	2.5	17	2.0
IV	10.00	20.00	13.00	23.00	15,770	16,291	521	103.3	2.0	13,656	0.1	2.5	18	2.0
V	10.00	20.00	13.00	23.00	15,923	16,226	302	101.9	2.0	13,768	0.1	2.5	18	2.0
VI	10.00	20.00	13.00	23.00	15,689	15,863	174	101.1	2.0	13,906	0.1	2.5	18	2.0
VII	10.00	20.00	13.00	23.00	15,896	16,111	216	101.4	2.0	14,019	0.1	2.5	18	2.0
VIII	10.00	20.00	13.00	23.00	15,959	16,182	223	101.4	2.0	14,066	0.1	2.5	18	2.0
IX	10.00	20.00	13.00	23.00	16,146	16,616	470	102.9	2.0	14,189	0.1	2.5	18	2.0

* Banks fulfill reserve requirement in Denars on averaging provision, while bank's reserve requirement in Euro and savings houses' reserve requirement in Denars is held on fixed basis.

** Percentage of amount calculated from liabilities in foreign currency, which is fulfilled in Denars. The remaining amount is reserve requirement fulfilled in Euro.

***Before July 11, 2009 the reserve requirement ratio on liabilities in domestic currency with FX clause was equal to the reserve requirement ratio on liabilities in domestic currency.

Interest rates on government securities

(in%)

Period	DENARS						DENARS (with foreign clause)					
	1 months	3 months	6 months	12 months	2 years	3 years	1 months	3 months	6 months	12 months	2 years	3 years
2004.XII		9.2	10.4									
2005.XII		8.0	8.8	9.6								
2006.XII		6.3	7.0	8.9								
2007.XII		4.8										
2008.XII		7.48	7.84	7.00								
2009.XII								5.30				
2010.I									5.20			
II									5.00			
III									4.99			
IV									4.99			
V									4.99			
VI									4.99			
VII									4.70			
VIII			5.00						4.70			
IX			4.70						4.40			
X			4.70						4.40			
XI		4.50	4.50						4.30			
XII		4.46							4.30			
2011.I			4.30						4.15			
II		4.20							4.10			
III		4.20	4.30					4.10	4.10			
IV			4.30					4.10	4.10			
V		4.20						4.10	4.10			
VI		4.20						4.10	4.10			
VII		4.20						4.10	4.10			
VIII		4.20						4.10	4.10			
IX		4.20						4.10	4.10			

Republic of Macedonia: balance of payments
Summary / 1

In USD Million

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
I. Current Account	-82.5	-262.9	-298.9	-339.8	-286.5	-280.1	-65.6	-103.1	-235.4	-378.8	-185.5	-451.6	-159.3	-28.5	-605.7	-1235.8	-609.6	-200.0
GOODS, net	42.8	-184.9	-222.8	-314.7	-386.3	-515.6	-495.9	-690.8	-526.7	-805.6	-851.0	-1139.0	-1063.0	-1260.5	-1638.5	-2589.9	-2168.8	-1945.6
Exports, f.o.b.	1055.3	1086.3	1204.0	1147.4	1236.8	1291.5	1190.0	1320.7	1155.4	1112.1	1362.7	1674.9	2040.6	2410.7	3391.5	3983.3	2702.3	3295.6
Imports, f.o.b. /2	-1012.5	-1271.3	-1426.8	-1462.1	-1623.1	-1807.1	-1685.9	-2011.6	-1682.2	-1917.7	-2213.7	-2813.8	-3103.6	-3671.2	-5030.0	-6573.2	-4871.0	-5241.2
SERVICES, net	-154.5	-155.1	-200.5	-156.2	-137.8	-59.8	38.9	48.7	-19.2	-22.1	-10.4	-57.1	-39.3	22.3	38.7	15.9	24.1	64.4
Inflow	84.0	172.0	185.2	154.3	138.1	149.3	272.8	316.7	244.6	253.1	381.2	453.4	516.6	603.5	822.3	1017.3	861.6	917.1
Outflow	-238.5	-327.1	-385.7	-310.4	-275.8	-209.1	-234.0	-268.0	-263.8	-275.3	-391.6	-510.4	-555.9	-581.2	-783.6	-1001.4	-837.5	-852.7
INCOME, net	-56.7	-46.6	-39.6	-51.3	-54.4	-53.5	-72.1	-70.0	-27.2	-45.5	-60.0	-35.3	-109.2	-27.5	-389.3	-119.8	-66.9	-123.7
Inflow	4.3	10.0	20.8	22.8	17.5	23.6	24.2	41.6	52.6	50.8	60.3	84.6	97.1	134.7	213.1	272.7	178.1	194.8
Outflow	-61.0	-56.6	-60.4	-74.2	-71.9	-77.1	-96.4	-111.7	-79.8	-96.3	-120.3	-119.9	-206.3	-162.2	-602.4	-392.5	-245.0	-318.5
CURRENT TRANSFERS, net	85.8	123.7	163.9	182.3	292.0	348.9	463.6	609.0	337.8	494.4	735.9	779.7	1052.2	1237.1	1383.4	1458.0	1602.0	1804.9
Inflow	115.0	197.0	293.5	341.3	433.3	376.5	507.2	635.5	372.4	535.2	773.8	824.5	1094.9	1279.2	1480.9	1528.0	1668.4	1867.0
Outflow	-29.2	-73.3	-129.5	-158.9	-141.3	-27.6	-43.6	-26.5	-34.6	-40.8	-37.9	-44.8	-42.7	-42.1	-97.5	-70.0	-66.4	-62.2
II. Capital and Financial Account	-12.9	162.3	280.6	318.2	349.6	296.3	-91.4	40.2	236.6	388.0	218.3	434.1	165.5	24.6	657.6	1266.7	569.2	175.9
CAPITAL ACCOUNT, net	0.0	30.0	1.7	0.0	0.0	-1.8	0.0	0.3	1.4	8.3	-6.7	-4.6	-2.0	-1.1	4.9	-17.6	28.6	17.0
FINANCIAL ACCOUNT, net	-12.9	132.3	278.9	318.2	349.6	298.1	-91.4	39.9	235.2	379.7	225.0	438.7	167.5	25.7	652.7	1284.2	540.5	158.8
Direct investment, net	0.0	24.0	9.5	11.2	58.0	150.5	88.1	215.7	446.3	105.5	117.5	321.9	94.2	424.0	700.2	600.5	185.5	205.6
Inward direct investment	0.0	24.0	9.5	11.2	58.1	150.5	88.4	215.1	447.1	105.6	117.8	323.0	97.0	424.2	699.1	587.0	197.1	207.5
Outward direct investment	0.0	0.0	0.0	0.0	-0.1	0.0	-0.3	0.6	-0.9	-0.1	-0.3	-1.2	-2.8	-0.2	1.1	13.5	-11.6	-1.9
Portfolio investment, net	0.0	0.0	2.7	0.3	1.3	-0.2	0.1	-0.9	3.5	1.2	5.7	11.5	238.6	92.4	155.2	-72.5	147.2	-78.4
Assets	0.0	0.0	1.4	-0.5	1.7	0.2	0.1	-0.8	3.2	1.2	0.3	-0.9	0.8	-0.5	-2.8	-1.1	-51.3	-29.0
Liabilities	0.0	0.0	1.3	0.8	-0.4	-0.4	0.0	-0.1	0.4	0.1	5.3	12.4	237.8	92.8	157.9	-71.4	198.5	-49.4
Other investment, net	44.0	150.2	367.4	300.8	294.1	201.1	-36.3	89.6	-137.6	133.4	152.8	124.8	249.7	-116.4	-69.4	676.2	355.1	108.7
Assets	32.0	34.7	39.9	77.7	-66.1	-58.9	-184.1	-63.0	-112.2	226.8	18.2	8.5	-47.0	-148.6	-80.9	297.7	-144.6	-206.3
Liabilities	12.0	115.5	327.5	223.1	360.3	260.0	147.8	152.6	-25.4	-93.4	134.7	116.3	296.8	32.2	11.4	378.4	499.7	315.0
Gross official reserves (- = increase) /3	-56.8	-41.9	-100.6	5.9	-3.8	-53.3	-143.3	-264.5	-77.0	139.7	-51.0	-19.5	-415.1	-374.2	-133.2	80.0	-147.3	-77.1
III. Errors and Omissions	95.4	100.6	18.3	21.6	-63.2	-16.2	157.0	62.9	-1.2	-9.2	-32.8	17.6	-6.2	4.0	-51.8	-30.9	40.4	24.1

Source: National Bank of the Republic of Macedonia

1/ Preliminary data.

a. Revision of data has been done in September 2011 in the following categories:

- for 2010 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 and introducing of accrual interest;
- services and current transfers for 2010- as a result of improved coverage of data
- goods, services and trade credits data for 2009 due to the final data on foreign trade for 2009.
- calculation of Financial Services Indirectly Measured (FISIM) has been introduced within the BoP, starting from 2003
- securities within the reserve assets are presented without price changes, starting from 2006.

2/ 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: 1993-20%, 1994-20%. 1995-20%,1996-14%,1997-10%,1998-5,02%,1999-4,86%, 2000-3,9%, 2001-4,2%, 2002-3,8% 2003-4,06%, 2004 , 2005, 2006, 2007-4,14%, 2008, 2009 and 2010-3,86%

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

3/ For the period 2006-2010 excluding price changes and exchange rate differences. Excluding monetary gold and exchange rate differences up to 2005.

Republic of Macedonia: balance of payments
Summary / 1, 4

In EUR Million

	2003	2004	2005	2006	2007	2008	2009	2010	1	2	3	4	5	6	7	8	9	Q1	Q2	Q3	2011
I. Current Account	-169.8	-361.8	-122.5	-23.4	-421.2	-862.2	-457.1	-150.4	-94.0	-75.2	-36.0	-42.9	1.1	-16.2	-7.3	25.4	25.5	-205.2	-58.0	43.6	-219.7
GOODS, net	-753.0	-914.3	-858.5	-1001.5	-1181.0	-1762.5	-1559.6	-1467.8	-193.3	-142.3	-126.0	-149.6	-102.8	-122.8	-158.9	-132.6	-112.4	-461.6	-375.2	-403.9	-1240.7
Exports, f.o.b.	1203.2	1345.0	1642.9	1914.0	2472.2	2692.6	1932.6	2492.8	222.1	238.6	251.6	275.6	285.2	256.1	234.1	278.6	311.6	712.3	816.9	824.3	2353.6
Imports, f.o.b. /2	-1956.2	-2259.3	-2501.4	-2915.5	-3653.2	-4455.1	-3492.2	-3960.7	-415.5	-380.9	-377.6	-425.2	-388.0	-378.9	-392.9	-411.3	-424.1	-1173.9	-1192.1	-1228.3	-3594.3
SERVICES, net	-9.4	-45.6	-29.2	17.4	28.3	9.3	16.5	49.4	15.7	-4.7	12.2	6.4	13.5	13.3	14.9	17.3	11.4	23.2	33.2	43.6	100.0
Inflow	336.1	364.4	417.1	479.1	597.3	692.0	617.6	693.8	61.2	50.3	68.1	64.0	70.3	70.3	75.3	78.4	72.5	179.7	204.6	226.1	610.3
Outflow	-345.5	-410.0	-446.3	-461.7	-569.1	-682.8	-601.1	-644.3	-45.5	-55.0	-55.9	-57.6	-56.8	-57.0	-60.4	-61.1	-61.0	-156.5	-171.4	-182.5	-510.4
INCOME, net	-53.5	-30.1	-88.1	-21.2	-280.8	-94.4	-47.3	-99.1	-12.4	-11.1	-9.5	-12.1	-12.3	-10.9	-13.3	-10.5	-11.6	-33.0	-35.3	-35.3	-103.6
Inflow	53.2	67.9	78.6	107.1	155.2	185.2	128.0	146.6	15.4	12.7	15.7	14.2	13.9	14.6	13.1	15.5	13.8	43.8	42.6	42.4	128.8
Outflow	-106.7	-98.0	-166.7	-128.3	-436.0	-279.6	-175.3	-245.7	-27.8	-23.8	-25.2	-26.3	-26.2	-25.5	-26.3	-26.0	-25.4	-76.8	-78.0	-77.7	-232.4
CURRENT TRANSFERS, net	646.1	628.2	853.3	981.9	1012.4	985.5	1133.3	1367.2	96.0	82.8	87.4	112.4	102.7	104.2	149.9	151.2	138.1	266.1	319.3	439.3	1024.7
Inflow	679.5	664.2	887.5	1015.3	1081.3	1033.2	1181.0	1414.0	99.3	86.1	91.3	116.1	107.2	108.4	153.8	155.4	142.6	276.7	331.7	451.8	1060.2
Outflow	-33.4	-36.0	-34.2	-33.4	-68.9	-47.7	-47.7	-46.9	-3.3	-3.3	-3.9	-3.7	-4.5	-4.3	-3.9	-4.1	-4.5	-10.6	-12.5	-12.5	-35.5
II. Capital and Financial Account	193.9	347.1	127.7	19.6	461.1	886.2	430.0	130.9	98.6	78.4	52.8	53.7	1.7	12.6	0.4	-29.8	-42.2	229.8	67.9	-71.7	226.1
CAPITAL ACCOUNT, net	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	20.2	12.9	7.8	0.9	0.6	1.2	1.4	0.7	3.1	0.5	0.3	9.2	3.3	3.8	16.3
FINANCIAL ACCOUNT, net	199.7	350.9	129.4	20.4	457.4	898.4	409.8	118.0	90.9	77.5	52.2	52.5	0.3	11.9	-2.7	-30.3	-42.5	220.6	64.7	-75.5	209.8
Direct investment, net	100.1	259.7	74.9	344.7	506.9	409.4	136.9	157.6	49.1	51.5	95.9	-20.6	-16.3	-20.3	23.6	30.3	-11.9	196.4	-57.3	42.0	181.1
Inward direct investment	100.4	260.7	77.2	344.8	506.0	399.9	145.0	159.1	49.4	51.8	95.8	-20.5	-16.6	-20.4	23.6	30.4	-11.0	196.9	-57.5	43.0	182.4
Outward direct investment	-0.3	-0.9	-2.3	-0.1	0.9	9.5	-8.1	-1.4	-0.3	-0.2	0.0	-0.1	0.3	0.0	0.0	-0.1	-0.9	-0.5	0.2	-1.0	-1.2
Portfolio investment, net	5.1	8.6	200.8	72.7	114.1	-50.6	104.0	-61.7	0.2	9.8	-1.2	0.2	1.3	-5.5	-14.8	-2.8	1.0	8.9	-4.0	-16.6	-11.7
Assets	0.3	-0.8	0.7	-0.4	-2.0	-0.5	-37.6	-21.9	-1.3	-3.0	-2.3	-2.7	0.0	-2.6	0.6	0.4	0.0	-6.6	-5.3	1.1	-10.9
Liabilities	4.8	9.3	200.1	73.1	116.1	-50.1	141.7	-39.7	1.6	12.8	1.1	2.9	1.3	-2.9	-15.4	-3.2	1.0	15.5	1.3	-17.7	-0.9
Other investment, net	133.1	98.5	201.6	-100.7	-68.9	464.4	245.8	83.7	60.0	2.7	162.0	59.6	3.4	-1.1	-52.5	-50.8	-23.6	224.7	62.0	-126.9	159.7
Assets	14.1	7.3	-39.8	-117.6	-61.5	207.4	-107.0	-159.7	28.3	-8.5	-25.1	-74.2	-60.4	-16.9	-179.5	32.1	99.5	-5.4	-151.4	-47.9	-204.6
Liabilities	119.1	91.2	241.4	17.0	-7.5	256.9	352.8	243.4	31.7	11.2	187.1	133.8	63.8	15.8	127.0	-83.0	-123.1	230.1	213.4	-79.1	364.4
Gross official reserves (- = increase) /3	-38.6	-15.9	-347.9	-296.4	-94.7	75.3	-76.9	-61.7	-18.4	13.5	-204.5	13.3	11.9	38.8	41.1	-7.0	-7.9	-209.4	64.0	26.1	-119.3
III. Errors and Omissions	-24.1	14.7	-5.3	3.8	-39.9	-24.0	27.1	19.5	-4.6	-3.2	-16.8	-10.7	-2.8	3.7	6.9	4.5	16.7	-24.6	-9.9	28.1	-6.4

Source: National Bank of the Republic of Macedonia

1/ Preliminary data.

a. Revision of data has been done in September 2011 in the following categories:

- for 2010 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 and introducing of accrual interest;
- services and current transfers for 2010- as a result of improved coverage of data
- goods, services and trade credits data for 2009 due to the final data on foreign trade for 2009.
- calculation of Financial Services Indirectly Measured (FISIM) has been introduced within the BoP, starting from 2003
- securities within the reserve asstes are presented without price changes, starting from 2006.

2/ 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: 1993-20%, 1994-20%. 1995-20%,1996-14%,1997-10%,1998-5,02%,1999-4,86%, 2000-3,9%, 2001-4,2%, 2002-3,8% 2003-4,06%, 2004 , 2005, 2006, 2007-4,14%, 2008, 2009, 2010 and 2011-3,86%. Imports for 2006, 2007 and 2008 have been additionally adjusted with time adjustments for imports of electricity.

3/ For the period 2006-2011 excluding price changes and exchange rate differences. Excluding monetary gold and exchange rate differences up to 2005.

4/ Methodological notes: Calculation of Financial Services Indirectly Measured (FISIM) has been introduced starting January 2011.

Liabilities under PCL with the IMF are classified under Financial Account-Other Investment-Liabilities-Loans-General Government-Long Term-Drawings.

Republic of Macedonia: balance of payments - services

In EUR Million

Period	2003	2004	2005	2006	2007	2008	2009	2010	1	2	3	4	5	6	7	8	9	Q1	Q2	Q3	2011
Services, net	-9.4	-45.6	-29.2	17.4	28.3	9.3	16.5	49.4	15.7	-4.7	12.2	6.4	13.5	13.3	14.9	17.3	11.4	23.2	33.2	43.6	100.0
- Credit	336.1	364.4	417.1	479.1	597.3	692.0	617.6	693.8	61.2	50.3	68.1	64.0	70.3	70.3	75.3	78.4	72.5	179.7	204.6	226.1	610.3
- Debit	-345.5	-410.0	-446.3	-461.7	-569.1	-682.8	-601.1	-644.3	-45.5	-55.0	-55.9	-57.6	-56.8	-57.0	-60.4	-61.1	-61.0	-156.5	-171.4	-182.5	-510.4
1. Transportation	-32.8	-52.8	-45.3	-33.9	-43.3	-47.6	-38.4	-20.4	0.1	-0.4	1.1	-3.7	2.3	-4.2	0.5	-0.2	2.5	0.8	-5.6	2.8	-2.0
- Credit	110.9	115.2	129.3	148.1	183.9	222.8	180.4	218.0	20.5	18.6	23.0	20.4	24.3	23.7	21.8	22.9	25.4	62.1	68.5	70.1	200.6
- Debit	-143.7	-168.0	-174.6	-182.0	-227.2	-270.4	-218.8	-238.4	-20.4	-19.0	-21.8	-24.1	-22.1	-28.0	-21.2	-23.1	-22.9	-61.3	-74.1	-67.2	-202.6
2. Travel	7.6	14.0	22.4	46.3	61.0	62.7	84.0	79.7	7.8	4.6	5.6	6.0	5.4	6.0	11.7	17.0	8.3	18.0	17.4	37.0	72.3
- Credit	49.9	57.9	72.3	102.4	134.9	155.2	156.2	149.6	12.3	8.7	10.8	11.6	12.7	13.8	21.0	27.2	15.7	31.8	38.1	63.9	133.7
- Debit	-42.3	-43.9	-49.9	-56.2	-73.9	-92.4	-72.2	-69.9	-4.4	-4.1	-5.2	-5.6	-7.3	-7.8	-9.3	-10.2	-7.4	-13.8	-20.7	-26.9	-61.4
3. Other services	15.7	-6.7	-6.3	5.0	10.5	-5.8	-29.1	-9.8	7.7	-8.8	5.5	-4.1	5.8	11.6	2.7	0.5	0.7	4.4	21.4	3.8	29.6
- Credit	175.3	191.4	215.4	228.5	278.6	314.1	280.9	326.2	28.4	23.1	34.3	32.0	33.3	32.8	32.5	28.2	31.4	85.8	98.0	92.1	276.0
- Debit	-159.6	-198.1	-221.8	-223.5	-268.0	-319.9	-310.0	-336.0	-20.7	-31.8	-28.9	-27.9	-27.5	-21.2	-29.8	-27.8	-30.7	-81.4	-76.6	-88.4	-246.3
3.1. Communications services	31.1	21.8	19.6	26.5	27.8	21.9	19.6	23.0	5.0	2.4	2.2	2.5	5.5	2.9	3.4	3.5	2.9	9.7	10.8	9.9	30.4
- Credit	48.7	38.6	36.2	48.5	50.9	54.6	61.9	60.0	6.5	4.7	3.7	4.3	5.9	3.5	5.5	6.3	6.2	14.9	13.7	18.0	46.6
- Debit	-17.6	-16.8	-16.6	-22.0	-23.1	-32.7	-42.3	-37.0	-1.6	-2.3	-1.4	-1.9	-0.4	-0.6	-2.0	-2.8	-3.3	-5.3	-2.8	-8.1	-16.2
Postal and courier services	0.7	0.7	0.7	0.4	0.4	0.6	0.4	-0.2	-0.1	-0.1	0.1	-0.1	0.0	0.0	-0.1	0.0	0.0	-0.1	-0.2	-0.2	-0.5
- Credit	1.1	0.9	0.8	1.1	1.1	1.1	1.4	1.3	0.1	0.1	0.2	0.1	0.1	0.2	0.0	0.1	0.2	0.4	0.4	0.4	1.1
- Debit	-0.3	-0.2	-0.2	-0.6	-0.7	-0.5	-0.9	-1.5	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.3	-0.5	-0.5	-0.5	-1.6
Telecommunications services	30.3	21.2	19.0	26.0	27.3	21.3	19.2	23.2	5.1	2.5	2.2	2.6	5.5	2.9	3.6	3.6	3.0	9.8	11.0	10.1	30.9
- Credit	47.6	37.7	35.4	47.4	49.8	53.5	60.5	58.6	6.5	4.6	3.4	4.3	5.7	3.3	5.4	6.2	6.0	14.5	13.3	17.7	45.5
- Debit	-17.3	-16.5	-16.4	-21.4	-22.5	-32.2	-41.3	-35.4	-1.4	-2.1	-1.3	-1.7	-0.2	-0.4	-1.9	-2.7	-3.0	-4.8	-2.3	-7.6	-14.6
3.2. Construction services	32.9	43.0	40.6	36.0	53.2	34.3	22.4	6.6	0.4	-0.2	-0.5	0.1	-0.5	1.2	1.5	0.2	0.7	-0.3	0.8	2.5	3.0
- Credit	36.5	45.4	47.8	38.3	54.9	43.3	31.8	13.8	1.2	0.3	1.1	0.5	1.3	1.3	1.7	0.6	1.5	2.6	3.1	3.8	9.5
- Debit	-3.6	-2.4	-7.2	-2.3	-1.7	-8.9	-9.4	-7.2	-0.8	-0.5	-1.6	-0.5	-1.8	-0.1	-0.2	-0.4	-0.8	-2.9	-2.3	-1.3	-6.6
Construction abroad	36.5	45.4	47.7	29.2	34.1	29.1	29.4	12.5	1.1	0.3	1.0	0.3	1.2	1.0	1.6	0.3	1.3	2.4	2.5	3.2	8.2
- Credit	36.5	45.4	47.7	29.2	34.1	29.1	29.4	12.5	1.1	0.3	1.0	0.3	1.2	1.0	1.6	0.3	1.3	2.4	2.5	3.2	8.2
- Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										0.0	0.0	0.0	0.0
Construction in the compiling economy	-3.6	-2.4	-7.1	6.8	19.1	5.2	-7.0	-6.0	-0.7	-0.5	-1.5	-0.3	-1.7	0.2	-0.1	-0.1	-0.5	-2.7	-1.7	-0.7	-5.2
- Credit	0.0	0.0	0.1	9.1	20.8	14.1	2.4	1.3	0.1	0.0	0.1	0.2	0.1	0.3	0.1	0.3	0.2	0.2	0.6	0.6	1.4
- Debit	-3.6	-2.4	-7.2	-2.3	-1.7	-8.9	-9.4	-7.2	-0.8	-0.5	-1.6	-0.5	-1.8	-0.1	-0.2	-0.4	-0.8	-2.9	-2.3	-1.3	-6.6
3.3. Insurance services	-7.5	-7.1	-9.1	-11.8	-11.9	-12.1	-8.9	-15.3	0.7	-1.2	-1.3	-0.3	-1.1	-1.3	-1.0	-1.3	-1.2	-1.8	-2.7	-3.5	-8.0
- Credit	2.0	3.7	3.9	4.7	4.2	5.3	6.2	5.1	1.7	0.6	0.3	1.0	0.5	0.5	0.4	0.3	0.5	2.6	2.0	1.2	5.7
- Debit	-9.5	-10.9	-13.1	-16.5	-16.1	-17.4	-15.2	-20.5	-1.0	-1.8	-1.5	-1.3	-1.5	-1.9	-1.4	-1.5	-1.7	-4.4	-4.7	-4.7	-13.8
3.4. Financial services	-3.3	-2.3	-5.4	-3.3	4.6	2.4	-13.1	-13.5	-0.5	0.0	-0.6	-0.9	-0.9	-0.9	-0.9	-0.6	-1.0	-1.1	-2.6	-2.5	-6.2
- Credit	3.3	3.2	3.7	5.9	9.2	7.5	2.2	2.7	0.1	0.5	0.1	0.1	0.1	0.3	0.1	0.3	0.1	0.6	0.5	0.6	1.7
- Debit	-6.6	-5.6	-9.1	-9.2	-4.6	-5.1	-15.3	-16.1	-0.6	-0.4	-0.7	-1.0	-1.0	-1.2	-1.1	-0.9	-1.1	-1.7	-3.1	-3.0	-7.9
3.5. Computer and information services	-7.5	-9.6	-6.2	-13.3	-6.4	-8.4	-14.4	-3.8	1.5	-3.8	-1.3	0.5	1.0	1.4	1.4	0.8	-0.4	-3.6	2.9	1.8	1.1
- Credit	4.0	7.1	13.5	18.6	24.0	34.3	26.4	37.3	3.1	2.8	3.3	3.3	3.7	3.4	3.6	3.6	2.7	9.2	10.3	9.8	29.4
- Debit	-11.5	-16.7	-19.7	-31.9	-30.4	-42.7	-40.8	-41.1	-1.6	-6.6	-4.7	-2.8	-2.6	-2.1	-2.2	-2.7	-3.0	-12.9	-7.4	-8.0	-28.3
3.6. Royalties and license fees	-4.1	-5.0	-5.8	-4.7	-10.5	-13.3	-10.2	-8.1	-0.8	-1.4	-1.1	-0.5	-1.0	-0.3	-0.9	-1.0	-1.6	-3.4	-1.9	-3.5	-8.7
- Credit	2.0	2.5	2.5	2.1	3.4	3.9	4.5	5.2	0.3	0.3	0.2	0.9	0.4	0.4	0.4	0.2	0.4	0.8	1.6	1.0	3.4
- Debit	-6.2	-7.5	-8.3	-6.9	-13.9	-17.2	-14.6	-13.4	-1.1	-1.7	-1.4	-1.4	-1.4	-0.7	-1.3	-1.2	-2.0	-4.2	-3.5	-4.5	-12.1
3.7. Other business services	-28.0	-49.9	-44.2	-19.7	-36.9	-18.7	-10.9	18.6	2.7	-2.8	9.7	4.0	3.7	10.1	0.1	-0.2	3.0	9.6	17.8	2.8	30.3
- Credit	56.9	66.0	80.7	86.7	106.2	139.3	121.4	175.3	13.5	12.0	22.9	19.7	18.8	21.2	18.0	14.1	17.7	48.4	59.7	49.8	157.9
- Debit	-84.9	-115.9	-125.0	-106.4	-143.2	-158.1	-132.3	-156.6	-10.8	-14.8	-13.2	-15.7	-15.1	-11.0	-17.9	-14.3	-14.7	-38.8	-41.8	-46.9	-127.6
3.7.1. Merchanting and other trade-related services	7.9	6.8	15.1	12.4	1.9	16.3	7.4	50.6	3.6	3.2	12.8	9.9	7.2	10.5	8.2	4.2	7.4	19.7	27.6	19.8	67.0
- Credit	12.9	13.8	22.5	17.8	17.7	29.2	20.6	61.1	4.3	3.8	13.6	10.5	8.5	11.3	8.7	5.0	8.6	21.8	30.3	22.3	74.4
- Debit	-4.9	-6.9	-7.4	-5.5	-15.8	-12.8	-13.2	-10.5	-0.7	-0.6	-0.8	-0.6	-1.3	-0.9	-0.5	-0.7	-1.3	-2.1	-2.7	-2.5	-7.4
3.7.2. Operational leasing services	0.1	-0.3	-1.2	-2.6	-5.8	-3.8	-0.7	-0.6	0.0	-0.3	0.1	-0.1	-0.3	-0.6	-0.2	-0.1	-0.1	-0.3	-0.3	-0.9	-1.5
- Credit	1.1	0.8	1.7	1.0	0.7	1.4	1.3	1.5	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.4	0.3	0.2	0.9
- Debit	-1.0	-1.2	-2.9	-3.6	-6.5	-5.2	-1.9	-2.2	-0.1	-0.2	-0.4	0.0	-0.2	-0.4	-0.7	-0.3	-0.2	-0.7	-0.6	-1.2	-2.5
3.7.3. Miscellaneous business, professional, and technical services	-36.1	-56.4	-58.2	-29.5	-33.1	-31.3	-17.7	-31.3	-1.0	-6.0	-2.8	-6.0	-3.4	0.0	-7.5	-4.2	-4.3	-9.8	-9.4	-16.1	-35.2
- Credit	42.9	51.4	56.5	67.9	87.8	108.8	99.5	112.7	9.1	8.0	9.2	9.1	10.3	9.8	9.2	9.1	8.9	26.3	29.1	27.2	82.6
- Debit	-79.0	-107.8	-114.6	-97.4	-120.9	-140.1	-117.2	-144.0	-10.0	-14.0	-12.0	-15.0	-13.7	-9.8	-16.7	-13.3	-13.2	-36.0	-38.5	-43.3	-117.8
3.7.3.1. Legal, accounting, management consulting, and public relations	-15.7	-17.2	-17.3	-15.3	-15.5	-30.5	-16.5	-20.5	-1.0	-3.5	-3.0	-2.6	-3.3	-0.3	0.3	-3.7	-4.1	-7.5	-6.2	-7.5	-21.2
- Credit	4.2	6.8	11.2	16.2	16.7	22.9	23.4	28.0	2.4	2.0	2.3	2.5	2.5	2.7	3.1	2.2	2.2	6.7	7.8	7.5	21.9
- Debit	-19.8	-24.0	-28.5	-31.5	-32.2	-53.4	-39.9	-48.5	-3.5	-5.5	-5.2	-5.1	-5.8	-3.1	-2.8	-5.9	-6.3	-14.2	-14.0	-14.9	-43.1
3.7.3.2. Advertising, market research, and public opinion polling	-1.0	-3.3	-2.5	2.3	-0.3	-1.5	9.0	0.0	1.0	-0.4	0.0	-0.3	0.3	-1.3	-0.6	-0.8	-0.1	0.5	-1.3	-1.5	-2.3
- Credit	9.5	10.8	12.3	15.7	19.3	23.6	22.3	22.6	2.0	1.7	1.8	1.6	1.6	1.7	1.8	2.1	2.0	5.4	4.9	6.0	16.3
- Debit	-10.5	-14.1	-14.8	-13.4	-19.5	-25.0	-13.3	-22.7	-1.0	-2.0	-1.8	-1.9	-1.3	-3.0	-2.4	-2.9	-2.2	-4.9	-6.2	-7.5	-18.6
3.7.3.3. Research and development	-8.2	-5.8	-2.2	-4.9	-7.5	-3.1	-9.5	-2.6	0.1	-0.1	0.1	0.2	-0.2	0.2	-0.5	-0.2	-0.2	0.1	0.3	-0.9	-0.5
- Credit	4.9	4.5	4.6	2.6	3.6	4.1	4.1	3.8	0.4	0.2	0.4	0.4	0.3	0.4	0.4	0.3	0.1	1.0	1.2	0.8	2.9
- Debit	-13.1	-10.3	-6.7	-7.5	-11.0	-7.2	-13.7	-6.4	-0.3	-0.2	-0.4	-0.2	-0.5	-0.2	-0.9	-0.6	-0.2	-0.9	-0.9	-1.7	-3.4
3.7.3.4. Architectural, engineering, and other technical services	-5.3	-5.2	-17.9	-4.6	0.3	4.3	-8.6	-17.0	-1.8	-2.7	-0.8	-3.3	0.3	0.6	-6.2	-1.1	0.4	-5.4	-2.		

Republic of Macedonia: balance of payments - income

In EUR Million

Period	2003	2004	2005	2006	2007	2008	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	2011
Income, net	-53.5	-30.1	-88.1	-21.2	-280.8	-94.4	-47.3	-4.2	-21.6	-50.9	-22.4	-99.1	-33.0	-35.3	-35.3	-103.6
- Credit	53.2	67.9	78.6	107.1	155.2	185.2	128.0	33.1	35.4	39.6	38.5	146.6	43.8	42.6	42.4	128.8
- Debit	-106.7	-98.0	-166.7	-128.3	-436.0	-279.6	-175.3	-37.3	-57.0	-90.5	-60.8	-245.7	-76.8	-78.0	-77.7	-232.4
1. Compensation of employees including border, seasonal and other workers	24.0	40.6	44.9	53.1	75.1	92.6	84.3	19.8	23.1	25.6	25.9	94.3	28.2	28.3	29.3	85.8
- Credit	24.5	41.7	46.3	54.9	77.0	95.9	87.2	20.4	23.8	26.2	26.6	96.9	28.7	28.9	29.9	87.6
- Debit	-0.5	-1.1	-1.4	-1.8	-1.8	-3.3	-2.9	-0.6	-0.6	-0.6	-0.7	-2.5	-0.6	-0.6	-0.6	-1.8
2. Investment income	-77.5	-70.7	-133.0	-74.3	-356.0	-187.0	-131.6	-24.0	-44.7	-76.5	-48.3	-193.5	-61.1	-63.7	-64.7	-189.4
- Credit	28.7	26.2	32.3	52.2	78.2	89.3	40.9	12.7	11.7	13.4	11.9	49.7	15.1	13.7	12.5	41.2
- Debit	-106.1	-96.9	-165.3	-126.5	-434.2	-276.3	-172.4	-36.7	-56.4	-89.9	-60.2	-243.2	-76.2	-77.4	-77.1	-230.7
2.1. Direct investment	-56.0	-55.4	-114.2	-45.9	-337.7	-181.9	-97.2	-19.3	-39.1	-70.1	-39.7	-168.2	-50.5	-52.3	-51.7	-154.5
- Credit	0.8	0.3	0.5	0.4	1.8	2.3	1.7	0.9	1.0	1.7	1.7	5.3	1.4	1.6	1.3	4.2
- Debit	-56.8	-55.8	-114.6	-46.4	-339.5	-184.2	-98.9	-20.2	-40.1	-71.8	-41.4	-173.5	-51.9	-53.8	-53.0	-158.7
2.1.1. Income on equity	-56.0	-55.4	-114.2	-45.9	-337.7	-181.9	-97.2	-14.6	-32.4	-62.9	-33.2	-143.1	-44.8	-44.1	-44.6	-133.5
- Credit	0.8	0.3	0.5	0.4	1.8	2.3	1.7	0.2	0.2	0.6	0.5	1.6	0.2	0.9	0.4	1.5
- Debit	-56.8	-55.8	-114.6	-46.4	-339.5	-184.2	-98.9	-14.8	-32.6	-63.6	-33.7	-144.8	-45.0	-45.0	-45.0	-135.0
2.1.2. Income on debt (interest)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.7	-6.7	-7.1	-6.5	-25.1	-5.7	-8.1	-7.2	-21.0
- Credit	0.7	0.7	1.1	1.2	3.7	1.2	0.7	0.7	1.1	1.2	3.7	1.2	0.7	0.8	0.8	2.7
- Debit	-5.4	-7.5	-8.2	-7.7	-28.8	-6.9	-8.8	-8.0	-23.7							
2.2. Portfolio investment	2.8	3.4	-2.7	-13.9	2.9	44.7	27.1	4.2	2.8	4.1	2.2	13.3	6.1	4.0	3.1	13.1
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	32.8	10.5	9.5	10.0	8.8	38.9	12.1	10.2	9.2	31.6
- Debit	-1.9	1.2	-3.6	-16.3	-6.6	-7.4	-5.7	-6.3	-6.8	-5.9	-6.6	-25.6	-6.0	-6.3	-6.2	-18.4
2.2.1. Income on equity	-1.8	1.7	-3.0	-8.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Credit	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	0.1	0.1
- Debit	-1.8	1.7	-3.0	-8.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2. Income on debt (interest)	4.6	1.7	0.3	-5.3	2.9	44.7	27.1	4.2	2.8	4.1	2.2	13.3	6.1	4.0	3.0	13.1
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	32.8	10.5	9.5	10.0	8.8	38.9	12.1	10.2	9.2	31.5
- Debit	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	-5.7	-6.3	-6.8	-5.9	-6.6	-25.6	-6.0	-6.3	-6.2	-18.4
Bonds and notes	4.6	1.7	0.3	-5.3	2.9	44.7	27.1	4.2	2.8	4.1	2.2	13.3	6.1	4.0	3.0	13.1
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	32.8	10.5	9.5	10.0	8.8	38.9	12.1	10.2	9.2	31.5
- Debit	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	-5.7	-6.3	-6.8	-5.9	-6.6	-25.6	-6.0	-6.3	-6.2	-18.4
Monetary authorities	4.8	2.2	0.9	2.3	9.4	52.1	32.8	10.4	9.5	9.7	8.8	38.4	12.0	10.2	9.2	31.4
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	32.8	10.4	9.5	9.7	8.8	38.4	12.0	10.2	9.2	31.4
- Debit	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	-5.7	-6.3	-6.8	-5.9	-6.3	-25.3	-6.0	-6.3	-6.2	-18.4
General government	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	-5.7	-6.3	-6.8	-5.9	-6.3	-25.3	-6.0	-6.3	-6.2	-18.4
- Credit	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	-5.7	-6.3	-6.8	-5.9	-6.3	-25.3	-6.0	-6.3	-6.2	-18.4
- Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	-0.4	-0.2	0.0	0.0	0.0	0.0
Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
- Credit	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
- Debit	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
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.1	0.4	0.1	0.0	0.0	0.1
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.1	0.4	0.1	0.0	0.0	0.1
- Debit	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
Money-market instruments	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
- Credit	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
- Debit	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
2.3. Other investment	-24.3	-18.7	-16.1	-14.4	-21.1	-49.8	-61.5	-8.8	-8.4	-10.6	-10.7	-38.5	-16.7	-15.3	-16.0	-48.1
- Credit	23.1	23.6	31.0	49.5	67.0	34.9	6.4	1.3	1.2	1.6	1.4	5.5	1.6	1.9	1.9	5.5
- Debit	-47.4	-42.3	-47.1	-63.9	-88.1	-84.7	-67.9	-10.1	-9.6	-12.2	-12.1	-44.0	-18.4	-17.3	-17.9	-53.5
2.3.1. Monetary authorities	22.4	22.9	30.2	47.8	66.0	15.2	2.4	0.2	0.2	0.6	0.4	1.4	0.3	0.4	0.3	1.0
- Credit	23.2	23.6	31.3	49.6	67.0	15.5	2.5	0.2	0.2	0.7	0.5	1.6	0.3	0.5	0.4	1.3
- Debit	-0.7	-0.7	-1.1	-1.8	-1.0	-0.3	-0.1	0.0	0.0	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	-0.3
2.3.2. General government	-27.2	-22.4	-22.7	-21.7	-23.4	-21.7	-17.7	-0.8	-2.4	-2.6	-2.7	-8.4	-4.0	-4.3	-4.5	-12.8
- Credit	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
- Debit	-27.2	-22.4	-22.7	-21.7	-23.4	-21.7	-17.7	-0.8	-2.4	-2.6	-2.7	-8.4	-4.0	-4.3	-4.5	-12.8
2.3.3. Banks	-9.8	-6.6	-8.4	-13.3	-25.9	-7.7	-13.2	-2.8	-1.6	-2.5	-2.2	-9.2	-1.9	-4.2	-3.8	-9.9
- Credit	-0.1	0.0	-0.3	-0.1	0.0	19.4	3.9	1.0	0.8	0.8	0.8	3.4	1.0	1.1	1.4	3.4
- Debit	-9.7	-6.6	-8.1	-13.2	-25.8	-27.1	-17.0	-3.8	-2.4	-3.3	-3.0	-12.6	-2.9	-5.2	-5.1	-13.3
2.3.4. Other sectors	-9.8	-12.6	-15.2	-27.1	-37.9	-35.6	-33.0	-5.4	-4.6	-6.1	-6.2	-22.4	-11.1	-7.3	-8.0	-26.4
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.4	0.3	0.3	0.2	0.8
- Debit	-9.8	-12.6	-15.2	-27.1	-37.9	-35.6	-33.0	-5.5	-4.7	-6.2	-6.4	-22.8	-11.4	-7.6	-8.2	-27.2

Source: National Bank of the Republic of Macedonia

Republic of Macedonia: balance of payments - current transfers

In EUR Million

Period	2003	2004	2005	2006	2007	2008	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	2011
Current transfers, net	646.1	628.2	853.3	981.9	1012.4	985.5	1133.3	259.2	348.2	420.0	339.8	1367.2	266.1	319.3	439.3	1024.7
- Credit	679.5	664.2	887.5	1015.3	1081.3	1033.2	1181.0	269.1	359.4	431.1	354.4	1414.0	276.7	331.7	451.8	1060.2
- Debit	-33.4	-36.0	-34.2	-33.4	-68.9	-47.7	-47.7	-9.8	-11.2	-11.2	-14.6	-46.9	-10.6	-12.5	-12.5	-35.5
1. General government - official transfers	89.4	55.5	53.4	58.8	24.3	49.4	35.3	4.3	14.2	6.9	6.7	32.0	21.5	14.4	5.9	41.7
- Credit	92.9	60.1	60.9	66.3	61.0	62.5	41.2	5.1	15.1	7.4	8.4	36.0	22.5	16.4	8.0	46.9
- Debit	-3.5	-4.7	-7.6	-7.4	-36.7	-13.1	-5.9	-0.8	-0.9	-0.5	-1.7	-4.0	-1.1	-2.0	-2.1	-5.2
2. Other sectors - private transfers	556.7	572.7	799.9	923.1	988.2	936.1	1098.1	255.0	334.0	413.0	333.1	1335.1	244.7	304.9	433.4	982.9
- Credit	586.6	604.1	826.5	949.0	1020.4	970.7	1139.8	264.0	344.3	423.7	346.0	1378.0	254.2	315.4	443.8	1013.3
- Debit	-29.9	-31.3	-26.6	-25.9	-32.2	-34.6	-41.8	-9.0	-10.3	-10.7	-12.9	-42.9	-9.5	-10.5	-10.4	-30.4
2.1. Workers' remittances	115.2	117.9	125.3	144.7	158.1	161.6	170.1	39.3	47.7	46.6	48.2	181.8	37.7	48.5	47.8	134.0
- Credit	128.9	129.8	136.6	157.1	174.3	180.9	186.2	42.7	51.1	50.0	52.4	196.3	40.9	52.1	51.7	144.7
- Debit	-13.6	-11.9	-11.3	-12.4	-16.2	-19.2	-16.0	-3.5	-3.4	-3.4	-4.2	-14.5	-3.2	-3.5	-3.9	-10.7
2.2. Other transfers	441.5	454.8	674.6	778.4	830.1	774.4	927.9	215.7	286.3	366.5	284.9	1153.4	207.0	256.3	385.6	848.9
- Credit	457.7	474.3	690.0	791.9	846.0	789.8	953.7	221.2	293.2	373.7	293.6	1181.8	213.3	263.3	392.1	868.7
- Debit	-16.2	-19.4	-15.3	-13.5	-16.0	-15.4	-25.7	-5.6	-6.9	-7.3	-8.7	-28.4	-6.3	-6.9	-6.5	-19.7

Source: National Bank of the Republic of Macedonia

Republic of Macedonia: balance of payments - capital and financial account

In EUR Million																
Period	2003	2004	2005	2006	2007	2008	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	2011
Capital and financial account	193.9	347.1	127.7	19.6	461.1	886.2	430.0	25.7	37.8	-54.4	121.7	130.9	229.8	67.9	-71.7	226.1
A. Capital account	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	20.2	1.8	3.5	2.7	4.9	12.9	9.2	3.3	3.8	16.3
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	25.4	4.7	6.2	6.6	7.9	25.5	11.7	7.1	7.7	26.5
- Debit	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	-5.3	-2.9	-2.8	-3.9	-3.0	-12.6	-2.5	-3.8	-3.9	-10.1
1. Capital transfers	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	12.7	1.8	3.5	2.7	4.9	12.9	9.2	3.3	3.8	16.3
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	25.4	4.7	6.2	6.6	7.9	25.5	11.7	7.1	7.7	26.4
- Debit	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	-12.8	-2.9	-2.8	-3.9	-3.0	-12.6	-2.5	-3.8	-3.8	-10.1
1.1. General government - Official	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
- Credit	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
- Debit	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
1.2. Other sectors - private	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	12.7	1.8	3.4	2.7	4.9	12.8	9.2	3.3	3.8	16.3
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	25.4	4.7	6.2	6.6	7.9	25.4	11.7	7.1	7.7	26.4
- Debit	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	-12.8	-2.9	-2.8	-3.9	-3.0	-12.6	-2.5	-3.8	-3.8	-10.1
2. Acquisition/disposal of nonproduced nonfinancial assets	-0.1	0.0	0.0	0.0	2.4	-11.2	7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Credit	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
- Debit	-0.1	0.0	0.0	0.0	2.4	-11.2	7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Source: National Bank of the Republic of Macedonia																
Period	2003	2004	2005	2006	2007	2008	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	2011
Capital and financial account	193.9	347.1	127.7	19.6	461.1	886.4	430.0	25.7	37.8	-54.4	121.7	130.9	229.8	67.9	-71.7	226.1
B. Financial account	199.7	350.9	129.4	20.4	457.4	898.4	409.8	24.0	34.4	-57.1	116.8	118.0	220.6	64.7	-75.5	209.8
1. Direct investment	100.1	259.7	74.9	344.7	506.9	409.4	136.8	10.7	50.6	42.6	53.7	157.6	196.4	-57.3	42.0	181.1
1.1. Abroad	-0.3	-0.9	-2.3	-0.1	0.9	9.5	-8.1	-0.8	-0.9	0.6	-0.3	-1.4	-0.5	0.2	-1.0	-1.2
a. Equity capital	-0.3	-0.9	-2.3	-0.1	0.9	9.5	-8.1	-0.8	-0.9	0.6	-0.3	-1.4	-0.5	0.2	-1.0	-1.2
b. Reinvested earnings	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
c. Other capital	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
1.2. In reporting economy	100.4	260.7	77.2	344.8	506.0	399.9	145.0	11.5	51.5	42.0	54.0	159.1	196.9	-57.5	43.0	182.4
a. Equity capital	82.6	123.6	78.7	288.8	185.7	206.7	159.3	18.3	13.4	20.2	72.2	124.1	131.7	17.0	32.8	181.5
b. Reinvested earnings	26.6	0.8	44.9	15.6	183.5	16.7	-113.7	6.4	6.4	6.4	6.4	25.6	26.9	-34.2	29.4	22.2
c. Other capital	-8.8	136.3	-4.4	40.5	136.8	176.6	99.3	-13.2	31.7	15.4	-24.6	9.3	38.8	-40.3	-19.2	-21.3
2. Portfolio investment	5.1	8.6	200.8	72.7	114.1	-50.6	104.0	5.8	-13.2	-24.0	-30.3	-61.7	8.9	-4.0	-16.6	-11.7
2.1. Assets	0.3	-0.8	0.7	-0.4	-2.0	-0.5	-37.6	-0.5	-6.3	-6.3	-8.8	-21.9	-6.6	-5.3	1.1	-10.9
a. Equity securities	0.1	0.1	0.1	0.0	-1.6	-0.1	-22.2	-0.5	-2.7	-2.0	-8.8	-14.0	-7.2	-5.0	-1.3	-13.5
- 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
- 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
- Banks	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
- Other sectors	0.1	0.1	0.1	0.0	-1.6	-0.1	-22.2	-0.5	-2.6	-2.0	-8.8	-13.9	-7.2	-5.0	-1.3	-13.5
b. Debt securities	0.2	-0.9	0.6	-0.4	-0.3	-0.4	-15.5	0.0	-3.7	-4.3	0.0	-8.0	0.6	-0.3	2.3	2.6
- Bonds and notes	0.2	-0.9	0.6	-0.4	-0.3	-0.4	-15.5	0.0	-3.7	-4.3	0.0	-8.0	0.6	-0.3	2.3	2.6
- 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
- Banks	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
- Other sectors	0.2	-0.9	0.6	-0.4	-0.3	0.1	-2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Money-market instruments	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
- 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
- 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
- Banks	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
- Other sectors	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
2.2. Liabilities	4.8	9.3	200.1	73.1	116.1	-50.1	141.7	6.3	-6.9	-17.7	-21.5	-39.7	15.5	1.3	-17.7	-0.9
a. Equity securities	2.4	9.8	43.2	67.8	124.8	-34.2	-10.2	-1.4	0.2	-1.4	-3.0	12.8	1.0	-2.6	11.1	11.1
- Banks	2.4	9.8	43.2	67.8	124.8	-34.2	-10.2	-1.4	0.1	-0.1	-0.1	12.5	1.4	-0.9	12.9	12.9
- Other sectors	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
b. Debt securities	2.3	0.5	157.0	5.3	-8.7	-15.9	151.9	7.7	-6.9	-17.5	-20.0	-36.7	2.7	0.4	-15.1	-12.0
- Bonds and notes	2.3	-0.5	157.0	5.3	-8.7	-15.9	151.9	7.7	-6.9	-17.5	-20.0	-36.7	2.7	0.4	-15.1	-12.0
- 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
- General government	2.3	-0.5	157.0	5.3	-8.7	-15.9	151.9	7.7	-6.9	-17.5	-20.0	-36.7	2.7	0.4	-15.1	-12.0
- Banks	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
- Other sectors	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
- Money-market instruments	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
- 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
- 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
- Banks	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
- Other sectors	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
2.3. Financial derivatives, net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3. Other investment	131.1	98.5	201.6	-100.7	-68.9	464.4	245.8	0.0	45.1	-60.8	99.3	83.7	224.7	62.0	-126.9	159.7
3.1. Assets	14.1	7.3	-39.8	-117.6	-61.5	207.4	-107.0	72.4	-93.2	-15.9	-123.1	-159.7	-5.4	-151.4	-47.9	-204.6
3.1.1. 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
3.1.1.1. 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
- Long-term	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
- Short-term	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
3.1.1.2. Other sectors	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
- Long-term	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
- Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0							

Merchandise trade by sections of SITC and by end use

In USD Million

	EXPORT						IMPORT						EXPORT				
	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008	2009				Total
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Q1	Q2	Q3	Q4	
TOTAL	1,367.0	1,675.9	2,042.3	2,415.2	3,398.3	3,990.6	2,306.4	2,931.6	3,232.8	3,752.3	5,280.6	6,882.7	521.9	673.4	768.9	744.2	2,708.5
SITC																	
Food and live animals	92.0	125.6	167.2	192.7	250.4	308.5	271.2	337.5	343.2	362.4	518.3	620.9	45.4	82.9	77.0	78.4	283.6
Beverages and tobacco	137.1	127.8	163.1	193.6	209.6	218.8	24.2	28.0	31.1	31.8	38.3	51.2	26.5	66.8	66.2	37.6	197.1
Crude materials, inedible, except fuels	39.9	44.1	67.8	113.6	170.6	272.0	60.0	77.4	106.7	133.5	298.2	351.0	26.7	37.7	50.2	59.1	173.7
Mineral fuels, lubricants and related materials	73.7	78.3	163.6	225.0	165.3	314.3	323.1	397.8	619.2	758.9	975.7	1,419.3	31.6	46.6	69.8	54.9	202.9
Animal and vegetable oils and fats	0.8	7.0	2.9	2.2	2.5	12.4	24.5	52.9	30.0	31.4	47.0	67.4	2.5	2.1	2.6	1.0	8.2
Chemical products	70.2	73.4	90.8	100.7	133.1	181.1	254.9	281.0	334.0	364.5	490.2	614.1	31.0	41.7	43.6	56.0	172.2
Manufactured goods classified chiefly by material	398.1	552.7	682.8	853.8	1,513.2	1,602.8	333.2	740.8	950.5	1,121.0	1,509.2	1,862.9	141.6	188.2	224.0	217.7	771.5
Machinery and transport equipment	80.6	92.6	109.9	118.7	151.6	186.4	434.2	504.5	563.1	688.8	1,046.3	1,442.4	36.0	38.4	35.4	43.5	153.3
Miscellaneous manufactured articles	471.8	570.8	590.5	612.0	800.3	892.8	128.7	171.9	252.9	257.7	355.9	451.6	180.6	168.8	199.9	195.8	745.1
Commodities and transactions not classified in SITC	2.7	3.5	3.7	3.0	1.8	1.4	452.4	340.1	2.1	2.1	1.8	1.7	0.1	0.2	0.4	0.1	0.8
END USE																	
Production materials	669.2	816.2	1,110.4	1,398.9	2,086.1	2,444.1	1,492.5	1,904.7	2,099.0	2,453.5	3,427.8	4,452.7	224.3	347.0	416.9	381.1	1,369.3
Capital goods	22.3	30.6	39.9	51.5	76.6	133.9	285.9	312.8	348.5	421.4	643.7	939.1	33.3	31.1	27.7	33.7	125.8
Consumption goods	674.5	827.7	891.2	964.7	1,235.6	1,412.6	525.2	711.8	783.2	875.3	1,207.5	1,489.2	264.3	295.3	324.3	329.5	1,213.3
Unknown	0.9	1.3	0.8	0.0	0.0	0.0	2.7	2.3	2.1	2.1	1.7	1.6	0.0	0.0	0.0	0.0	0.0

Source: State Statistical Office of the Republic of Macedonia

Merchandise trade by sectio

In USD Million

	IMPORT					EXPORT					IMPORT					EXPORT			IMPORT		
	2009					2010					2010					2011			2011		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q1	Q2	Q3
TOTAL	1,150.6	1,181.4	1,244.8	1,496.1	5,072.8	666.7	781.5	887.8	965.8	3,301.8	1,117.4	1,335.5	1,349.4	1,648.4	5,450.7	959.8	1,166.3	1,141.3	1,650.7	1,782.2	1,785.8
SITC																					
Food and live animals	125.9	131.6	141.5	160.3	559.3	60.7	80.8	90.3	96.9	328.7	128.4	132.2	127.4	170.1	558.1	68.1	109.2	101.7	153.7	159.2	167.1
Beverages and tobacco	8.6	13.7	12.8	16.5	51.7	44.9	50.9	56.0	50.8	202.5	12.6	13.8	15.9	15.3	57.6	44.8	47.7	65.3	10.6	19.8	21.3
Crude materials, inedible, except fuels	34.4	45.6	53.0	70.6	203.5	64.7	65.7	65.0	64.6	260.0	35.9	70.4	80.8	101.0	288.1	67.0	78.8	77.5	76.6	90.5	96.0
Mineral fuels, lubricants and related materials	220.4	150.5	196.5	243.7	811.1	50.3	59.7	83.3	64.1	257.4	197.5	215.1	229.4	324.8	966.8	76.7	112.6	108.8	349.2	334.5	360.2
Animal and vegetable oils and fats	11.9	10.2	10.7	13.2	45.9	2.1	2.4	1.8	5.0	11.3	9.1	10.3	13.7	18.7	51.8	2.7	4.1	5.7	14.4	15.7	20.6
Chemical products	115.9	141.6	145.2	166.8	569.4	53.1	81.3	89.8	157.6	381.8	151.2	165.2	177.6	168.6	662.6	198.0	191.3	173.3	243.2	207.5	200.0
Manufactured goods classified chiefly by material	239.9	307.7	308.3	358.1	1,214.0	188.5	249.2	265.8	286.5	989.9	259.6	359.1	307.5	448.0	1,374.2	266.5	342.7	308.5	461.7	517.5	497.2
Machinery and transport equipment	306.4	278.7	277.6	352.5	1,215.2	26.1	36.4	43.0	47.2	152.8	234.8	275.8	296.0	284.3	1,090.8	44.8	68.1	76.4	256.8	316.7	310.9
Miscellaneous manufactured articles	83.1	98.6	97.6	113.5	392.7	176.1	154.3	192.2	192.4	715.1	84.8	93.2	100.8	116.9	395.6	190.6	210.4	223.6	83.6	120.0	111.8
Commodities and transactions not classified in SITC	4.4	3.1	1.6	0.8	10.0	0.1	0.7	0.7	0.8	2.4	3.6	0.5	0.3	0.7	5.0	0.6	1.4	0.4	0.9	0.8	0.8
END USE																					
Production materials	641.8	670.8	729.4	865.5	2,907.5	374.6	474.5	524.0	576.2	1,949.3	678.1	846.7	837.7	1,084.2	3,446.6	621.7	737.1	712.9	1,177.4	1,182.5	1,200.0
Capital goods	228.1	188.9	186.4	236.3	839.7	18.2	26.8	29.6	30.9	105.5	136.4	143.8	153.3	190.9	624.4	33.7	57.8	48.9	155.7	210.0	211.6
Consumption goods	278.0	319.7	328.3	393.9	1,319.9	273.9	280.2	334.2	358.7	1,247.0	299.4	344.5	358.2	372.6	1,374.7	304.1	371.2	379.1	316.8	388.9	373.4
Unknown	2.7	2.0	0.6	0.4	5.7	0.0	0.0	0.0	0.0	0.0	3.5	0.4	0.3	0.7	4.9	0.3	0.2	0.4	0.9	0.8	0.8

Source: State Statistical Office of the Republic

Foreign trade by countries

In USD Million

	EXPORT						IMPORT						EXPORT					
	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008	2009				Total	
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Q1	Q2	Q3	Q4		
TOTAL	1,367.0	1,675.9	2,042.3	2,415.2	3,398.3	3,990.6	2,306.4	2,931.6	3,232.8	3,752.3	5,280.6	6,882.7	521.9	673.4	768.9	744.2	2,708.5	
Serbia and Montenegro	275.0	347.6	459.7	559.6			212.8	243.7	264.2	283.4								
Serbia					644.7	934.8					454.5	533.1	108.4	102.2	57.5	69.7	337.8	
Montenegro					28.0	39.0					1.4	1.2	4.5	5.8	7.4	7.1	24.9	
Germany	279.4	317.2	364.2	381.2	501.8	564.9	304.8	368.2	336.1	372.3	533.1	652.9	116.2	103.3	110.5	125.8	455.9	
Greece	180.4	228.8	313.2	361.3	424.7	536.4	300.6	282.6	297.7	306.4	416.2	511.7	58.1	84.4	77.7	71.5	291.6	
Italy	95.4	134.6	169.8	238.5	349.9	321.4	123.1	168.8	194.1	228.3	313.3	390.2	43.1	44.2	67.1	63.9	218.3	
Bulgaria	25.8	51.5	76.1	130.9	243.9	379.3	149.2	209.7	234.4	251.3	271.1	327.9	29.8	51.5	75.0	60.7	216.9	
Croatia	66.2	80.2	81.1	124.7	165.1	230.5	63.5	65.8	75.3	79.0	110.8	137.8	35.5	44.9	32.2	40.1	152.7	
Belgium	9.7	15.2	34.6	83.9	178.1	109.2	16.7	22.1	27.3	27.0	32.4	42.1	8.1	4.3	14.2	9.5	36.1	
Bosnia and Herzegovina	23.8	33.2	50.5	65.8	89.0	104.8	11.8	16.3	23.6	26.5	34.9	52.6	16.9	20.5	23.5	25.8	86.7	
Netherlands	47.3	47.3	44.6	56.5	73.1	70.6	49.6	57.1	53.3	60.1	75.3	94.1	14.5	10.8	19.5	16.8	61.7	
Turkey	32.8	54.0	46.3	55.2	53.8	31.6	78.8	94.9	113.9	122.5	198.5	272.1	10.1	11.2	8.4	11.1	40.8	
Spain	21.3	23.0	14.0	50.4	173.0	77.0	24.6	31.0	32.4	51.9	52.1	55.6	3.2	5.3	19.4	10.8	38.8	
Slovenia	21.3	27.2	31.8	41.4	69.1	65.1	139.1	140.3	128.0	129.6	156.1	203.4	6.7	7.8	10.3	9.5	34.3	
Albanija	17.4	23.6	27.5	40.7	73.1	107.0	4.0	6.3	9.1	11.7	19.7	35.7	15.4	22.3	23.3	22.9	84.0	
G.Britain	35.2	42.5	42.9	36.6	76.0	70.1	39.5	54.7	44.2	38.2	52.9	70.6	8.5	8.5	12.3	13.6	42.9	
Russia	13.7	19.7	21.4	25.6	23.6	32.7	179.0	271.0	425.2	569.7	638.2	932.0	2.5	6.3	5.6	8.1	22.5	
USA	72.8	72.1	44.4	22.4	52.7	11.2	56.6	48.0	45.2	40.3	78.5	101.6	1.6	2.3	2.3	3.2	9.5	
Sweden	5.6	5.7	8.3	19.4	15.2	9.4	20.2	25.1	20.1	29.6	55.0	53.5	2.3	1.9	2.3	2.9	9.5	
Austria	7.7	8.5	9.0	15.0	20.0	22.5	56.2	68.9	69.2	80.5	102.7	119.9	3.4	4.6	5.1	5.9	19.1	
Romania	1.4	1.8	4.2	13.4	19.3	33.5	14.4	113.1	64.9	91.9	96.7	117.7	2.9	3.4	5.9	7.9	20.0	
Czech	3.1	5.4	6.0	10.7	11.3	14.4	12.0	17.5	23.3	32.9	64.6	65.5	2.0	2.1	2.5	2.7	9.3	
France	54.7	77.3	19.9	10.3	16.1	24.3	51.5	67.5	61.0	66.6	90.8	124.7	2.6	3.1	3.6	3.3	12.6	
Switzerland	19.3	6.4	7.5	10.2	10.8	16.2	27.2	45.7	63.9	59.2	114.7	292.8	2.3	3.3	6.3	5.5	17.4	
Hungary	2.8	2.2	2.7	6.5	6.7	7.2	29.1	31.0	36.3	37.6	55.2	80.6	0.5	1.0	1.3	1.1	3.8	
Poland	0.5	2.6	4.0	6.4	11.2	16.8	26.4	78.3	94.6	117.8	162.7	265.3	2.2	1.9	1.5	2.4	8.1	
Cyprus	0.5	4.8	5.5	4.5	3.0	5.5	4.1	4.7	3.5	1.5	1.9	4.0	0.1	0.0	0.0	0.1	0.2	
Australia	2.5	2.5	1.7	2.3	3.6	3.3	6.7	2.7	4.3	1.8	3.4	3.3	0.4	0.9	0.7	1.8	3.9	
Ukraine	1.8	2.2	2.0	1.8	2.0	3.0	88.0	74.1	72.1	105.7	104.4	203.0	1.9	5.4	1.7	1.2	10.1	
Korea	0.1	2.0	1.4	1.7	0.0	0.3	14.0	23.4	33.7	41.4	55.1	57.7	0.0	0.0	3.8	0.8	4.6	
China	14.6	1.4	9.9	1.5	0.6	1.6	48.3	82.0	115.3	138.6	245.6	315.6	0.0	0.3	1.6	1.3	3.2	
Danmark	3.3	2.3	2.8	1.6	3.7	13.8	11.3	14.8	14.3	16.9	19.5	22.5	0.4	0.5	0.5	0.9	2.2	
Japan	5.8	2.7	8.4	1.2	0.7	1.3	19.3	24.4	22.8	26.9	41.2	58.1	0.1	0.2	2.9	0.1	3.2	
Canada	0.5	1.1	1.1	1.0	1.8	1.3	4.0	8.6	22.3	35.5	15.8	17.4	0.3	0.2	0.3	0.6	1.4	
Belarus	0.1	0.2	0.5	0.9	2.6	3.1	0.6	0.2	0.2	0.2	0.4	1.5	0.1	0.3	0.2	0.1	0.7	
Hong Kong	0.2	0.1	0.1	0.2	0.0	0.1	2.4	3.0	2.6	1.7	13.9	16.1	0.0	0.2	0.1	0.1	0.4	
Lihtenstien	0.0	0.3	0.3	0.1	0.0	0.0	0.7	0.4	0.6	0.2	0.3	0.2	0.0	0.0	0.0	0.0	0.0	
Argentina	0.0	0.3	1.6	0.0	0.0	0.0	5.6	9.9	8.7	10.1	13.4	14.8	0.0	0.0	0.0	0.0	0.0	
Bolivia	0.0	0.0	0.0	0.0	0.0	0.0	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Brazil	0.0	0.0	0.9	0.0	0.1	0.0	23.3	41.1	37.7	38.2	75.4	121.7	0.0	0.0	0.0	0.0	0.0	

Source: State Statistical Office of the Republic of Macedonia

Foreign trade by country

In USD Million

	IMPORT					EXPORT					IMPORT					EXPORT			IMPORT		
	2009					2010					2010					2011			2011		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q1	Q2	Q3
TOTAL	1,150.6	1,181.4	1,244.8	1,496.1	5,072.8	666.7	781.5	887.8	965.8	3,301.8	1,117.4	1,335.5	1,349.4	1,648.4	5,450.7	959.8	1,166.3	1,141.3	1,650.7	1,782.2	1,785.8
Serbia and Montenegro																					
Serbia	80.5	100.3	101.4	115.8	398.0	46.0	67.1	73.7	85.0	271.8	88.3	102.3	100.0	127.7	418.4	57.8	99.0	81.7	111.6	125.5	123.1
Montenegro	0.4	0.4	0.5	0.4	1.8	4.9	8.3	7.0	7.2	27.4	0.2	0.3	0.4	0.6	1.4	6.0	10.0	10.0	0.2	0.4	0.7
Germany	113.4	129.6	130.6	148.0	521.7	134.9	143.8	173.4	240.5	692.5	117.2	156.8	163.7	172.4	610.1	295.8	323.6	290.5	170.4	193.7	182.1
Greece	84.0	100.8	120.8	136.2	441.9	60.6	67.2	65.5	51.9	245.1	88.9	96.5	105.3	157.9	448.6	43.7	59.2	58.2	102.2	158.6	125.6
Italy	70.4	103.8	87.6	106.7	368.5	48.7	56.6	63.6	65.7	234.6	70.3	89.8	75.4	91.8	327.3	57.3	78.5	80.8	70.9	133.8	115.6
Bulgaria	49.4	61.7	64.1	69.1	244.3	67.8	73.2	76.5	76.5	294.0	54.9	72.8	79.8	94.2	301.6	72.4	85.1	77.3	96.1	117.5	131.2
Croatia	25.5	26.0	30.9	36.0	118.4	31.2	29.1	30.6	32.8	123.6	23.8	27.3	29.8	32.4	113.3	37.1	39.6	33.1	27.2	35.9	36.3
Belgium	6.6	8.0	10.1	9.0	33.7	27.0	18.7	16.5	18.6	80.8	8.2	6.8	8.0	8.4	31.5	19.5	7.0	17.8	11.1	9.0	10.3
Bosnia and Herzegovina	9.0	11.7	12.6	13.2	46.5	15.7	22.7	21.2	25.3	84.9	9.4	11.9	13.9	13.9	49.1	17.1	27.0	24.5	16.6	25.1	27.2
Netherlands	12.5	16.1	19.6	22.8	71.0	14.4	15.8	17.4	22.7	70.3	13.7	16.8	13.7	24.3	68.5	20.9	23.8	23.8	15.4	18.2	18.0
Turkey	52.3	63.8	56.0	81.2	253.4	12.2	10.1	14.1	14.5	50.9	51.9	66.9	60.9	80.7	260.3	19.7	18.0	17.4	72.2	94.8	83.0
Spain	11.0	13.1	10.9	14.0	49.0	9.7	30.1	16.8	17.0	73.7	11.7	14.7	13.3	20.7	60.4	16.1	18.5	12.7	10.9	20.6	13.5
Slovenia	43.8	43.7	47.3	56.0	190.9	9.2	15.9	23.4	20.6	69.1	37.8	35.3	45.0	47.0	165.1	22.6	26.5	23.1	39.8	50.3	50.7
Albanija	3.4	7.0	8.2	5.4	24.1	16.6	16.1	18.5	21.1	72.4	2.6	7.1	7.4	5.8	22.9	18.1	22.3	24.9	5.7	11.0	12.6
G.Britain	10.8	14.5	15.4	22.9	63.6	10.7	10.5	20.4	17.8	59.3	43.7	66.4	55.3	118.2	283.6	12.5	11.8	14.9	222.7	130.2	140.7
Russia	142.8	96.9	104.4	150.9	495.1	4.0	6.4	6.1	10.3	26.7	128.4	130.5	145.2	148.5	552.5	12.6	9.9	8.2	210.2	159.9	150.1
USA	24.3	19.9	30.0	36.7	110.8	2.0	3.3	2.4	6.6	14.2	24.2	23.4	31.8	23.0	102.4	8.4	4.9	5.5	16.1	16.8	22.5
Sweden	6.2	7.0	8.2	10.2	31.6	2.3	3.1	3.4	4.3	13.2	4.5	12.8	7.0	9.5	33.8	2.7	4.5	5.4	7.8	8.9	8.4
Austria	18.9	26.3	25.3	29.8	100.3	6.3	10.3	9.2	11.1	37.0	17.0	23.4	26.0	27.2	93.7	8.8	10.6	10.6	25.4	36.8	34.7
Romania	17.6	21.7	26.9	42.6	108.8	6.2	11.5	21.4	15.2	54.3	34.0	33.2	28.3	30.7	126.2	9.4	13.3	13.3	32.3	20.0	24.7
Czech	11.8	12.5	12.9	14.6	51.9	1.4	3.0	5.8	5.0	15.3	12.3	11.6	13.3	14.2	51.3	2.9	8.7	7.0	13.2	14.5	15.4
France	17.0	20.9	22.4	31.4	91.8	3.7	2.8	3.3	4.1	13.9	18.1	22.2	22.6	22.0	85.0	3.7	4.4	4.3	23.3	26.4	38.5
Switzerland	51.4	25.4	25.9	21.6	124.3	3.6	4.5	5.0	5.6	18.8	21.2	19.0	19.1	38.2	97.5	6.2	9.6	8.2	39.9	38.5	40.1
Hungary	11.0	12.8	13.4	13.6	50.9	2.0	1.5	2.2	3.0	8.6	12.2	11.2	12.5	11.7	47.6	1.7	2.0	2.7	10.0	12.1	13.3
Poland	18.4	24.0	21.6	19.2	83.2	2.4	3.9	10.1	7.8	24.2	12.8	14.7	20.9	21.4	69.8	4.9	9.2	6.1	18.9	21.3	20.7
Cyprus	0.4	0.2	0.2	0.4	1.2	0.2	0.2	0.1	0.1	0.6	0.2	0.2	0.1	0.2	0.7	0.3	0.1	0.1	0.1	0.3	0.2
Australia	0.7	0.9	0.9	0.6	3.1	0.9	0.8	0.7	1.4	3.7	0.6	0.7	0.5	0.7	2.4	1.1	0.9	1.1	0.4	1.8	1.6
Ukraine	15.0	18.1	27.0	24.4	84.5	0.3	5.1	5.7	10.2	21.3	24.5	35.5	22.0	34.6	116.6	26.7	24.7	31.7	48.2	35.2	53.3
Korea	7.2	9.7	9.8	11.8	38.6	0.0	0.0	0.0	0.0	0.1	8.6	11.0	11.4	12.5	43.4	0.0	0.0	3.6	8.8	11.7	13.1
China	63.1	67.7	67.7	91.6	290.1	18.4	15.5	22.5	31.4	87.9	65.6	66.4	70.0	85.4	287.4	14.7	32.2	38.5	70.4	90.0	93.9
Danmark	4.8	4.7	4.7	5.2	19.5	0.8	0.8	1.0	2.0	4.6	4.5	5.9	5.0	5.3	20.7	3.3	3.1	1.6	5.2	5.5	5.1
Japan	17.2	12.7	9.2	15.6	54.6	0.0	0.3	0.1	0.4	0.9	8.5	10.8	11.9	14.0	45.2	0.1	0.7	0.2	13.1	12.8	11.1
Canada	4.1	6.2	4.7	8.3	23.2	0.4	0.4	0.5	0.8	2.0	4.4	3.3	3.5	4.3	15.5	0.5	0.6	0.5	5.1	5.1	5.8
Belarus	0.1	0.1	0.3	0.5	1.1	0.2	1.7	0.9	0.2	3.1	0.1	0.2	0.2	0.2	0.7	0.9	2.8	1.1	0.1	0.8	1.0
Hong Kong	0.5	0.5	0.5	1.1	2.5	0.1	0.2	0.2	0.1	0.6	0.7	0.9	0.5	0.8	2.9	0.1	0.1	0.2	0.7	0.7	0.6
Lihtenstien	0.0	0.0	0.0	0.0	0.1	0.0	0.0	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
Argentina	2.7	2.6	3.5	6.2	15.0	0.0	0.0	0.0	0.0	0.0	4.0	3.3	3.5	3.9	14.8	2.1	1.1	0.2	2.8	3.7	4.0
Bolivia	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
Brazil	15.3	12.7	20.4	13.8	62.3	0.0	0.0	0.9	0.0	0.9	15.7	16.4	13.7	13.8	59.6	0.0	0.0	1.5	16.7	10.8	21.3

Source: State Statistical Office

Stock of direct investment in Republic of Macedonia-
by country - 1997 - 2010

in million EUR

Country	1997		1998		1999		2000		2001		2002		2003	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Afghanistan	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00
Albania	0.03	0.02	0.01	0.01	0.03	0.01	0.11	0.02	0.60	0.06	2.06	0.18	2.04	0.16
Azerbaijan														
Australia	-0.08	-0.06	0.15	0.06	0.29	0.08	0.33	0.06	0.44	0.04	1.82	0.16	2.11	0.16
Austria	17.56	12.43	30.15	11.15	39.47	10.97	32.99	5.69	36.78	3.54	37.69	3.25	42.82	3.31
Bahamas									0.00	0.00	0.00	0.00	0.00	0.00
Barbados														
Belgium	0.07	0.05	0.08	0.03	0.04	0.01	0.07	0.01	0.42	0.04	0.50	0.04	1.25	0.10
Bermudas														
Bosnia and Hercegovina	1.57	1.11	2.94	1.09	2.81	0.78	2.72	0.47	2.40	0.23	2.42	0.21	2.36	0.18
Belize														
British Virgin Islands	0.07	0.05	0.15	0.05	0.49	0.14	1.41	0.24	3.86	0.37	7.00	0.60	11.33	0.88
Bulgaria	2.58	1.83	3.35	1.24	2.90	0.81	3.55	0.61	6.57	0.63	11.68	1.01	23.28	1.80
Byelorussia														
Canada	0.01	0.01	0.01	0.00	0.05	0.01	0.28	0.05	0.08	0.01	0.10	0.01	0.28	0.02
Cayman Islands	0.07	0.05	0.06	0.02	0.10	0.03								
Central African Republic														
Sri Lanka														
China	0.01	0.00	0.01	0.00	0.02	0.01	0.04	0.01	0.04	0.00	0.06	0.01	0.22	0.02
Taiwan							2.77	0.48	4.21	0.41	3.48	0.30	3.28	0.25
Cuk Islands														
Costa Rica														
Croatia	5.77	4.09	6.40	2.37	7.58	2.10	8.18	1.41	10.33	0.99	12.33	1.06	10.92	0.85
Cuba														
Cyprus	1.18	0.83	77.11	28.52	92.76	25.77	117.87	20.32	138.70	13.35	141.58	12.20	141.07	10.92
Czech Republic	0.01	0.01	0.07	0.02	0.10	0.03	0.13	0.02	0.14	0.01	0.18	0.02	0.22	0.02
Denmark	0.02	0.01	0.02	0.01	0.02	0.01	0.09	0.02	0.10	0.01	0.10	0.01	0.08	0.01
Dominikan Republic														
El Salvador														
Estonia														
Finland														
France	0.23	0.16	0.35	0.13	0.42	0.12	7.99	1.38	5.89	0.57	10.75	0.93	15.18	1.17
Gorgia														
Germany	9.33	6.61	14.12	5.22	15.92	4.42	50.18	8.65	54.57	5.25	52.47	4.52	57.26	4.43
Gibraltar	0.31	0.22	0.40	0.15	0.49	0.14	0.88	0.15	0.78	0.08	1.01	0.09	0.35	0.03
Greece	9.74	6.89	12.77	4.72	20.48	5.69	105.28	18.15	174.21	16.76	213.02	18.35	223.02	17.26
Hong Kong					0.29	0.08	0.32	0.06						
Hungary	0.02	0.01	0.02	0.01	0.02	0.00	0.01	0.00	300.58	28.93	300.10	25.86	313.37	24.25
Iceland	0.89	0.63	0.12	0.04	0.06	0.02	0.05	0.01	0.04	0.00				
India							0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Iran	0.08	0.06	0.09	0.03	0.10	0.03	0.03	0.01	0.05	0.01	0.01	0.00	0.01	0.00
Iraq	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.04	0.00	0.04	0.00	0.05	0.00
Ireland	0.00	0.00	-0.05	-0.02	-0.06	-0.02	0.13	0.02	0.65	0.06				
Israel			0.15	0.06	0.10	0.03	0.11	0.02						
Italy	9.87	6.99	10.96	4.05	11.44	3.18	11.41	1.97	13.88	1.34	16.50	1.42	14.97	1.16
Japan							0.01	0.00	0.01	0.00				
Johanson Island														
Jordan	0.03	0.02	0.04	0.01	0.05	0.01	0.06	0.01	0.02	0.00	0.02	0.00		
Korea, Republic														
Lebanon														
Libya					0.00	0.00	0.00	0.00						
Liechtenstein	0.18	0.12	3.77	1.40	10.24	2.85	4.76	0.82	6.49	0.62	4.07	0.35	22.00	1.70
Lithuania														
Luxembourg	0.20	0.14	1.80	0.66	1.88	0.52	2.28	0.39	2.33	0.22	2.30	0.20	2.24	0.17

**Stock of direct investment in Republic of Macedonia-
by country - 1997 - 2010**

in million EUR

Country	1997		1998		1999		2000		2001		2002		2003	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Malaysia													0.00	0.00
Malta									0.01	0.00	0.03	0.00	-0.03	0.00
Mauricius														
Mexico			-0.91	-0.34	0.15	0.04								
Moldova														
Montenegro														
Netherlands	1.43	1.01	4.63	1.71	10.23	2.84	14.70	2.53	15.59	1.50	61.06	5.26	69.72	5.40
Netherlands Antilles														
Nigeria	0.02	0.01	0.02	0.01	0.01	0.00								
Norway					0.02	0.01	0.02	0.00	0.07	0.01	0.05	0.00	0.03	0.00
Marshall Island	1.25	0.89	0.65	0.24	0.67	0.19	0.11	0.02	0.21	0.02	0.19	0.02	0.25	0.02
Pakistan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	0.00	-0.01	0.00	0.00	0.00
Panama	2.00	1.42	2.91	1.08	3.10	0.86	3.52	0.61	12.93	1.24	13.30	1.15	13.34	1.03
Poland			0.00	0.00	0.09	0.02	0.04	0.01	0.00	0.00	0.02	0.00	0.05	0.00
Portugal														
Romania							0.12	0.02	0.14	0.01	0.33	0.03	0.33	0.03
Russia	3.52	2.50	5.47	2.02	2.51	0.70	0.01	0.00	0.01	0.00	1.29	0.11	1.31	0.10
St Kitts and Nevis														
Saint Vincent and the Grenadines														
San Marino											0.79	0.07	0.67	0.05
Saudi Arabija														
Serbia														
Seychelles							0.05	0.01	0.06	0.01	0.09	0.01	-0.12	-0.01
Singapore														
Slovakia	0.06	0.04	0.06	0.02	0.07	0.02	0.08	0.01	0.02	0.00	0.02	0.00	0.00	0.00
Slovenia	16.41	11.62	21.18	7.84	43.70	12.14	56.16	9.68	58.83	5.66	66.41	5.72	84.74	6.56
South Africa													0.01	0.00
Spain							-0.01	0.00	0.03	0.00	0.02	0.00	-0.04	0.00
Sweden	1.40	0.99	1.63	0.60	1.72	0.48	2.21	0.38	1.10	0.11	2.34	0.20	1.96	0.15
Switzerland	32.14	22.76	40.85	15.11	45.83	12.73	61.48	10.60	79.20	7.62	85.15	7.34	101.85	7.88
Syria	0.01	0.01	0.01	0.00	0.01	0.00	0.01	0.00	0.09	0.01	0.18	0.02	0.15	0.01
United Arab Emirates							0.01	0.00	0.04	0.00	0.04	0.00	0.04	0.00
Turkey	0.70	0.50	1.15	0.42	14.24	3.96	16.12	2.78	16.23	1.56	17.98	1.55	18.86	1.46
Ukraine	0.01	0.01	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.18	0.01
Egypt														
Great Britain	5.27	3.73	5.85	2.17	4.19	1.16	30.17	5.20	19.03	1.83	12.75	1.10	23.13	1.79
Jrsey														
Isle of man														
United States of America	1.40	0.99	2.37	0.88	4.14	1.15	12.54	2.16	33.96	3.27	41.27	3.56	42.24	3.27
Virgin Islands of the USA	0.00	0.00	0.00	0.00					0.17	0.02	0.22	0.02	0.48	0.04
Uzbekistan													0.00	0.00
Serbia and Montenegro	15.86	11.23	19.43	7.19	21.12	5.87	19.28	3.32	29.65	2.85	26.68	2.30	29.13	2.25
International Finance Corporation														
European Bank for Reconstruction and Development							9.33256	1.61	7.576185	0.73	9.193529	0.79	14.13	1.09
Central African Cantris development support bank														
Northatlantic cooperation aliance														
Total	141.22	100.00	270.37	100.00	359.9	100.00	580.05	100.00	1039.153	100.00	1160.707	100.00	1,292.14	####

**Stock of direct investment in Republic of Macedonia-
by country - 1997 - 2010**

in million EUR

Country	2004		2005		2006		2007		2008		2009		2010	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Afghanistan	0.01	0.00	0.02	0.00	0.02	0.00	0.03	0.00	0.04	0.00	0.04	0.00	0.01	0.00
Albania	4.42	0.27	3.57	0.20	11.60	0.55	16.63	0.65	23.90	0.81	27.90	0.89	35.68	1.06
Azerbaijan													4.02	0.12
Australia	2.10	0.13	2.08	0.12	2.32	0.11	1.96	0.08	2.40	0.08	2.36	0.08	2.41	0.07
Austria	62.29	3.87	57.72	3.26	219.41	10.46	238.29	9.36	334.58	11.27	362.58	11.54	371.88	11.10
Bahamas	0.00	0.00			0.00	0.00								
Barbados							0.41	0.02						
Belgium	1.31	0.08	1.28	0.07	0.89	0.04	1.28	0.05	1.17	0.04	1.20	0.04	1.17	0.03
Bermudas					0.00	0.00	0.06	0.00	0.11	0.00	0.13	0.00	0.23	0.01
Bosnia and Hercegovina	0.70	0.04	0.20	0.01	1.00	0.05	1.32	0.05	1.82	0.06	2.54	0.08	3.39	0.10
Belize					0.00	0.00					0.01	0.00	0.03	0.00
British Virgin Islands	8.72	0.54	11.80	0.67	15.85	0.76	29.44	1.16	51.31	1.73	58.11	1.85	66.98	2.00
Bulgaria	24.33	1.51	27.36	1.55	42.79	2.04	62.49	2.46	86.50	2.91	92.29	2.94	116.19	3.47
Byelorussia	0.01	0.00	0.01	0.00										
Canada	0.41	0.03	0.47	0.03	1.06	0.05	2.33	0.09	3.16	0.11	2.85	0.09	4.13	0.12
Cayman Islands									-1.00	-0.03	-1.00	-0.03	-1.31	-0.04
Central African Republic							0.02	0.00						
Sri Lanka							0.05	0.00						
China	0.93	0.06	1.08	0.06	1.41	0.07	1.51	0.06	1.30	0.04	0.95	0.03	1.01	0.03
Taiwan	2.55	0.16	0.77	0.04	2.16	0.10	1.57	0.06	0.77	0.03	0.77	0.02		
Cuk Islands							1.17	0.05	1.29	0.04				
Costa Rica									0.19	0.01	0.19	0.01	0.26	0.01
Croatia	15.74	0.98	20.34	1.15	30.59	1.46	44.27	1.74	53.23	1.79	55.54	1.77	72.27	2.16
Cuba									0.00	0.00	0.00	0.00	0.00	0.00
Cyprus	150.53	9.35	160.81	9.09	182.23	8.68	20.53	0.81	34.90	1.18	47.93	1.53	45.69	1.36
Czech Republic	0.26	0.02	0.27	0.02	0.29	0.01	7.51	0.30	0.49	0.02	0.51	0.02	2.85	0.09
Denmark	0.07	0.00			0.54	0.03	1.24	0.05	1.27	0.04	1.45	0.05	1.90	0.06
Dominikan Republic			-0.01	0.00	0.00	0.00	0.00	0.00						
El Salvador							0.00	0.00						
Estonia									0.01	0.00	0.00	0.00	0.01	0.00
Finland														
France	19.58	1.22	1.47	0.08	0.29	0.01	10.51	0.41	13.04	0.44	26.15	0.83	129.68	3.87
Gorgia							0.00	0.00						0.00
Germany	70.57	4.38	64.07	3.62	64.08	3.05	85.91	3.38	66.23	2.23	61.98	1.97	71.37	2.13
Gibraltar	0.44	0.03	0.51	0.03	0.70	0.03	0.79	0.03						0.00
Greece	264.10	16.40	279.21	15.78	320.40	15.27	387.14	15.21	450.70	15.18	380.31	12.11	431.55	12.88
Hong Kong									0.04	0.00	0.05	0.00	0.04	0.00
Hungary	354.40	22.01	350.01	19.79	350.35	16.69	421.25	16.55	410.56	13.83	388.75	12.38	346.77	10.35
Iceland							8.14	0.32	12.15	0.41	11.62	0.37	3.26	0.10
India	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00
Iran	0.08	0.01	0.04	0.00	0.03	0.00	0.04	0.00	0.04	0.00	0.03	0.00	0.04	0.00
Iraq	0.02	0.00	0.00	0.00	0.04	0.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ireland							0.03	0.00	0.01	0.00	0.40	0.01	0.41	0.01
Israel					0.01	0.00	4.27	0.17	4.11	0.14	3.99	0.13	4.39	0.13
Italy	32.09	1.99	37.69	2.13	44.39	2.12	46.50	1.83	55.54	1.87	55.85	1.78	58.50	1.75
Japan							-0.17	-0.01						
Johanson Island					0.02	0.00								
Jordan									0.00	0.00			0.00	0.00
Korea, Republic													0.03	0.00
Lebanon			0.01	0.00					0.00	0.00	0.31	0.01	0.41	0.01
Libya														
Liechtenstein	1.48	0.09	2.46	0.14	6.70	0.32	1.57	0.06	2.05	0.07	1.65	0.05	18.09	0.54
Lithuania														0.00
Luxembourg	10.83	0.67	15.16	0.86	25.42	1.21	71.85	2.82	69.14	2.33	62.03	1.97	16.10	0.48

**Stock of direct investment in Republic of Macedonia-
by country - 1997 - 2010**

in million EUR

Country	2004		2005		2006		2007		2008		2009		2010	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Malaysia	0.00	0.00												
Malta	-0.12	-0.01	-0.18	-0.01	-0.13	-0.01	-0.05	0.00	0.06	0.00	-0.03	0.00	-0.02	0.00
Mauricius							0.01	0.00	0.01	0.00	0.06	0.00	0.06	0.00
Mexico														
Moldova			-0.05	0.00	-0.02	0.00	0.01	0.00	0.11	0.00	0.09	0.00	0.06	0.00
Montenegro							0.18	0.01	0.24	0.01	0.22	0.01	2.48	0.07
Netherlands	103.23	6.41	213.35	12.06	211.99	10.10	431.31	16.95	435.57	14.67	523.56	16.67	554.43	16.55
Netherlands Antilles	98.87	6.14	69.52	3.93	54.71	2.61	17.96	0.71	0.01	0.00	0.11	0.00	0.61	0.02
Nigeria									0.01	0.00				
Norway	-0.08	-0.01					0.41	0.02	0.85	0.03	1.02	0.03	0.83	0.02
Marshall Island	0.28	0.02	0.02	0.00	0.02	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pakistan	-0.01	0.00	-0.01	0.00	-0.02	0.00	-0.55	-0.02	-0.32	-0.01	0.00	0.00	0.01	0.00
Panama	2.98	0.19	3.24	0.18	4.13	0.20	8.64	0.34	11.12	0.37	10.58	0.34	11.70	0.35
Poland	0.06	0.00	0.12	0.01	0.53	0.03	0.48	0.02	0.50	0.02	0.41	0.01	0.40	0.01
Portugal					1.81	0.09	2.24	0.09	2.28	0.08	1.58	0.05	1.54	0.05
Romania	0.47	0.03	0.43	0.02	0.05	0.00	0.45	0.02	-0.26	-0.01	0.87	0.03	1.78	0.05
Russia	1.38	0.09	1.34	0.08	1.35	0.06	1.52	0.06	1.32	0.04	1.22	0.04	4.93	0.15
St Kitts and Nevis							2.97	0.12	2.94	0.10	2.97	0.09	2.92	0.09
Saint Vincent and the Grenadines			36.09	2.04	17.55	0.84	19.35	0.76	62.14	2.09	48.02	1.53	94.59	2.82
San Marino	0.70	0.04	0.76	0.04	0.88	0.04	2.39	0.09	2.40	0.08				
Saudi Arabija									0.03	0.00	0.04	0.00	0.00	0.00
Serbia							66.33	2.61	62.31	2.10	83.72	2.67	84.53	2.52
Seychelles	2.06	0.13	-0.01	0.00	0.08	0.00	0.11	0.00	0.01	0.00	2.52	0.08	-0.15	0.00
Singapore			0.02	0.00			2.00	0.08					0.00	0.00
Slovakia	0.07	0.00	0.18	0.01	0.00	0.00	0.07	0.00	0.04	0.00	0.00	0.00	-0.02	0.00
Slovenia	101.85	6.33	106.79	6.04	126.71	6.04	165.84	6.52	262.78	8.85	391.21	12.45	415.73	12.41
South Africa	0.01	0.00												
Spain	-0.04	0.00	0.00	0.00	0.02	0.00	-0.20	-0.01	-0.13	0.00	-0.86	-0.03	0.17	0.00
Sweden	2.51	0.16	2.47	0.14	2.57	0.12	2.70	0.11	-1.76	-0.06	3.56	0.11	5.11	0.15
Switzerland	143.90	8.94	164.20	9.28	150.78	7.18	166.82	6.55	200.73	6.76	202.07	6.43	152.26	4.54
Syria	0.15	0.01	0.15	0.01										
United Arab Emirates	0.06	0.00	0.04	0.00	0.00	0.00	0.07	0.00	0.01	0.00	0.00	0.00	0.00	0.00
Turkey	26.49	1.65	25.06	1.42	27.72	1.32	34.91	1.37	42.98	1.45	49.74	1.58	47.96	1.43
Ukraine	0.64	0.04	3.55	0.20	3.28	0.16	1.89	0.07	0.89	0.03	0.65	0.02	-14.03	-0.42
Egypt													0.00	0.00
Great Britain	27.66	1.72	26.37	1.49	53.36	2.54	80.60	3.17	114.83	3.87	76.73	2.44	110.87	3.31
Jrsey									0.45	0.02				
Isle of man														
United States of America	25.62	1.59	29.84	1.69	45.32	2.16	35.88	1.41	47.79	1.61	48.78	1.55	35.94	1.07
Virgin Islands of the USA	0.83	0.05	0.86	0.05	1.24	0.06	7.56	0.30	6.99	0.24	6.54	0.21	5.65	0.17
Uzbekistan	0.00	0.00			-0.09	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Serbia and Montenegro	29.50	1.83	32.83	1.86	53.77	2.56								
International Finance Corporation														
European Bank for Reconstruction and Development	13.17	0.82	13.60	0.77	15.43	0.74	21.64	0.85	30.76	1.04	36.52	1.16	20.87	0.62
Central African Cantris development support bank					0.01	0.00								
Northatlantic cooperation aliance					0.94	0.04	1.72	0.07						
Total	1,610.22	100.00	1,768.97	100.00	2,098.57	100.00	2,545.17	100.00	2,968.75	100.00	3,141.38	100.00	3,350.69	100.00

**Stock of direct investment in
Republic of Macedonia by**
(in million EUR)

Code	FDI in Republic of Macedonia	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		2007		2008	
		Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %
0595	AGRICULTURE, HUNTING AND FISHING	1.05	0.75	0.60	0.22	0.90	0.25	0.78	0.13	2.67	0.26	3.73	0.32	9.81	0.76	23.09	1.43	22.98	1.30	23.11	1.10	27.00	1.06	30.86	1.04
1495	MINING AND QUARRYING	0.27	0.19	0.42	0.15	0.68	0.19	9.89	1.71	13.60	1.31	16.94	1.46	15.53	1.20	22.37	1.39	39.27	2.22	45.30	2.16	50.74	1.99	168.52	5.68
3995	MANUFACTURING	67.45	47.76	165.33	61.15	222.08	61.70	294.83	50.83	396.21	38.13	457.70	39.43	490.36	37.95	664.92	41.29	775.32	43.83	801.86	38.21	907.35	35.65	886.28	29.85
4195	ELECTRICITY, GAS AND WATER CONSTRUCTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.74	0.06	5.17	0.32	6.21	0.35	157.08	7.49	161.70	6.35	164.33	5.54
4500	CONSTRUCTION	0.58	0.41	0.83	0.31	5.63	1.56	32.94	5.68	47.04	4.53	56.06	4.83	65.91	5.10	64.49	4.01	61.08	3.45	70.48	3.36	87.05	3.42	117.25	3.95
5095	TOTAL SERVICES	68.31	48.37	98.12	36.29	124.93	34.71	236.89	40.84	574.38	55.27	619.61	53.38	702.51	54.37	822.03	51.05	854.22	48.29	984.55	46.92	1,302.69	51.18	1,601.52	53.95
9996	NOT ALLOCATED	3.56	2.52	5.07	1.87	5.70	1.58	4.73	0.82	5.25	0.51	6.66	0.57	7.26	0.56	8.15	0.51	9.89	0.56	16.19	0.77	9.10	0.36	0.00	0.00
9997	SUB - TOTAL	141.22		270.37		359.90		580.05		1,039.15		1,160.71		1,292.14		1,610.22		1,768.97		2,098.57		2,545.17		2,968.75	
9999	TOTAL	141.22	100.00	270.37	100.00	359.90	100.00	580.05	100.00	1,039.15	100.00	1,160.71	100.00	1,292.14	100.00	1,610.22	100.00	1,768.97	100.00	2,098.57	100.00	2,545.17	100.00	2,968.75	100.00

1/ Preliminary data

Source: National Bank of the Republic of Macedonia

International Investment position: external assets and liabilities at the end of period

(in million USD)

	2003	2004	2005	2006	2007	2008	2009	2010
International Investment Position, net	-1,999.02	-2,511.57	-2,348.53	-2,485.90	-3,528.98	-4,605.49	-5,181.77	-4,941.84
Assets	1,868.50	2,161.76	2,455.64	3,255.25	3,946.33	3,463.54	3,737.29	3,918.10
Direct investment abroad	41.97	54.21	62.05	38.39	67.58	85.81	95.65	95.44
Equity capital and reinvested earnings	35.71	43.91	43.59	36.38	51.57	69.00	71.12	63.44
Claims on affiliated enterprises	35.71	43.91	43.59	36.38	51.57	69.00	71.12	63.44
Liabilities to affiliated enterprises (-)								
Other capital	6.25	10.30	18.46	2.02	16.01	16.82	24.53	32.00
Claims on affiliated enterprises	10.77	15.34	25.16	19.35	24.98	27.25	35.27	47.85
Liabilities to affiliated enterprises (-)	-4.51	-5.04	-6.70	-17.33	-8.98	-10.43	-10.74	-15.86
Portfolio investment	3.78	4.10	3.62	4.18	4.43	3.07	6.25	31.75
Equity securities	3.78	4.10	3.62	4.18	4.43	3.07	6.25	23.86
Monetary authorities								
General government								
Banks	3.02	3.28	2.92	3.42	3.62	2.07	2.22	2.15
Other sectors	0.76	0.82	0.71	0.76	0.81	1.00	4.02	21.71
Debt securities								7.88
Bonds and notes								7.88
Monetary authorities								
General government								
Banks								
Other sectors								7.88
Money-market instruments								
Monetary authorities								
General government								
Banks								
Other sectors								
Financial derivatives								
Monetary authorities								
General government								
Banks								
Other sectors								
Other investment	929.33	1,128.13	1,065.26	1,346.93	1,634.73	1,267.09	1,344.88	1,513.08
Trade credits	194.28	266.80	298.67	441.83	652.74	674.04	586.10	721.78
General government								
Long-term								
Short-term								
Other sectors	194.28	266.80	298.67	441.83	652.74	674.04	586.10	721.78
Long-term	0.37		0.46	0.87	1.13	1.37	0.84	0.02
Short-term	193.91	266.80	298.22	440.96	651.61	672.67	585.26	721.76
Loans	25.51	2.81	4.47	2.28	3.85	8.53	31.49	19.70
Monetary authorities								
Long-term								
Short-term								
General government								
Long-term								
Short-term								
Banks	24.00	1.14	4.11	1.95	1.08	1.48	23.39	13.57
Long-term	15.19	1.14	1.55	1.44	1.08	1.47	7.42	4.77
Short-term	8.81		2.56	0.51		0.01	15.98	8.80
Other sectors	1.51	1.67	0.36	0.33	2.77	7.05	8.10	6.13
Long-term		1.67	0.12	0.33	2.31	5.81	7.73	6.13
Short-term	1.51		0.24		0.46	1.24	0.37	0.00
Currency and deposits	706.40	827.72	733.33	868.67	936.98	541.08	679.27	737.02
Monetary authorities	41.44	16.19	15.54	23.61	25.25	1.59	1.38	
General government								
Banks	664.59	811.53	717.79	844.79	911.15	539.16	677.86	736.96
Other sectors	0.38			0.27	0.58	0.32	0.03	0.06
Other assets	3.14	30.80	28.78	34.15	41.16	43.44	48.02	34.58
Monetary authorities								
Long-term								
Short-term								
General government								
Long-term								
Short-term								
Banks		30.21	28.23	33.35	39.88	10.09	11.07	9.97
Long-term								
Short-term	0.00	30.21	28.23	33.35	39.88	10.09	11.07	9.97
Other sectors	3.14	0.59	0.55	0.79	1.28	33.34	36.95	24.60
Long-term								
Short-term	3.14	0.59	0.55	0.79	1.28	33.34	36.95	24.60
Reserve assets	893.42	975.32	1,324.71	1,865.75	2,239.59	2,107.57	2,290.51	2,277.83
Monetary gold	37.08	86.47	111.98	138.76	182.59	188.81	240.98	307.79
Special drawing rights	0.39	0.83	0.78	2.98	1.45	1.37	91.06	1.25
Reserve position in the Fund								
Foreign exchange	855.95	888.02	1,211.95	1,724.01	2,055.55	1,917.38	1,958.47	1,968.79
Currency and deposits	768.61	863.28	1,177.39	1,514.40	1,322.23	345.05	665.53	462.27
With monetary authorities	705.98	685.16	1,073.79	913.94	1,064.78	129.90	665.53	462.27
With banks	62.63	178.12	103.60	600.46	257.45	215.15		
Securities	87.34	24.74	34.56	209.61	733.32	1,572.34	1,292.94	1,506.52
Equities								
Bonds and notes	87.34	24.74	34.56	209.61	733.32	1,572.34	1,292.94	1,506.52
Money-market instruments								
Financial derivatives ,net								
Other claims								

International Investment position: external assets and liabilities at the end of period

(in million USD)

	2003	2004	2005	2006	2007	2008	2009	2010
Liabilities	3,867.52	4,673.33	4,804.17	5,741.15	7,475.31	8,069.03	8,919.06	8,859.94
Direct investment in reporting economy	1,614.65	2,190.55	2,086.86	2,763.82	3,739.36	4,185.34	4,504.11	4,449.71
Equity capital and reinvested earnings	1,477.00	1,858.46	1,863.48	2,454.03	3,271.35	3,393.98	3,557.64	3,509.50
Claims on direct investors (-)								
Liabilities to direct investors	1,477.00	1,858.46	1,863.48	2,454.03	3,271.35	3,393.98	3,557.64	3,509.50
Other capital	137.65	332.09	223.38	309.79	468.01	791.36	946.47	940.22
Claims on direct investors (-)	-59.96	-49.93	-87.93	-106.56	-155.90	-160.66	-243.69	-305.15
Liabilities to direct investors	197.61	382.02	311.31	416.35	623.91	952.02	1,190.15	1,245.37
Portfolio investment	107.24	71.62	273.93	364.73	445.25	373.49	590.69	524.71
Equity securities	80.48	39.99	52.77	114.01	194.77	187.93	195.57	181.74
Banks	12.60	19.06	29.53	106.21	90.88	99.69	107.12	107.45
Other sectors	67.88	20.94	23.25	7.79	103.89	88.24	88.45	74.30
Debt securities	26.76	31.63	221.15	250.73	250.48	185.55	395.11	342.96
Bonds and notes	26.76	31.63	221.15	250.73	250.48	185.55	395.11	342.96
Monetary authorities								
General government	26.76	31.63	221.15	250.73	250.48	185.55	395.11	342.96
Banks								
Other sectors								
Money-market instruments								
Monetary authorities								
General government								
Banks								
Other sectors								
Financial derivatives								
Monetary authorities								
General government								
Banks								
Other sectors								
Other investment	2,145.63	2,411.16	2,443.39	2,612.59	3,290.70	3,510.20	3,824.26	3,885.52
Trade credits	398.16	469.80	441.08	486.21	854.50	914.41	914.57	877.88
General government						4.92	3.53	2.18
Long-term						4.92	3.53	2.18
Short-term								
Other sectors	398.16	469.80	441.08	486.21	854.50	909.49	911.04	875.70
Long-term	61.76	30.96	13.02	25.80	21.36	33.23	27.49	18.08
Short-term	336.40	438.84	428.06	460.41	833.14	876.26	883.55	857.62
Loans	1,657.16	1,788.12	1,820.15	1,853.31	1,991.89	2,180.86	2,338.13	2,420.42
Monetary authorities	68.35	62.54	62.13	55.83				
Use of Fund credit & loans from the Fu	68.35	62.54	62.13	55.83				
Other long-term								
Short-term								
General government	1,256.52	1,351.15	1,292.19	1,152.62	1,068.43	1,087.27	1,114.92	1,132.21
Long-term	1,256.52	1,351.15	1,292.19	1,152.62	1,068.43	1,087.27	1,114.92	1,132.21
Short-term								
Banks	90.92	85.47	127.06	192.69	317.80	283.57	372.93	498.91
Long-term	80.03	75.90	125.52	192.69	293.56	283.57	315.58	493.99
Short-term	10.89	9.57	1.53		24.24		57.35	4.93
Other sectors	241.37	288.96	338.78	452.17	605.66	810.03	850.27	789.30
Long-term	219.85	282.46	276.21	436.82	547.89	789.01	839.39	730.01
Short-term	21.52	6.50	62.56	15.35	57.77	21.02	10.88	59.29
Currency and deposits	68.95	70.55	86.89	148.60	238.27	245.36	284.98	260.04
Monetary authorities								
General government								
Banks	68.95	70.55	86.89	148.60	238.27	245.36	284.98	260.04
Other sectors								
Other liabilities	21.36	82.70	95.26	124.47	206.04	169.57	286.59	327.17
Monetary authorities		13.01	11.97	12.64	13.24	12.90	102.87	101.48
Long-term		13.01	11.97	12.64	13.24	12.90	102.87	101.48
SDR Allocation		13.01	11.97	12.64	13.24	12.90	102.87	101.48
Short-term								
General government							0.30110	0.55
Long-term								
Short-term							0.30110	0.55
Banks		11.66	12.57	14.15	13.76	12.55	13.42	6.01
Long-term								
Short-term		11.66	12.57	14.15	13.76	12.55	13.42	6.01
Other sectors	21.36	58.03	70.72	97.68	179.04	144.12	170.01	219.14
Long-term					0.53	0.51	0.52	14.41
Short-term	21.36	58.03	70.72	97.68	178.51	143.62	169.49	204.73

Source: National Bank of the Republic of Macedonia

International Investment position: external assets and liabilities at the end of period

(in million EUR)

	2003	2004	2005	2006	2007	2008	2009	2010
International Investment Position, net	-1,599.73	-1,846.20	-1,990.79	-1,887.55	-2,401.97	-3,266.77	-3,614.01	-3,721.27
Assets	1,495.28	1,589.06	2,081.58	2,471.72	2,686.04	2,456.76	2,606.56	2,950.37
Direct investment abroad	33.58	39.85	52.60	29.15	46.00	60.87	66.71	71.87
Equity capital and reinvested earnings	28.58	32.28	36.95	27.62	35.10	48.94	49.60	47.77
Claims on affiliated enterprises	28.58	32.28	36.95	27.62	35.10	48.94	49.60	47.77
Liabilities to affiliated enterprises (-)								
Other capital	5.00	7.57	15.65	1.53	10.90	11.93	17.11	24.09
Claims on affiliated enterprises	8.62	11.28	21.33	14.69	17.00	19.33	24.60	36.03
Liabilities to affiliated enterprises (-)	-3.61	-3.70	-5.68	-13.16	-6.11	-7.40	-7.49	-11.94
Portfolio investment	3.02	3.02	3.07	3.17	3.02	2.18	4.36	23.91
Equity securities	3.02	3.02	3.07	3.17	3.02	2.18	4.36	17.97
Monetary authorities								
General government								
Banks	2.42	2.41	2.47	2.59	2.46	1.47	1.55	1.62
Other sectors	0.61	0.60	0.60	0.58	0.55	0.71	2.81	16.35
Debt securities								5.94
Bonds and notes								5.94
Monetary authorities								
General government								
Banks								
Other sectors								5.94
Money-market instruments								
Monetary authorities								
General government								
Banks								
Other sectors								
Financial derivatives								
Monetary authorities								
General government								
Banks								
Other sectors								
Other investment	743.70	829.26	902.99	1,022.72	1,112.67	898.77	937.99	1,139.37
Trade credits	155.47	196.12	253.18	335.48	444.28	478.11	408.77	543.51
General government								
Long-term								
Short-term								
Other sectors	155.47	196.12	253.18	335.48	444.28	478.11	408.77	543.51
Long-term	0.30	0.00	0.39	0.66	0.77	0.97	0.58	0.01
Short-term	155.18	196.12	252.79	334.82	443.51	477.14	408.19	543.50
Loans	20.41	2.07	3.79	1.73	2.62	6.05	21.97	14.83
Monetary authorities								
Long-term								
Short-term								
General government								
Long-term								
Short-term								
Banks	19.21	0.84	3.48	1.48	0.74	1.05	16.32	10.22
Long-term	12.16	0.84	1.31	1.09	0.74	1.04	5.17	3.59
Short-term	7.05		2.17	0.39		0.01	11.14	6.63
Other sectors	1.21	1.23	0.31	0.25	1.89	5.00	5.65	4.62
Long-term	0.00	1.23	0.10	0.25	1.57	4.12	5.39	4.62
Short-term	1.21		0.20		0.31	0.88	0.26	
Currency and deposits	565.30	608.44	621.63	659.58	637.75	383.80	473.76	554.99
Monetary authorities	33.16	11.90	13.17	17.93	17.19	1.13	0.96	
General government								
Banks	531.84	596.54	608.45	641.45	620.17	382.44	472.78	554.94
Other sectors	0.30			0.21	0.39	0.23	0.02	0.05
Other assets	2.51	22.64	24.40	25.93	28.02	30.81	33.49	26.04
Monetary authorities								
Long-term								
Short-term								
General government								
Long-term								
Short-term								
Banks		22.21	23.93	25.33	27.14	7.16	7.72	7.51
Long-term								
Short-term		22.21	23.93	25.33	27.14	7.16	7.72	7.51
Other sectors	2.51	0.43	0.46	0.60	0.87	23.65	25.77	18.53
Long-term								
Short-term	2.51	0.43	0.46	0.60	0.87	23.65	25.77	18.53
Reserve assets	714.97	716.94	1,122.92	1,416.67	1,524.36	1,494.94	1,597.51	1,715.23
Monetary gold	29.67	63.56	94.92	105.36	124.28	133.93	168.07	231.77
Special drawing rights	0.31	0.61	0.66	2.26	0.99	0.97	63.51	0.94
Reserve position in the Fund								
Foreign exchange	684.98	652.76	1,027.34	1,309.04	1,399.09	1,360.04	1,365.93	1,482.52
Currency and deposits	615.09	634.58	998.04	1,149.89	899.97	244.75	464.17	348.10
With monetary authorities	564.97	503.65	910.22	693.96	724.73	92.14	464.17	348.10
With banks	50.12	130.93	87.82	455.93	175.23	152.61		
Securities	69.89	18.19	29.30	159.16	499.13	1,115.29	901.76	1,134.43
Equities								
Bonds and notes	69.89	18.19	29.30	159.16	499.13	1,115.29	901.76	1,134.43
Money-market instruments								
Financial derivatives ,net								
Other claims								

International Investment position: external assets and liabilities at the end of period

(in million EUR)

	2003	2004	2005	2006	2007	2008	2009	2010
Liabilities	3,095.01	3,435.26	4,072.37	4,359.26	5,088.01	5,723.53	6,220.57	6,671.64
Direct investment in reporting economy	1,292.14	1,610.22	1,768.97	2,098.57	2,545.17	2,968.75	3,141.38	3,350.69
Equity capital and reinvested earnings	1,181.98	1,366.11	1,579.62	1,863.35	2,226.62	2,407.42	2,481.27	2,642.69
Claims on direct investors (-)								
Liabilities to direct investors	1,181.98	1,366.11	1,579.62	1,863.35	2,226.62	2,407.42	2,481.27	2,642.69
Other capital	110.16	244.11	189.36	235.23	318.55	561.33	660.11	708.00
Claims on direct investors (-)	-47.98	-36.70	-74.54	-80.91	-106.11	-113.96	-169.96	-229.78
Liabilities to direct investors	158.14	280.82	263.89	316.14	424.66	675.29	830.07	937.78
Portfolio investment	85.82	52.65	232.20	276.94	303.06	264.92	411.97	395.11
Equity securities	64.40	29.40	44.73	86.57	132.57	133.31	136.40	136.86
Banks	10.08	14.01	25.03	80.65	61.85	70.71	74.71	80.91
Other sectors	54.32	15.39	19.71	5.92	70.71	62.59	61.69	55.95
Debt securities	21.42	23.25	187.47	190.38	170.49	131.62	275.57	258.25
Bonds and notes	21.42	23.25	187.47	190.38	170.49	131.62	275.57	258.25
Monetary authorities								
General government	21.42	23.25	187.47	190.38	170.49	131.62	275.57	258.25
Banks								
Other sectors								
Money-market instruments								
Monetary authorities								
General government								
Banks								
Other sectors								
Financial derivatives								
Monetary authorities								
General government								
Banks								
Other sectors								
Other investment	1,717.05	1,772.39	2,071.20	1,983.75	2,239.79	2,489.86	2,667.22	2,925.84
Trade credits	318.63	345.34	373.90	369.18	581.61	648.61	637.86	661.06
General government						3.49	2.46	1.64
Long-term						3.49	2.46	1.64
Short-term								
Other sectors	318.63	345.34	373.90	369.18	581.61	645.12	635.40	659.41
Long-term	49.42	22.76	11.04	19.59	14.54	23.57	19.17	13.62
Short-term	269.21	322.58	362.86	349.59	567.07	621.55	616.23	645.80
Loans	1,326.15	1,314.40	1,542.90	1,407.22	1,355.76	1,546.93	1,630.72	1,822.61
Monetary authorities	54.70	45.97	52.67	42.39				
Use of Fund credit & loans from the Fur	54.70	45.97	52.67	42.39				
Other long-term								
Short-term								
General government	1,005.54	993.20	1,095.36	875.19	727.22	771.22	777.60	852.57
Long-term	1,005.54	993.20	1,095.36	875.19	727.22	771.22	777.60	852.57
Short-term								
Banks	72.76	62.83	107.70	146.31	216.31	201.14	260.10	375.69
Long-term	64.04	55.79	106.40	146.31	199.81	201.14	220.10	371.98
Short-term	8.71	7.04	1.30		16.50		40.000000	3.71
Other sectors	193.16	212.41	287.17	343.33	412.24	574.57	593.02	594.35
Long-term	175.94	207.63	234.14	331.68	372.92	559.66	585.43	549.71
Short-term	17.22	4.78	53.03	11.65	39.32	14.91	7.59	44.64
Currency and deposits	55.18	51.86	73.66	112.83	162.18	174.04	198.76	195.82
Monetary authorities								
General government								
Banks	55.18	51.86	73.66	112.83	162.18	174.04	198.76	195.82
Other sectors								
Other liabilities	17.09	60.79	80.75	94.51	140.24	120.28	199.88	246.36
Monetary authorities		9.56	10.14	9.60	9.01	9.15	71.74	76.42
Long-term		9.56	10.14	9.60	9.01	9.15	71.74	76.42
SDR Allocation		9.56	10.14	9.60	9.01	9.15	71.74	76.42
Short-term								
General government							0.21	0.41
Long-term								
Short-term							0.21	0.41
Banks		8.57	10.66	10.74	9.36	8.90	9.36	4.52
Long-term								
Short-term		8.57	10.66	10.74	9.36	8.90	9.36	4.52
Other sectors	17.09	42.66	59.95	74.17	121.86	102.23	118.57	165.01
Long-term					0.36	0.36	0.36	10.85
Short-term	17.09	42.66	59.95	74.17	121.50	101.87	118.21	154.17

Source: National Bank of the Republic of Macedonia

Republic of Macedonia: gross external debt/3, *

in EUR Million

	Preliminary data																		
	31.12.2004	31.12.2005	31.12.2006	31.12.2007 ¹⁾	31.03.2008	30.06.2008	30.09.2008	31.12.2008	31.03.2009	30.06.2009	30.09.2009	31.12.2009	31.03.2010 ¹⁾	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011
General Government	1,016.46	1,282.82	1,065.56	897.71	883.72	883.07	880.13	906.33	916.40	906.78	1,093.17	1,055.84	1,077.92	1,117.63	1,087.79	1,112.87	1,331.11	1,328.69	1,339.60
Short-term	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.26	1.21	6.61
Money market instruments	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.26	1.21	6.61
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.26	1.21	6.61
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	1,016.45	1,282.82	1,065.56	897.71	883.72	883.07	880.13	906.33	916.40	906.78	1,093.17	1,055.64	1,077.50	1,116.99	1,087.27	1,112.46	1,329.84	1,327.48	1,332.99
Bonds and notes	23.25	187.47	190.38	170.49	165.51	155.64	143.61	131.62	134.35	129.18	320.16	275.57	284.80	274.64	265.14	258.25	258.02	249.24	224.47
Loans	993.20	1,095.36	875.19	727.22	718.21	727.44	736.52	771.22	778.98	774.73	770.34	777.60	790.45	840.30	820.29	852.57	1,068.98	1,075.90	1,105.83
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.49	3.08	2.87	2.67	2.46	2.26	2.05	1.85	1.64	2.84	2.35	2.70
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monetary Authorities	55.54	62.81	51.99	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87	191.12	164.04
Short-term	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	118.25	88.71
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	118.25	88.71
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	55.54	62.81	51.99	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87	72.87	75.33
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	45.97	52.66	42.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87	72.87	75.33
SDR Allocation	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87	72.87	75.33
Banks	123.24	192.02	269.88	387.85	346.15	358.89	389.60	384.07	377.99	377.90	448.63	468.22	411.41	458.32	495.56	576.03	571.48	614.22	568.41
Short-term	67.32	81.41	115.44	178.12	142.31	138.83	173.34	171.35	153.22	162.82	227.33	222.20	127.52	111.34	146.59	163.19	125.76	154.05	117.80
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	7.04	1.30	0.00	16.50	10.72	10.00	10.00	0.00	0.00	0.00	0.00	40.00	22.59	7.55	34.65	3.71	0.00	20.17	0.00
Currency and deposits	51.71	69.46	104.70	152.26	124.29	121.28	154.87	162.46	143.63	153.59	218.29	172.84	100.52	98.92	107.58	154.96	121.47	129.74	113.41
Other debt liabilities	8.57	10.66	10.74	9.36	7.29	7.55	8.48	8.90	9.59	9.23	9.04	9.36	4.41	4.87	4.36	4.52	4.28	4.14	4.39
Arrears	8.57	10.66	10.74	9.36	7.29	7.55	8.48	8.90	9.59	9.23	9.04	9.36	4.41	4.87	4.36	4.52	4.28	4.14	4.39
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	55.93	110.60	154.44	209.73	203.84	220.06	216.25	212.72	224.77	215.08	221.30	246.02	283.90	346.98	348.97	412.83	445.73	460.17	450.61
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	55.79	106.40	146.31	199.81	189.02	206.48	203.21	201.14	201.14	191.39	194.47	220.10	226.13	299.36	308.81	371.98	395.87	407.60	403.33
Currency and deposits	0.14	4.20	8.13	9.92	14.82	13.58	13.04	11.58	23.63	23.69	26.82	25.92	57.77	47.63	40.16	40.85	49.86	52.57	47.28
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Republic of Macedonia: gross external debt/3, *

in EUR Million

in EUR Million	Preliminary data																		
	31.12.2004	31.12.2005	31.12.2006	31.12.2007 ¹⁾	31.03.2008	30.06.2008	30.09.2008	31.12.2008	31.03.2009	30.06.2009	30.09.2009	31.12.2009	31.03.2010 ²⁾	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011
Other Sectors	600.40	721.01	786.69	1,115.71	1,031.96	1,143.09	1,328.26	1,321.91	1,388.03	1,317.53	1,325.21	1,346.99	1,361.28	1,449.48	1,356.41	1,418.78	1,552.16	1,531.94	1,583.98
Short-term	370.02	475.84	435.42	727.89	643.68	727.10	808.90	738.32	790.61	710.65	721.70	742.04	773.01	859.50	773.95	844.61	916.41	886.85	923.38
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	4.78	53.03	11.65	39.32	24.35	16.37	16.51	14.91	17.02	11.31	9.11	7.59	18.50	47.73	39.76	44.64	6.00	5.46	9.00
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	322.58	362.86	349.59	567.07	539.02	626.80	703.70	621.55	671.20	593.67	604.61	616.23	632.52	680.49	596.02	645.80	778.20	740.11	769.44
Other debt liabilities	42.66	59.95	74.17	121.50	80.30	83.92	88.69	101.87	102.39	105.67	107.98	118.21	122.00	131.28	138.17	154.17	132.22	141.28	144.94
Arrears	42.66	58.40	74.17	121.50	80.30	83.92	88.69	101.87	102.39	105.67	107.98	118.21	122.00	131.28	138.17	154.17	132.22	141.28	144.94
Other	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	230.39	245.18	351.27	387.81	388.28	415.99	519.36	583.59	597.42	606.88	603.50	604.95	588.27	589.98	582.46	574.17	635.75	645.09	660.60
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	207.63	234.14	331.68	372.92	371.83	397.35	499.36	559.66	574.94	584.87	581.46	585.43	569.51	572.81	566.44	549.71	613.03	623.65	640.48
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	22.76	11.04	19.59	14.54	16.10	18.28	19.64	23.57	22.13	21.65	21.68	19.17	18.38	16.79	15.63	13.62	12.32	11.49	10.62
Other debt liabilities	0.00	0.00	0.00	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.38	0.39	0.39	10.85	10.40	9.95	9.50
Direct investment:																			
Intercompany lending	284.52	269.57	329.30	430.77	588.22	664.41	685.47	682.70	724.38	763.92	791.48	837.56	939.29	955.77	969.13	949.72	993.98	974.89	967.31
Debt liabilities to affiliated enterprises	3.70	5.68	13.16	6.11	4.30	5.46	6.35	7.40	6.12	5.98	6.64	7.49	7.89	11.57	9.88	11.94	10.17	11.39	9.84
Short-term	2.70	4.68	12.16	5.61	3.80	4.21	5.37	6.54	5.25	5.11	5.71	6.57	6.91	10.55	8.81	10.89	9.09	11.39	9.84
Long-term	1.00	1.00	1.00	0.50	0.50	1.26	0.98	0.87	0.87	0.87	0.93	0.92	0.98	1.02	1.07	1.05	1.08	0.00	0.00
Debt liabilities to direct investors	280.82	263.89	316.14	424.66	583.92	658.95	679.12	675.29	718.26	757.94	784.85	830.07	931.40	944.20	959.25	937.78	983.81	963.50	957.48
Short-term	189.58	112.22	162.51	219.65	213.84	243.62	266.16	246.37	279.16	241.27	258.88	271.24	298.38	311.73	316.75	309.57	287.42	308.83	312.29
Long-term	91.23	151.67	153.63	205.01	370.08	415.33	412.96	428.92	439.10	516.67	525.97	558.83	633.02	632.47	642.50	628.21	696.39	654.67	645.19
Gross External Debt	2,080.17	2,528.23	2,503.42	2,841.05	2,858.77	3,058.16	3,292.55	3,304.16	3,416.30	3,375.39	3,729.94	3,780.36	3,863.83	4,060.79	3,983.95	4,133.82	4,522.61	4,640.85	4,623.35
Memorandum items																			
Public debt	1,211.44	1,487.93	1,270.37	1,057.35	1,037.38	1,045.22	1,047.77	1,109.94	1,119.05	1,108.11	1,352.66	1,324.87	1,357.64	1,413.78	1,387.43	1,424.32	1,661.72	1,784.05	1,774.75
Private debt	868.73	1,040.31	1,233.06	1,783.70	1,821.39	2,012.94	2,244.78	2,194.23	2,297.25	2,267.28	2,377.28	2,455.49	2,506.2	2,647.0	2,596.5	2,709.5	2,860.89	2,856.80	2,848.60
Short-term debt	629.63	674.16	725.53	1,131.28	1,003.62	1,113.76	1,253.77	1,162.58	1,228.24	1,119.85	1,213.62	1,242.25	1,206.23	1,293.75	1,246.61	1,328.67	1,339.95	1,480.58	1,458.63
Long-term debt	1,450.54	1,854.08	1,777.89	1,709.77	1,855.15	1,944.40	2,038.78	2,141.58	2,188.06	2,255.54	2,516.32	2,538.11	2,657.61	2,767.04	2,737.33	2,805.15	3,182.66	3,160.28	3,164.72

1/ Starting from 2007 data on trade credits are from the KIPO questionnaire.

2/ Starting from 2010, the data are presented on accrual basis.

3/ In september 2011, 2010 data have been revised.

*/ Preliminary data

Source: National Bank of the Republic of Macedonia

Republic of Macedonia: gross external claims /3, *

in EUR Million

Preliminary data

[illegible]

Republic of Macedonia: gross external claims /3, *

in EUR Million

																	Preliminary data		
	31.12.2004	31.12.2005	31.12.2006	31.12.2007 ¹⁾	31.03.2008	30.06.2008	30.09.2008	31.12.2008	31.03.2009	30.06.2009	30.09.2009	31.12.2009	31.03.2010 ²⁾	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011
Other Sectors	197.77	253.94	336.54	447.43	490.79	540.12	588.92	507.00	461.68	479.80	483.89	440.22	504.33	555.72	581.03	572.64	685.95	697.95	716.85
Short-term	196.55	253.46	335.63	445.09	486.45	534.86	583.89	501.91	455.95	472.73	477.72	434.25	499.76	548.82	570.96	562.07	674.47	688.37	710.47
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.20	0.00	0.31	0.23	0.46	0.68	0.88	0.95	0.42	0.41	0.26	0.02	0.00	0.00	0.00	0.00	0.05	0.05
Currency and deposits	0.00	0.00	0.21	0.39	0.13	0.18	0.04	0.23	0.07	0.06	0.06	0.02	0.11	0.08	0.03	0.05	0.05	0.04	0.05
Trade credits	196.12	252.79	334.82	443.51	463.85	512.13	559.94	477.14	430.57	447.76	452.35	408.19	481.72	530.57	552.39	543.50	655.77	669.70	690.93
Other claims	0.43	0.46	0.60	0.87	22.23	22.09	23.22	23.65	24.36	24.48	24.90	25.77	17.91	18.17	18.54	18.53	18.64	18.58	19.44
Arrears	0.43	0.46	0.60	0.87	22.23	22.09	23.22	23.65	24.36	24.48	24.90	25.77	17.91	18.17	18.54	18.53	18.64	18.58	19.44
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	1.23	0.49	0.91	2.34	4.35	5.26	5.04	5.09	5.73	7.08	6.17	5.98	4.56	6.90	10.07	10.57	11.48	9.58	6.38
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.66	6.73	5.94	4.92	4.24	1.45
Loans	1.23	0.10	0.25	1.57	3.83	4.10	4.07	4.12	4.95	6.30	5.58	5.39	4.38	4.05	3.24	4.62	5.03	5.34	4.93
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.39	0.66	0.77	0.52	1.17	0.97	0.97	0.78	0.78	0.58	0.58	0.18	0.19	0.09	0.01	0.00	0.00	0.00
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.52	0.00	0.00
Direct investment:																			
Intercompany lending	47.98	95.87	95.60	123.11	130.14	138.32	127.95	133.29	155.47	188.33	183.76	194.56	211.33	205.26	231.54	265.82	263.70	283.82	301.41
Claims from affiliated enterprises	11.28	21.33	14.69	17.00	16.81	17.53	17.93	19.33	20.48	19.82	20.24	24.60	25.05	25.45	30.71	36.03	38.97	39.63	38.04
Short-term	11.28	18.31	12.99	15.79	15.60	15.65	15.97	17.24	18.32	17.52	17.14	20.68	20.88	20.68	25.20	30.11	32.37	33.10	31.64
Long-term	0.00	3.02	1.70	1.21	1.21	1.88	1.96	2.10	2.16	2.30	3.10	3.92	4.16	4.77	5.50	5.92	6.60	6.52	6.41
Claims from direct investors	36.70	74.54	80.91	106.11	113.34	120.78	110.02	113.96	134.99	168.51	163.52	169.96	186.28	179.80	200.83	229.78	224.73	244.20	263.37
Short-term	21.78	24.71	29.46	66.31	59.09	66.61	55.85	57.14	64.89	65.72	75.39	80.30	114.18	115.77	143.90	132.90	126.55	117.62	133.50
Long-term	14.92	49.82	51.45	39.80	54.24	54.17	54.17	56.82	70.09	102.79	88.13	89.66	72.10	64.04	56.93	96.89	98.17	126.58	129.87
Gross External Claims	1,530.00	2,026.19	2,427.38	2,634.87	2,565.51	2,621.61	2,802.90	2,392.10	2,179.34	2,183.20	2,493.38	2,498.49	2,477.73	2,638.23	2,759.33	2,893.65	3,187.88	3,387.32	3,388.90
Memorandum items																			
Short-term	1,513.01	1,971.55	2,213.07	2,075.67	1,373.19	1,427.32	1,574.12	1,193.28	1,130.48	1,238.92	1,575.11	1,473.51	1,352.33	1,483.07	1,548.26	1,623.77	1,731.28	1,836.60	1,868.18
Long-term	16.99	54.64	214.31	559.20	1,192.33	1,194.29	1,228.78	1,198.83	1,048.85	944.27	918.27	1,024.98	1,125.40	1,155.16	1,211.07	1,269.88	1,456.60	1,550.73	1,520.71

1/ Starting from 2007 data on trade credits are from the KIPO questionnaire.

2/ Starting from 2010, the data are presented on accrual basis.

3/ In september 2011, 2010 data have been revised.

*/ Preliminary data

Source: National Bank of the Republic of Macedonia

in EUR Million

Preliminary data

Republic of Macedonia: net external debt position / 1, 3, *

in EUR Million

																	Preliminary data		
	31.12.2004	31.12.2005	31.12.2006	31.12.2007	31.03.2008	30.06.2008	30.09.2008	31.12.2008	31.03.2009	30.06.2009	30.09.2009	31.12.2009	31.03.2010 ²⁾	30.06.2010	30.09.2010	31.12.2010	31.03.2011	30.06.2011	30.09.2011
Other Sectors	402.63	467.07	450.15	668.28	541.17	602.97	739.33	814.91	926.35	837.73	841.32	906.77	856.96	893.76	775.38	846.14	866.22	833.99	867.13
Short-term	173.47	222.38	99.79	282.81	157.23	192.24	225.01	236.41	334.66	237.92	243.98	307.79	273.25	310.67	202.99	282.54	241.94	198.48	212.91
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	4.78	52.83	11.65	39.01	24.13	15.92	15.83	14.02	16.07	10.89	8.70	7.33	18.48	47.73	39.76	44.64	6.00	5.41	8.95
Currency and deposits	0.00	0.00	-0.21	-0.39	-0.13	-0.18	-0.04	-0.23	-0.07	-0.06	-0.06	-0.02	-0.11	-0.08	-0.03	-0.05	-0.05	-0.04	-0.05
Trade credits	126.47	110.07	14.77	123.56	75.17	114.67	143.76	144.40	240.63	145.91	152.26	208.04	150.80	149.92	43.63	102.30	122.42	70.41	78.51
Other debt liabilities	42.23	59.48	73.57	120.63	58.07	61.83	65.47	78.21	78.03	81.19	83.08	92.44	104.09	113.11	119.63	135.64	113.57	122.70	125.50
Arrears	42.23	57.94	73.57	120.63	58.07	61.83	65.47	78.21	78.03	81.19	83.08	92.44	104.09	113.11	119.63	135.64	113.57	122.70	125.50
Other	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	229.16	244.69	350.36	385.47	383.94	410.72	514.32	578.50	591.69	599.80	597.34	598.98	583.71	583.08	572.39	563.60	624.27	635.51	654.22
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2.66	-6.73	-5.94	-4.92	-4.24	-1.45
Loans	206.40	234.04	331.43	371.35	368.00	393.25	495.29	555.54	569.98	578.57	575.88	580.03	565.13	568.76	563.19	545.09	608.00	618.32	635.55
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	22.76	10.65	18.93	13.77	15.58	17.11	18.67	22.60	21.35	20.87	21.10	18.58	18.19	16.60	15.54	13.60	12.32	11.49	10.62
Other debt liabilities	0.00	0.00	0.00	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.38	0.39	0.39	10.85	8.88	9.95	9.50
Direct investment:																			
Intercompany lending	236.54	173.71	233.70	307.66	458.08	526.10	557.52	549.40	568.91	575.59	607.72	643.00	727.96	750.51	737.59	683.90	730.28	691.06	665.90
Debt liabilities to affiliated enterprises	-7.57	-15.65	-1.53	-10.89	-12.51	-12.07	-11.58	-11.93	-14.36	-13.84	-13.60	-17.10	-17.16	-13.88	-20.83	-24.09	-28.80	-28.24	-28.21
Short-term	-8.58	-13.63	-0.83	-10.18	-11.80	-11.45	-10.60	-10.70	-13.07	-12.41	-11.43	-14.11	-13.98	-10.13	-16.40	-19.23	-23.28	-21.71	-21.80
Long-term	1.00	-2.02	-0.70	-0.71	-0.71	-0.62	-0.98	-1.23	-1.29	-1.42	-2.17	-2.99	-3.18	-3.75	-4.43	-4.87	-5.52	-6.52	-6.41
Debt liabilities to direct investors	244.11	189.36	235.23	318.55	470.58	538.17	569.09	561.33	583.27	589.43	621.33	660.10	745.12	764.40	758.42	708.00	759.08	719.30	694.11
Short-term	167.80	87.51	133.05	153.35	154.75	177.01	210.30	189.23	214.26	175.55	183.49	190.94	184.20	195.96	172.85	176.67	160.87	191.21	178.79
Long-term	76.31	101.85	102.18	165.20	315.84	361.16	358.79	372.10	369.01	413.88	437.84	469.17	560.92	568.44	585.57	531.32	598.21	528.09	515.32
Net External Debt Position	550.17	502.05	76.05	206.18	293.26	436.55	489.65	912.06	1,236.96	1,192.19	1,236.56	1,281.86	1,386.10	1,422.56	1,224.62	1,240.17	1,334.73	1,253.53	1,234.45
Memorandum items																			
Short-term	-883.39	-1,297.39	-1,487.53	-944.38	-369.57	-313.56	-320.35	-30.70	97.76	-119.08	-361.49	-231.27	-146.11	-189.31	-301.64	-295.10	-391.33	-356.02	-409.55
Long-term	1,433.55	1,799.43	1,563.58	1,150.57	662.82	750.11	810.00	942.75	1,139.21	1,311.26	1,598.05	1,513.13	1,532.21	1,611.88	1,526.26	1,535.27	1,726.05	1,609.55	1,644.01

1/ Net external debt is defined as the difference between the stock of gross external debt and gross external claims, presented by market value for the category debt securities.

2/ Starting from 2010, the data are presented on accrual basis.

3/ In september 2011, 2010 data have been revised.

*/ Preliminary data

Source: National Bank of the Republic of Macedonia

Reserve assets

In EUR Million

		Reserve Assets						
		Monetary gold	SDRs	Reserve Position in the Fund	Foreign currency reserves		Other reserve assets	TOTAL
					Currency and deposits	Securities		
	2003	29.7	0.3	0.0	615.1	69.9	0.0	715.0
	2004	63.6	0.6	0.0	635.8	17.0	0.0	716.9
	2005	94.9	0.7	0.0	998.7	28.6	0.0	1,122.9
	2006	105.4	2.3	0.0	1,150.5	158.5	0.0	1,416.7
I		108.7	1.7	0.0	1,036.1	248.6	0.0	1,395.1
II		111.7	0.2	0.0	1,024.7	245.9	0.0	1,382.6
III		108.7	7.0	0.0	1,056.0	241.3	0.0	1,413.1
IV		108.5	4.2	0.0	1,014.6	328.3	0.0	1,455.7
V		106.8	1.4	0.0	1,028.6	329.2	0.0	1,466.0
VI		104.8	1.4	0.0	983.4	328.8	0.0	1,418.4
VII		106.6	1.4	0.0	924.3	416.8	0.0	1,449.1
VIII		107.1	1.2	0.0	960.9	416.2	0.0	1,485.4
IX		113.6	1.1	0.0	994.3	413.2	0.0	1,522.1
X		118.6	1.1	0.0	932.4	499.0	0.0	1,551.1
XI		117.7	1.0	0.0	934.9	493.4	0.0	1,547.0
XII		124.3	1.0	0.0	900.5	498.5	0.0	1,524.4
Q1		108.7	7.0	0.0	1,056.0	241.3	0.0	1,413.1
Q2		104.8	1.4	0.0	983.4	328.8	0.0	1,418.4
Q3		113.6	1.1	0.0	994.3	413.2	0.0	1,522.1
Q4		124.3	1.0	0.0	900.5	498.5	0.0	1,524.4
	2007	124.3	1.0	0.0	900.5	498.5	0.0	1,524.4
I		136.1	1.0	0.0	279.3	1,119.4	0.0	1,535.8
II		139.9	0.9	0.0	287.7	1,120.5	0.0	1,548.9
III		129.5	0.9	0.0	273.7	1,115.3	0.0	1,519.3
IV		121.6	1.1	0.0	258.5	1,113.1	0.0	1,494.3
V		123.8	1.0	0.0	271.2	1,113.9	0.0	1,509.9
VI		129.3	1.0	0.0	300.4	1,112.7	0.0	1,543.4
VII		127.7	1.0	0.0	316.9	1,111.3	0.0	1,556.9
VIII		123.9	1.0	0.0	336.9	1,137.8	0.0	1,599.6
IX		136.5	1.0	0.0	404.2	1,147.4	0.0	1,689.0
X		122.0	1.1	0.0	374.6	1,175.5	0.0	1,673.2
XI		139.5	1.0	0.0	258.9	1,189.8	0.0	1,589.2
XII		133.9	1.0	0.0	245.3	1,114.7	0.0	1,494.9
Q1		129.5	0.9	0.0	273.7	1,115.3	0.0	1,519.3
Q2		129.3	1.0	0.0	300.4	1,112.7	0.0	1,543.4
Q3		136.5	1.0	0.0	404.2	1,147.4	0.0	1,689.0
Q4		133.9	1.0	0.0	245.3	1,114.7	0.0	1,494.9
	2008	133.9	1.0	0.0	245.3	1,114.7	0.0	1,494.9
I		156.4	1.0	0.0	203.5	1,080.8	0.0	1,441.8
II		162.9	1.0	0.0	208.2	1,041.5	0.0	1,413.6
III		152.0	1.0	0.0	164.1	950.7	0.0	1,267.8
IV		146.3	1.0	0.0	183.6	873.0	0.0	1,203.8
V		150.5	0.9	0.0	172.5	842.9	0.0	1,166.8
VI		146.1	0.9	0.0	245.7	810.8	0.0	1,203.6
VII		145.5	0.9	0.0	446.5	800.5	0.0	1,393.4
VIII		145.5	57.0	0.0	461.1	841.4	0.0	1,505.0
IX		150.2	63.3	0.0	514.5	798.6	0.0	1,526.6
X		154.1	62.4	0.0	532.9	799.7	0.0	1,549.0
XI		171.5	62.7	0.0	469.1	888.6	0.0	1,591.8
XII		168.1	63.5	0.0	464.8	901.2	0.0	1,597.5
Q1		152.0	1.0	0.0	164.1	950.7	0.0	1,267.8
Q2		146.1	0.9	0.0	245.7	810.8	0.0	1,203.6
Q3		150.2	63.3	0.0	514.5	798.6	0.0	1,526.6
Q4		168.1	63.5	0.0	464.8	901.2	0.0	1,597.5
	2009	168.1	63.5	0.0	464.8	901.2	0.0	1,597.5
I		168.8	64.5	0.0	401.2	985.2	0.0	1,619.7
II		179.0	65.4	0.0	373.9	1,001.1	0.0	1,619.3
III		179.6	65.4	0.0	341.0	1,020.5	0.0	1,606.6
IV		193.5	66.2	0.0	343.5	1,040.7	0.0	1,644.0
V		214.0	69.1	0.0	349.1	1,050.5	0.0	1,682.6
VI		222.0	70.4	0.0	359.2	1,056.7	0.0	1,708.3
VII		195.7	67.9	0.0	316.0	1,064.6	0.0	1,644.2
VIII		212.0	69.0	0.0	351.1	1,086.7	0.0	1,718.8
IX		210.2	1.0	0.0	362.2	1,115.9	0.0	1,689.3
X		210.5	0.9	0.0	348.6	1,102.8	0.0	1,662.9
XI		228.3	0.9	0.0	342.2	1,114.8	0.0	1,686.2
XII		231.8	0.9	0.0	348.0	1,133.8	0.0	1,714.5
Q1		179.6	65.4	0.0	341.0	1,020.5	0.0	1,606.6
Q2		222.0	70.4	0.0	359.2	1,056.7	0.0	1,708.3
Q3		210.2	1.0	0.0	362.2	1,115.9	0.0	1,689.3
Q4		231.8	0.9	0.0	348.0	1,133.8	0.0	1,714.5
	2010	231.8	0.9	0.0	348.0	1,133.8	0.0	1,714.5
I		212.3	0.1	0.0	263.1	1,231.4	0.0	1,706.8
II		223.6	0.0	0.0	248.0	1,230.9	0.0	1,702.5
III		221.7	0.1	0.0	360.5	1,317.7	0.0	1,900.0
IV		224.9	0.5	0.0	290.6	1,361.2	0.0	1,877.2
V		235.0	0.1	0.0	237.2	1,410.4	0.0	1,882.8
VI		228.2	1.2	0.0	216.5	1,386.5	0.0	1,832.4
VII		247.0	1.2	0.0	177.4	1,385.8	0.0	1,811.4
VIII		275.1	0.2	0.0	182.1	1,386.1	0.0	1,843.5
IX		261.1	1.4	0.0	228.8	1,356.5	0.0	1,847.8
Q1.2011		221.7	0.1	0.0	360.5	1,317.7	0.0	1,900.0
Q2.2011		228.2	1.2	0.0	216.5	1,386.5	0.0	1,832.4
Q3.2011		261.1	1.4	0.0	228.8	1,356.5	0.0	1,847.8

Source: National Bank of the Republic of Macedonia

Exchange rates (average for the period)

		100 ATS	100 FRF	100 ITL	100 DEM	100 CHF	1 GBP	1 USD	1 EUR	100 JPY
1993	/1	2.0127	4.1226	1.4832	14.1617	15.9867	35.3541	23.5722	-	
1994		3.7833	7.7828	2.6792	26.6162	31.5905	66.0911	43.2351	-	
1995		3.7722	7.6206	2.3369	26.5390	32.1770	60.0303	38.0354	-	
1996		3.7787	7.8183	2.5929	26.5848	32.3948	62.4691	39.9935	-	
1997		4.0780	8.5259	2.9225	28.6980	34.3423	81.6392	49.8299	-	
1998		4.3993	9.2329	3.1357	30.9525	37.5788	90.2462	54.4506	-	
1999		4.4052	9.2409	3.1306	30.9927	37.8747	92.0413	56.8964	-	
2000		4.4131	9.2575	3.1362	31.0482	38.9892	99.6905	65.8856	60.7250	61.1533
2001		4.4267	9.2862	3.1459	31.1445	40.3381	97.9875	68.0421	60.9133	56.0157
2002		-	-	-	-	41.5689	97.0365	64.7341	60.9783	51.6839
2003		-	-	-	-	40.3117	88.6405	54.3031	61.2639	46.8292
2004		-	-	-	-	39.7337	90.4298	49.4105	61.3377	45.6661
2005		-	-	-	-	39.5872	89.6186	49.2919	61.2958	44.7895
2006		-	-	-	-	38.8981	89.7611	48.7854	61.1885	41.9345
2007		-	-	-	-	37.2534	89.4324	44.7184	61.1838	37.9705
2008		-	-	-	-	38.6300	77.1265	41.8646	61.2654	40.7177
2009		-	-	-	-	40.5769	68.8041	44.0766	61.2728	47.1313
2010		-	-	-	-	44.5956	71.7150	46.4574	61.5150	52.9905
2007	Q1	-	-	-	-	37.8609	91.2615	46.6974	61.1809	39.1234
	Q2	-	-	-	-	37.1487	90.0730	45.3961	61.1741	37.6175
	Q3	-	-	-	-	37.1335	90.0013	44.5585	61.1750	37.8021
	Q4	-	-	-	-	36.8825	86.4403	42.2718	61.2053	37.3601
2008	Q1	-	-	-	-	38.2826	81.0138	40.9350	61.2908	38.8218
	Q2	-	-	-	-	38.0241	77.2550	39.2020	61.2579	37.5382
	Q3	-	-	-	-	37.9561	76.9805	40.7035	61.1776	37.8493
	Q4	-	-	-	-	40.2469	73.3003	46.5786	61.3356	48.6062
2009	Q1	-	-	-	-	41.0135	67.5760	47.0742	61.4067	50.4188
	Q2	-	-	-	-	40.5226	69.6867	45.0823	61.3386	46.2837
	Q3	-	-	-	-	40.2498	70.2639	42.8182	61.1774	45.7428
	Q4	-	-	-	-	40.5307	67.6727	41.4079	61.1720	46.1421
2010	Q1	-	-	-	-	41.9384	69.2109	44.3686	61.4015	48.9037
	Q2	-	-	-	-	43.6691	72.0352	48.3614	61.5465	52.4391
	Q3	-	-	-	-	46.2249	73.9430	47.7731	61.5522	55.6637
	Q4	-	-	-	-	46.4822	71.6201	45.3020	61.5577	54.8607
2011	Q1	-	-	-	-	47.8172	72.0363	45.0214	61.5126	54.7356
	Q2	-	-	-	-	49.1081	69.7580	42.7593	61.5531	52.4042
	Q3	-	-	-	-	52.9254	70.0699	43.5196	61.5431	55.9701
2007	1-9	-	-	-	-	37.3784	90.4407	45.5429	61.1766	38.1761
2007	1	-	-	-	-	37.8973	92.1831	47.0635	61.1802	39.1269
	2	-	-	-	-	37.7300	91.6664	46.8414	61.1905	38.8048
	3	-	-	-	-	37.9428	89.9742	46.2014	61.1729	39.4077
	4	-	-	-	-	37.3937	90.0173	45.3304	61.1754	38.1562
	5	-	-	-	-	37.0661	89.7285	45.2464	61.1729	37.5017
	6	-	-	-	-	36.9892	90.4847	45.6166	61.1739	37.1983
	7	-	-	-	-	36.9193	90.7086	44.6560	61.1771	36.6735
	8	-	-	-	-	37.3499	90.3063	44.9242	61.1713	38.4779
	9	-	-	-	-	37.1313	88.9552	44.0798	61.1767	38.2698
	10	-	-	-	-	36.6500	87.9323	43.0387	61.1820	37.1373
	11	-	-	-	-	37.1130	86.4482	41.7364	61.2049	37.5533
	12	-	-	-	-	36.8919	84.9406	42.0230	61.2290	37.3960
2008	1-9	-	-	-	-	38.1533	79.1344	40.0685	61.2744	38.1800
2008	1	-	-	-	-	37.7680	82.1796	41.6851	61.3375	38.5097
	2	-	-	-	-	38.1420	81.7821	41.6268	61.3231	38.8401
	3	-	-	-	-	38.9287	79.1295	39.5378	61.2140	39.1168
	4	-	-	-	-	38.4651	77.1392	38.9019	61.3727	38.0133
	5	-	-	-	-	37.7336	77.3340	39.3720	61.2280	37.7820
	6	-	-	-	-	37.8834	77.2891	39.3265	61.1740	36.8111
	7	-	-	-	-	37.8104	77.1410	38.7910	61.1836	36.3449
	8	-	-	-	-	37.7134	77.2368	40.7884	61.1783	37.3325
	9	-	-	-	-	38.3576	76.5500	42.5922	61.1706	39.9380
	10	-	-	-	-	40.2313	77.6866	45.7943	61.1979	45.7813
	11	-	-	-	-	40.6211	74.2772	48.2683	61.4102	49.8986
	12	-	-	-	-	39.9004	67.9685	45.7279	61.4012	50.1804
2009	1-9	-	-	-	-	40.5925	69.1854	44.9760	61.3067	47.4646
2009	1	-	-	-	-	41.1248	66.6250	46.0763	61.3998	50.9909
	2	-	-	-	-	41.1790	69.3252	48.0659	61.4078	52.1057
	3	-	-	-	-	40.7526	66.9471	47.1763	61.4126	48.3223
	4	-	-	-	-	40.4791	68.2231	46.4123	61.3479	46.9268
	5	-	-	-	-	40.6244	69.3441	45.1223	61.4011	46.6773
	6	-	-	-	-	40.4609	71.5043	43.7110	61.2647	45.2340
	7	-	-	-	-	40.2642	71.0768	43.4667	61.1950	46.0554
	8	-	-	-	-	40.1109	70.9292	42.9041	61.1714	45.2262
	9	-	-	-	-	40.3786	68.7365	42.0592	61.1656	45.9535
	10	-	-	-	-	40.4087	66.9090	41.3269	61.1685	45.8048
	11	-	-	-	-	40.4927	68.1054	41.0722	61.1695	45.9878
	12	-	-	-	-	40.6894	68.0175	41.8137	61.1778	46.6287
2010	1-9	-	-	-	-	43.9598	71.7470	46.8468	61.5006	52.3603
2010	1	-	-	-	-	41.4189	69.2566	42.8267	61.1798	46.8747
	2	-	-	-	-	41.8753	70.1393	44.9312	61.4225	49.7987
	3	-	-	-	-	42.5149	68.3266	45.4022	61.6042	50.1244
	4	-	-	-	-	43.0267	70.3153	45.9023	61.5988	49.1079
	5	-	-	-	-	43.4104	71.6068	48.7870	61.5285	52.8646
	6	-	-	-	-	44.5787	74.1980	50.3806	61.5127	55.3306
	7	-	-	-	-	45.7495	73.6661	48.2471	61.5171	55.1205
	8	-	-	-	-	45.8521	74.6177	47.7062	61.5102	55.8324
	9	-	-	-	-	47.1013	73.5319	47.3526	61.6319	56.0508
	10	-	-	-	-	45.8029	70.3719	44.3729	61.6227	54.2038
	11	-	-	-	-	45.7145	71.9099	44.9678	61.5474	54.5373
	12	-	-	-	-	47.9046	72.5878	46.5545	61.5027	55.8305
2011	1-9	-	-	-	-	49.9689	70.6142	43.7613	61.5364	54.3745
2011	1	-	-	-	-	48.1809	72.4702	45.9858	61.5116	55.7828
	2	-	-	-	-	47.4083	72.6380	45.0951	61.5075	54.5762
	3	-	-	-	-	47.8229	71.0588	43.9906	61.5183	53.8322
	4	-	-	-	-	47.4222	69.7080	42.6383	61.5200	51.1740
	5	-	-	-	-	49.0049	70.0430	42.8266	61.5297	52.8060
	6	-	-	-	-	50.9005	69.5135	42.8109	61.6103	53.2191
	7	-	-	-	-	52.2133	69.5330	43.1423	61.6168	54.2742
	8	-	-	-	-	55.0191	70.1998	42.9071	61.5086	55.7053
	9	-	-	-	-	51.4977	70.4906	44.5426	61.5027	57.9962

1/ Denomination of the denar for 100 in may 1993

Source: National Bank of the Republic of Macedonia

Mid exchange rates (end of period)

	EUR	DEM	ITL	USD	ATS	FRF	GBP	CHF
	1	100	100	1	100	100	1	100
31.12.1993		2,575.2100	2.6000	44.4600	366.3000	757.7600	65.8200	3,029.4800
31.12.1994		2,621.1400	2.5000	40.6000	372.4900	759.5300	63.4500	3,098.1900
31.12.1995		2,649.4300	2.4000	37.9800	376.5900	775.0400	58.6500	3,299.6000
31.12.1996		2,663.4000	2.7100	41.4100	378.4961	789.1662	69.9596	3,062.9100
31.12.1997		3,092.4800	3.1500	55.4200	439.5300	924.1300	92.2200	3,811.4800
31.12.1998		3,098.3900	3.1294	51.8400	440.4100	923.8800	86.6900	3,786.2300
31.12.1999	60.6173	3,099.3136	3.1306	60.3400	440.5231	924.1000	97.5000	3,776.5400
31.12.2000	60.7878	3,108.0300	3.1400	65.3300	441.7600	926.7000	97.4000	3,990.8000
31.12.2001	60.9610	3,116.8844	3.1484	69.1716	443.0206	929.3438	100.1824	4,110.9286
31.12.2002	61.0707			58.5979			93.9549	4,197.8760
31.12.2003	61.2931			49.0502			87.1136	3,930.5566
31.12.2004	61.3100			45.0676			86.4983	3,970.8549
31.12.2005	61.1779			51.8589			89.2717	3,934.0171
31.12.2006	61.1741			46.4496			91.1007	3,806.9637
31.01.2007	61.2139			47.1893			92.7062	3,770.2575
28.02.2007	61.1773			46.2413			90.8079	3,780.3436
31.03.2007	61.1675			45.9284			89.9787	3,764.8489
30.04.2007	61.1621			44.8304			89.6476	3,722.3602
31.05.2007	61.1920			45.5976			90.0545	3,716.0381
30.06.2007	61.1692			45.2973			90.7555	3,695.3543
31.07.2007	61.1658			44.7806			90.5757	3,721.2265
31.08.2007	61.1716			44.9461			90.2236	3,729.5208
30.09.2007	61.1940			43.1582			87.8215	3,686.1635
31.10.2007	61.1821			42.4669			87.7540	3,652.4446
30.11.2007	61.2935			41.5888			85.7552	3,713.6322
31.12.2007	61.2016			41.6564			83.2901	3,685.9552
31.01.2008	61.4240			41.4747			82.6258	3,806.8795
29.02.2008	61.2338			40.4959			80.4279	3,818.2827
31.03.2008	61.2664			38.7860			77.4740	3,893.6384
30.04.2008	61.3856			39.4230			77.8067	3,800.2600
31.05.2008	61.1654			39.4412			77.8186	3,758.0118
30.06.2008	61.1741			38.8456			77.2059	3,810.7581
31.07.2008	61.1879			39.2507			77.7779	3,750.4076
31.08.2008	61.1642			41.5095			75.9804	3,783.9767
30.09.2008	61.1689			42.6294			76.8550	3,860.4544
31.10.2008	61.4099			47.1115			77.6652	4,149.3176
30.11.2008	61.4030			48.2462			73.9884	3,973.0184
31.12.2008	61.4123			43.5610			63.0387	4,104.2772
31.01.2009	61.4129			47.9189			68.4000	4,129.7088
28.02.2009	61.4129			48.5708			68.7637	4,138.0567
31.03.2009	61.4135			46.5501			66.1000	4,051.2897
30.04.2009	61.4115			46.2924			68.3299	4,076.7061
31.05.2009	61.4128			43.5614			70.3549	4,059.5452
30.06.2009	61.1642			43.5085			72.0724	4,008.1389
31.07.2009	61.1704			43.5284			71.7626	3,994.4103
31.08.2009	61.1761			42.8764			69.4867	4,015.7608
30.09.2009	61.1741			42.0469			67.0916	4,044.8360
31.10.2009	61.1741			41.3339			68.4465	4,045.1035
30.11.2009	61.1741			41.0069			67.2908	4,060.9466
31.12.2009	61.1732			42.6651			67.6695	4,111.6548
31.01.2010	61.3673			43.9405			70.8180	4,185.4658
28.02.2010	61.5058			45.3248			68.8986	42.0179
31.03.2010	61.5200			45.6312			68.8682	42.9729
30.04.2010	61.5628			46.4415			70.9371	42.9069
31.05.2010	61.5025			49.6629			72.3601	43.1354
30.06.2010	61.5467			50.4564			75.9461	46.4223
31.07.2010	61.5063			47.2109			73.6691	45.4223
31.08.2010	61.5814			48.4893			75.4212	47.1707
30.09.2010	61.6363			45.2842			71.5204	46.3605
31.10.2010	61.5838			44.4424			70.9001	44.9254
30.11.2010	61.5044			46.7856			72.8725	46.6437
31.12.2010	61.5050			46.3140			71.5008	49.3026
31.01.2011	61.5050			44.8614			71.4427	47.5236
28.02.2011	61.5050			44.6919			71.9104	48.0545
31.03.2011	61.5162			43.6595			69.2223	47.3456
30.04.2011	61.5125			41.3947			68.9834	47.8064
31.05.2011	61.6141			43.1713			71.0577	50.7237
30.06.2011	61.6200			42.7175			68.4819	51.1964
31.07.2011	61.6029			43.1998			70.4154	53.9524
31.08.2011	61.5063			42.4562			69.5301	52.0182
30.09.2011	61.5040			45.1737			70.6415	50.3842

Source: National Bank of the Republic of Macedonia

Indices on effective exchange rate of the Denar

year	quarter	Nominal Effective Exchange Rate of	Real Effective Exchange Rate of Denar		
			Consumer Price Index	Producer Price Index	Unit Labor Cost
2002	Q4	93.0	109.9	109.2	
2003	Q4	96.4	110.1	107.5	105.3
2004	Q4	99.4	105.7	103.9	111.1
2005	Q4	99.8	100.3	99.8	109.0
2006	Q4	99.3	98.5	97.7	97.8
2007	Q4	99.5	97.4	96.7	85.5
2008	Q4	101.2	98.0	95.0	90.9
2009	Q4	106.8	98.2	99.7	
2010	Q4	107.2	96.7	100.0	
2002	Q1	89.3	110.7	109.6	
	Q2	90.6	111.5	110.9	
	Q3	92.6	110.5	110.3	
	Q4	93.0	109.9	109.2	
2003	Q1	94.4	109.7	109.2	132.3
	Q2	95.4	110.8	108.9	128.2
	Q3	95.0	109.4	106.9	118.1
	Q4	96.4	110.1	107.5	105.3
2004	Q1	96.9	109.0	105.7	110.4
	Q2	97.0	106.3	103.7	110.4
	Q3	98.0	104.9	104.2	108.0
	Q4	99.4	105.7	103.9	111.1
2005	Q1	99.8	104.5	102.0	109.8
	Q2	99.6	102.7	101.1	92.9
	Q3	99.8	101.3	102.2	95.2
	Q4	99.8	100.3	99.8	109.0
2006	Q1	99.9	100.9	100.4	107.4
	Q2	100.6	100.9	101.5	95.4
	Q3	100.1	99.7	100.4	99.4
	Q4	99.3	98.5	97.7	97.8
2007	Q1	99.5	97.6	96.7	88.3
	Q2	99.8	97.4	96.5	85.3
	Q3	99.6	96.4	96.3	82.4
	Q4	99.5	97.4	96.7	85.5
2008	Q1	100.6	100.3	97.2	79.6
	Q2	101.0	99.6	98.8	76.6
	Q3	99.7	96.7	97.7	72.7
	Q4	101.2	98.0	95.0	90.9
2009	Q1	106.4	101.5	97.4	82.6
	Q2	106.3	100.0	97.8	83.8
	Q3	106.8	98.9	99.2	80.9
	Q4	106.8	98.2	99.7	
2010	Q1	106.1	98.6	99.0	
	Q2	104.9	96.6	99.5	
	Q3	105.9	95.9	99.8	
	Q4	107.2	96.7	100.0	
2011	Q1	106.6	97.5	101.6	
	Q2	106.1	96.7	101.9	
	Q3	107.2	95.9	101.7	

METHODOLOGICAL EXPLANATIONS

REAL SECTOR

Table no. 1 Gross domestic product

The data for the gross domestic product (GDP) are produced by the State Statistical Office of the Republic of Macedonia (SSO). GDP is computed on the basis of the annual accounts data from the Central Registry, SSO statistical research, data from the Ministry of Finance, Public Revenue Office and other sources.

Gross domestic product (GDP) at current prices, computed by the production approach, is the final result of the production activity of the resident production units. GDP is a sum of the gross value added of the institutional sectors or activities, expressed in basic prices, plus the turnover tax (i.e. value added tax) and import duties, less subsidies on products (which are not allocated to activities).

The GDP data by production approach presented by sectors is according to the National classification of economic activities (NACE).

Table no. 2 Prices

The price data are from the SSO.

The average monthly retail prices and the structure of the personal consumption are used as a base for computing the *Consumer price index (CPI)*.

The selection of the products whose prices are to be monitored is made on the basis of the products with a significant share in the retail turnover. Retail prices are the prices at which the products are sold in the retail trade and by the individual producers and service providers. Retail prices include VAT.

Consumer price index is based on a specific list of products and services for personal consumption of non-agricultural households and on the average monthly retail prices of those products and services. In other words, the individual price indices of specific products and services are weighted with their respective share in the personal consumption. In January 2007 two new categories are added to the CPI structure- "hotels and restaurants" and "miscellaneous services n.e.c".

Producer prices are monitored in the Monthly survey of producer prices of industrial products, C.41 in 200 industrial enterprises in the Republic of Macedonia. Enterprises are selected on the basis of their importance in the production.

The producer price of the industrial products is the price at which the producer sells the products to the regular buyers on the domestic market, loaded free on rail or truck where the producer is located, or it is the price based on which the producer deals with other producers in the sphere of trade. This price includes producers subsidies, but excludes commercial rebates, discounts, cash discounts and similar reductions offered by the seller. VAT is also excluded from the price.

Starting from January 2001 the Producer Price Index is computed in accordance with the NACE classification.

Table no. 3 Industrial production index

Industrial production data is from the SSORM. The industrial production data is collected by monthly reports delivered by the enterprises in the industrial sector, as well as by their units.

The production indices are computed on the basis of the monthly reports.

The data was collected according to the Uniform Classification of Economic Activity (UCEA) with the Annual Industrial Report till 1998 and with the Monthly Industrial report till 1999, whereas starting from 1999 and 2000, respectively, the data from the same reports is collected according to the National Classification of Economic Activities (NACE).

Production volume index is calculated on the base of production, by allocation of the specific products in appropriate industry, using:

- average monthly final production and production structure in the base year;
- total monthly production in the current year;
- nomenclature of industrial products for the monthly industrial production report;
- weighting coefficients for each product;
- weighting factors which show the structure of production, i.e. the share of each branch in the total industrial production in the Republic of Macedonia.

Table no. 4 Employment and productivity in total economy

The source of the presented data for the *employment* is the Labour Force Survey (LFS) of the SSORM.

The LFS is the most extensive research of the economic activity of the population and its demographic, educational and other characteristics, after the Census research. The survey is conducted on the whole territory of the Republic of Macedonia and it is based on a sample of 10.000 households (7.200 households till the 2003) or 1,8% of the total number of households in the country. Until 2003, the LFS was conducted annually, whereas starting from 2004 it is conducted as a continuous weekly survey throughout the year and the processing of the data is on quarterly and on annual basis. The units under observation are persons aged from 15 to 79 years and the households. The LFS is prepared in accordance with international recommendations (ILO and Eurostat). Classifications applied: National classification of activities and National classification of occupations.

Working age population is consisted of all persons aged 15 years and over. Working age population is divided into active population and inactive population.

Active population (labour force) comprises the employed and the unemployed persons.

Inactive population comprises of:

- pupils and students
- retired persons
- housewives
- supported persons (by others or by the state or with a different kind of income such as rents or interests).

The *productivity in the economy* is calculated in the NBRM and it is based on data from the SSORM for the total GDP and the total number of employees in the economy (according to the LFS), on a quarterly basis.

Table no. 5 Wages

The data for the paid net and gross wages per employee are based on monthly reports provided by the business entities that are in private and other (social, state, collective and mixed) ownership with different activities in the Republic of Macedonia. The data are prepared by the SSORM.

Net wages refer to the monthly average incomes per employee, for fulltime work, shorter or longer than full-time (overtime) work. The total amount of paid net wages also comprise a compensation of the net wage from the company's assets (or other legal entity) for vacation, state holidays, paid absence no longer than 7 days, paid absence for additional training, for sick-leave no longer than 21 days, compensation for time spent in practice by invitation by a state authority, public protection etc.

Gross wages comprise the paid net wages for the reporting month, the paid personal income tax and the paid contributions for pension, disability and health insurance, for employment, professional illness and for water supply.

Starting from May 2001 the data for the wages are published according to the National classification of activities-NACE. As of January 2009, by applying the concept of gross wages, there are structural changes in the data on gross wages due to the inclusion of allowances for food and transport in the wages.

Table no. 6 Budget of the Republic of Macedonia (the Central government budget and the budgets of the funds)

The data for the budget are prepared by the Ministry of Finance of the Republic of Macedonia.

The Budget of the Republic of Macedonia comprises the Central budget and the budgets of extra-budgetary funds.

The Central budget, that refers to the Central government, comprises the base budget, the budget of the self-financed activities and the budgets of loans and donations.

The extra-budgetary funds are: the Pension and Disability Insurance Fund, the Health Insurance Fund, the Employment Service Agency and the Road Fund.

METHODOLOGICAL EXPLANATIONS

MONETARY SECTOR

The data in the aggregate balance sheet of other depository corporations (banks and savings houses) and the balance sheet of the National Bank of the Republic of Macedonia (NBRM) have been disaggregated in line with the sector and currency criterion and according to the financial instrument underlying the creation of certain claims and liabilities. The data in the presented balance sheets refer to end balances at the end of the reference period. The amounts denominated in foreign currency have been converted according to the middle Denar exchange rate at the end of the reference period, applying the indicative NBRM exchange rate.

In the sector-by-sector classification defined in the IMF Monetary and Financial Statistics Manual (in consistence with the sector delineation provided in SNA93 and ESA95), the clients are divided into two basic groups: residents and nonresidents. The group of residents consists of five sectors: financial corporations, nonfinancial corporations, government, households and nonprofit institutions serving households.

- The financial corporations sector consists of five subsectors:
 - National Bank of the Republic of Macedonia (monetary authority),
 - Other depository corporations (banks and savings houses),
 - Other financial corporations,
 - Insurance companies and pension funds,
 - Other financial intermediaries other than insurance companies and pension funds and auxiliary financial corporations;
- Nonfinancial corporations sector consists of two subsectors: public nonfinancial corporations and private nonfinancial corporations.
- Government sector is disaggregated to central government (Budget and central government bodies, social insurance funds and other funds and agencies, and public sector institutions (schools, hospitals, etc.)); local government.
- Household sector consists of individuals and self-employed individuals.
- Sector of nonprofit institutions serving households include nonprofit and nonfinancial institutions (institutions of social and humanitarian nature, chambers of commerce, political parties, citizen associations, religious communities, trade unions, Red Cross).

For the purposes of monetary balance sheets, the household sector and the nonprofit institutions serving households are presented jointly as a sector of other residents.

The National Bank of the Republic of Macedonia and other depository corporations (banks and savings houses) constitute the depository corporations of the Republic of Macedonia.

The depository corporations' assets and liabilities are classified in the following aggregated categories: monetary gold and special drawing rights (SDR), currencies and deposits (including the transferable deposits and other deposits), securities other than shares, loans, shares and other equities, other claims and liabilities (including the trade credits and other accounts).

Table 7. National Bank of the Republic of Macedonia - Balance Sheet

The NBRM balance sheet is prepared on the basis of accounting records of all NBRM assets and liabilities to other economy sectors, including the nonresident sector. The NBRM balance sheet is published at the end of the month, including data on the preceding month.

A. NBRM balance sheet assets include the following categories: foreign assets, claims on government and other assets.

The NBRM foreign assets consist of foreign reserves and other foreign assets. Foreign reserves consists of monetary gold, foreign currency in the form of cash foreign currency, transferable and other NBRM deposits in foreign banks, placements in securities issued by nonresidents (in foreign currency), placements in foreign currencies with international financial institutions and holding of Special Drawing Rights (SDR). Other foreign assets include other foreign currencies, checks, transferable and other foreign currency deposits, foreign currency securities and shares and other claims on nonresidents in Denars and in foreign currency which are not a part of the foreign reserves.

NBRM claims on the Central Government pertain to the relations with IMF (allocation of SDR and claims based on replaced IMF loans) and claims based on placements in securities. The placements in securities are a specific category. The issue of such securities is one of the mechanisms in the bank rehabilitation process for assuming the bad placements in the book of one bank. These securities are held by the Bank Rehabilitation Agency. They are depreciated under the agreement between the Government and the Central Bank.

Other NBRM assets include NBRM claims on other sectors based on its current operations, fixed assets, special purpose assets and according to special regulations, stock, inflows from interests, doubtful and contested claims on interest and fees.

B. The NBRM balance sheet liabilities consist of reserve money, currency held by other depository corporations, other NBRM liabilities to other depository corporations, restricted deposits, foreign liabilities, Central Government's deposits and other NBRM liabilities.

Reserve money includes currency in circulation, cash in the vault, banks and savings houses' accounts with the NBRM, other financial institutions' accounts with NBRM (mainly the deposit insurance fund). The currency in circulation is NBRM liability and includes currency in circulation held by nonbanking entities. The banks' accounts with NBRM consist of banks' accounts with NBRM (including the savings houses) and deposited Denar reserve requirement of other financial institutions with NBRM and allocated banks' foreign currency reserve requirement. The reserve requirement is calculated by using the defined reserve requirement rates applied to the average monthly balance of the respective deposits. Average system form reserve requirement maintenance is in place, according to which the bank may use the reserve requirement to maintain the daily liquidity up to 80% of the liability. The data on the currency in circulation are taken from the NBRM Central Bank Operations Department, and the data on banks and savings houses' daily liquidity are based on their daily reports submitted to the NBRM.

Currency held by other depository corporations includes cash in the vault of the banks and the savings houses.

Other NBRM liabilities to other depository corporations primarily include the NBRM liabilities on issued CB bills. The CB bills auctions are the basic instrument of the NBRM monetary policy used for regulation of the global liquidity level and interest rates in the banking system, and for signaling the monetary policy guidelines. They were introduced for the first time in February 1994, and by definition have been intended for withdrawing liquidity from the banking system. The interventions with this instrument with maturity of 28 days have been carried out by auctions that could be organized as volume tender or interest rate tender (US type). The CB bills auctions lays upon market and flexible base, which ensures their permanent alteration, for increasing their efficiency and successful achievement of their established goals.

Central Government deposits include government demand deposits in Denars (treasury account of the government and other budget funds) and in foreign currency (deposits for special purposes on central government level and other deposits). Since March 2006, Denar government deposits also include cash mobilized through the issue of **treasury bills for monetary purposes**, deposited on a special account. On March 7, the NBRM in cooperation with the Ministry of Finance started issuing 3-month treasury bills for monetary purposes. The treasury bills for monetary purposes have been issued on regular government securities auctions, with same features as the regular government securities. According to the Law on Public Debt, the treasury bills for monetary purposes are not considered a part of the public debt, because they have been issued for monetary policy purposes. In addition, the government has no right to make the withdrawn funds available by issuing treasury bills for monetary purposes. The interest rate on treasury bills for monetary purposes has been charged to the NBRM, according to the average interest rate reached at the 3-month treasury bills. For regulating the mutual relations, the Ministry of Finance and the NBRM have concluded an Agreement on treasury bills for monetary purposes.

Foreign liabilities include NBRM liabilities to nonresidents based on checks and foreign currency L/Cs, and liabilities on used loans from the International Monetary Fund. This category also includes SDR allocation.

Other NBRM liabilities include capital accounts consisting of NBRM own funds, retained earnings, current year financial result, general and specific impairment and special reserve and valuation adjustments. This category also unclassified NBRM liabilities arising from various business relations with resident sector.

Table 8. Report form for other depository corporations (banks and saving houses)

The balance sheet of other depository corporations has been prepared on the basis of accounting records submitted by the banks and the savings houses (KNBIFO), being aggregate balance sheet assets and liabilities of all other depository corporations. The monthly balance sheet of other depository corporations has been published at the end of the month, containing data on the preceding month. The balance sheet includes data on the claims and liabilities (holders of monetary aggregates, as defined by the national definition) of other depository corporations (except for NBRM) to other sectors in the economy, including the nonresident sector. The data have been classified in standardized components by sector, financial instrument and accounting principle.

A. Assets in the balance sheet of other depository corporations include currencies and deposits, securities other than shares, loans, shares and other equities, financial derivatives, other claims, nonfinancial assets.

Currencies and deposits have been divided by currency structure in Denars and foreign currency. Currencies include banknotes and coins in the vaults of other depository corporations issued by the central bank and foreign currencies issued by central banks of foreign states. Deposits consist of transferable deposits which include current accounts of other depository corporations with NBRM (which also include their reserve requirement in Denars deposited with NBRM) and bank accounts abroad. The group of deposits includes sight deposits, savings and other deposits (which also include the banks' compulsory deposit with NBRM).

Securities other than shares have been classified by currency structure and sector and include CB bills, treasury bills, government bonds, corporate bonds, commercial securities, transferable deposit certificates, etc.

Loans refer to assets provided to various sectors by other depository corporations. Loan data include accrued interest, whereas the expected losses, loan loss provisions and impairments have been excluded from this category. According to the currency distribution, the loans have been classified to Denar and foreign currency.

Shares and other equity include financial instruments which supply the holder with the right of ownership of the company of issue.

Other claims include trade credits and advances which refer to financial services provided by other depository corporations to other financial and nonfinancial corporations. This category includes all other items not included in other categories of financial instruments, and consists of dividends, settlement account, items in process of collection, etc.

Nonfinancial assets include tangible (fixed assets, stock, etc.) assets and intangible assets for which no respective liabilities have been recorded (patents, licenses, software, etc.).

B. Liabilities of other depository corporations include liabilities arising from accepted deposits, received loans, issued securities, other liabilities and shares and other equities.

Deposits are differentiated into deposits included and excluded from the broad money, further classified into Denar and foreign currency deposits.

Deposits included in the broad money contain transferable deposits and other deposits of domestic depository corporations included in the national definition of broad money. This category includes deposits of other financial corporations, nonfinancial corporations, households, nonprofit institutions serving households and local government.

Deposits excluded from the broad money include transferable and other government deposits (except for the local government), depository corporations and nonresidents deposits.

Securities other than shares include commercial securities issued by other depository corporations for the purposes of strengthening the total financial potential.

Loans include funds provided to other depository corporations by various institutional sectors.

Other liabilities include trade credits (received for purchasing goods and services from households, nonprofit institutions and nonfinancial corporations) and advances received for current operations or operations about to start, and advanced payments for goods and services. This category also includes settlement accounts, liabilities on dividends, loss provisions for impaired financial assets, accumulated depreciation and losses arising from impairment and other liabilities. Other liabilities include all accounts n.e.c. in the balance sheet of other depository corporations.

Shares and other equity have been divided into equity investments, retained earnings, financial result from current year, general and specific impairment of value and special reserve and valuation adjustments.

Table 9. Depository corporations survey - NBRM, other depository corporations (ODI - banks and savings houses)

The survey of depository corporations is a consolidated survey of the accounts of banks, savings houses and NBRM, showing the combined assets and liabilities of the monetary system with respect to other resident and nonresident entities. Basic source of preparation of the survey of depository corporations are the NBRM survey and the survey of other depository corporations.

As a consolidated balance sheet of the monetary system, it is a basis for its continuous monitoring. Simultaneously, the survey also provides an analysis of the interactions of the basic macroeconomic sectors: the real, fiscal, external and the monetary sector.

The monthly survey of depository corporations has been published at the end of the month, containing data on the preceding month.

Major components of the Survey of depository corporations are the net foreign assets, domestic credits, money, deposits (restricted and other), liabilities to other financial corporations, capital accounts and other items (net).

Net foreign assets is the difference between the foreign assets and liabilities of the NBRM and other depository corporations (banks and savings houses). All foreign assets and liabilities of the NBRM and other depository corporations have been aggregated and presented as net foreign assets of the monetary system.

Domestic credits include claims of the depository corporations (NBRM, banks and savings houses) on government (recognized on a net basis), claims on local government, public nonfinancial corporations, private sector and other financial corporations (recognized on a gross basis).

Claims on central government include claims on loans, securities and trade credits and advances. Sources of loans to the Government include foreign loans, credit lines, deposit potential and other sources. Claims on Government based on securities include claims on specific securities (issued by the government in the process of rehabilitation of one bank, bonds issued for the old foreign currency savings).

Claims on local government include claims on local currency credits.

Claims on public nonfinancial corporations include claims on local and foreign currency loans to public enterprises.

Claims on private sector include total placements of depository corporations to the private sector based on approved loans, placements in securities and shares and other placements. Claims on private sector contain claims on other nonfinancial corporations, claims on households and claims on nonprofit institutions serving households.

Claims on other financial corporations include total placements of depository corporations based on approved loans, placements in securities and shares.

Money includes currency in circulation (currency outside other depository corporations), demand deposits of the local government and other financial corporations with NBRM and demand deposits of the sector of money holders with banks and savings houses.

Restricted deposits include deposits restrictedly used for a purpose specified by regulation. These deposits are intended for covering open L/Cs in the external payment operations, guarantees, bank remittances, etc.

Other deposits include time, savings and foreign currency deposits of sectors included in the definition of the broad money, with NBRM, banks and savings houses.

Liabilities to other financial corporations include total depository corporations' liabilities on deposits, securities and received loans.

Capital accounts unite the capital accounts of NBRM, banks and savings houses.

Other items (net) recognize all categories not included in the previously presented categories and all unclassified assets and liabilities of the depository corporations.

Table 10. Banks and savings houses' loans

Loans approved by other depository corporations to nongovernment sector have been classified by currency: loans in Denars and in foreign currency. They are further classified into short-term and long-term loans, accrued interest and doubtful and contested claims. Short-term and long-term loans have been divided in to loans with and without currency clause. Loans to nongovernment

sector include loans to the following sectors: nonfinancial corporations, households, nonprofit institutions serving households, local government and other financial corporations.

Table 11. Monetary aggregates and components thereof (non-government sector)

Monetary aggregates, as a sum of financial instruments classified by liquidity level, have been defined in a manner compatible with the internationally accepted definitions and criteria (as specified by the IMF Methodology for monetary and financial statistics). Deposits included in monetary aggregates consist of the following sectors: other financial corporations, local government, nonfinancial corporations (private and public), households (individuals and self-employed individuals) and nonprofit institutions serving households.

Money supply M1 includes currency in circulation and demand deposits. Demand deposits, however, include current accounts with banks and savings houses and current accounts of other financial corporations with NBRM.

Currency in circulation is the difference between the total amount of banknotes and coins and the amount of cash in the banks' vaults, in the NBRM's vault and in the dispersed vaults.

Money supply M2 (liquid assets) includes the monetary aggregate M1 and short-term deposits. Short-term deposits have been defined as deposits which include sight deposits, time deposits with maturity of up to one year, in Denars and in foreign currency.

Money supply M4 (total deposit potential of the monetary system) includes monetary aggregate M2 and short-term deposits, i.e. deposits with maturity of over 1 year, in Denars and in foreign currency.

Table 12. Claims of other depository corporations (banks and savings houses)

Claims of other depository corporations include loans, placements in securities, shares and overdue claims and doubtful and contested claims on loans. Placements of other depository corporations have been decomposed by sector, maturity and currency. According to the accepted standards of the monetary and financial consolidation statistics i.e. exclusion of the mutual claims and liabilities within a sector, the placements exclude the interbank claims.

Claims of banks and savings houses on nonfinancial corporations (private and public) include claims on loans, accrued interest on loans, overdue claims and doubtful and suspicious and contested claims on loans, securities and shares. All categories have been differentiated by currency, and the loans have also been differentiated by maturity. Other depository corporations approve loans from various sources of funding: deposits, own sources, foreign credits, received credit lines and other sources. Claims on securities include claims on short-term securities (checks and notes) and claims on long-term securities, i.e. holdings or investments of the banks and savings houses in securities of nonfinancial corporations. Claims which form the category of shares include financial instruments which supply other depository corporations with the right of ownership of the issuing nonfinancial entity.

Claims of banks and savings houses on households (individuals and self-employed individuals) include claims on loans, accrued interest on loans, overdue claims and doubtful and contested claims on loans. Claims on households have been differentiated by currency, maturity and purpose. By purpose, the loans have been disaggregated to consumer loans, auto loans, housing loans, credit cards and overdrafts, other loans and loans of self-employed individuals.

Claims of banks and savings houses on nonprofit institutions serving households, other financial corporations and local government include claims on loans, accrued interest on loans, overdue claims and doubtful and contested claims on loans, claims on securities, and claims on shares.

Claims of other depository corporations on Government include claims on loans, accrued interest on loans, overdue claims and doubtful and contested claims on loans, claims on securities, and claims on shares. Sources of loans to the Government include foreign loans, credit lines, deposit potential and other sources. Liabilities on Government based on securities include claims on specific securities.

Table 13. Liabilities of other depository corporations (banks and savings houses)

According to the dominant classic deposit and credit activity of **other depository corporations, the liabilities to nonfinancial corporations** include deposits of nonfinancial corporations and loans received from nonfinancial entities. Besides deposits and loans, this category also includes securities issued by nonfinancial entities. Deposits have been disaggregated by their maturity and currency structure. Loans and securities have been differentiated by their currency structure.

Liabilities of other depository corporations to households include current accounts, sight deposits, time deposits (up to three months, over three months, up to one year and over one year) and restricted deposits intended for covering L/Cs in the domestic payment operations.

Liabilities of other depository corporations to other clients - nonprofit institutions serving households, to local government, other financial corporations and liabilities to government, respectively. The above are liabilities on various types of deposits differentiated by their maturity and currency structure, and liabilities on securities and other loan liabilities in Denars and foreign currency.

Table no. 14 Report of weighted interest rates on granted loans and received deposits of deposit money banks

Based on a Report on weighted interest rates on deposits and borrowings, which the deposit money banks submit to NBRM on regular monthly basis, aggregated survey on weighted interest rates of deposits and borrowings in Denar and in foreign currencies is prepared.

Interest rates on Denar credits include: interest rates on Denar credits without FX clause and interest rates on Denar credits with FX clause.

Interest rates on Denar deposits include: interest rates on Denar deposits without FX clause and interest rates on Denar deposits with FX clause.

Denar credits/deposits are further categorized by two criteria: sectoral classification and maturity. By sectoral classification, they are divided to: credits/deposits which refer to enterprises, credits/deposits which refer to the households. By maturity, the credits are divided to: short-term and long-term; and the deposits: sight deposits, short-term and long-term time deposits.

Foreign currency credits/deposits are classified by three criteria: by sector, by currency and by maturity. By sector classification, they are divided to: credits/deposits which refer to enterprises, credits/deposits referring to households. By maturity, credits are divided to: short-term and long-term; and the deposits to: sight deposits, short-term and long-term time deposits. By currency, they are divided to: credits/deposits in euros and in USA dollars.

Interest rates on credits and deposits are in percents on annual level.

Table no. 15 Interest rates of the National Bank of the Republic of Macedonia

1. Discount rate is valid interest rate in the current month.

2. Interest rate on credits over night - Lombard credit is the valid interest rate in the current month.

3. Interest rate on repo transactions for creating liquidity in the banking system is shown as average weighted interest rate achieved at the auctions in that month.

4. Interest rate on CB bills is shown as average weighted interest rate achieved at the auctions with maturity of 28 days in that month. The interest rate is differentiated by the type of tender which can be: volume tender or interest rate tender.

5. Interest rate on repo transactions for liquidity withdrawal from the banking system is shown as average weighted interest rate achieved at the auctions in that month.

Table no. 16 Reserve requirement of banks and saving houses

Banks and saving houses allocate reserve requirement based on the average deposit stock in the previous month. The period of maintaining the reserve requirements covers the period from the 11th in the current month to the 10th in the following month. The fulfilling of the banks' reserve requirement in denars is on average basis, whereas the saving houses' reserve requirement in denars and the banks' reserve requirement in foreign currency are on fixed basis.

Table no.17 Interest rates on Government securities

Interest rates on Government securities are shown as average weighted interest rate achieved on the auctions in the adequate month with fixed maturity.

METHODOLOGICAL EXPLANATIONS

FOREIGN EXCHANGE SECTOR

Table no. 18-23 BALANCE OF PAYMENTS

Balance of payments is a statistical statement that systematically summarizes, for a specific time period, the economic transactions of the Republic of Macedonia with the rest of the world.

According to the Law on the National Bank of the Republic of Macedonia and the regulations in the area of foreign exchange operations, the National Bank of the Republic of Macedonia (NBRM) is responsible for compiling and monitoring of the execution of the Balance of payments.

Statistics of the Balance of payments of the Republic of Macedonia is prepared basically in accordance with the methodology of the International Monetary Fund (Balance of Payments Manual, fifth edition - BPM 5). The data are disseminated (issued) on monthly basis, in millions of euros and USA dollars. The transactions which are denominated in other currencies are converted in euros and USA dollars equivalent to the exchange rate on the day of the transaction.

The main sources of data for compiling the balance of payments are the following:

- the single administrative document (SAD) for the foreign trade of the Republic of Macedonia;
- the system for reporting on the banks' international payment operations (ITRS);
- the system for reporting on the external debt (from the credit indebtedness);
- the banks' reports on the stock of assets and liabilities (the banks' report on the deposit money banks book keeping stock);
- the monthly reports on stocks and flows (changes and stocks) on the accounts abroad of the residents which are not authorized banks and the stock and flow on settlement accounts (monthly reports-MR);
- additional NBRM's reports on the realized turnover in exchange offices and on the official foreign exchange reserves stock of the Republic of Macedonia;
- data from the annual direct investment survey - DI 22.

BALANCE OF PAYMENTS: SEPARATE ITEMS

CURRENT ACCOUNT

Goods

The source of data on the foreign trade of the Republic of Macedonia is the SAD, which is prepared by the Customs Administration of the Republic of Macedonia, and it is processed and published by the State Statistical Office of the Republic of Macedonia and the NBRM.

In accordance with the methodology on recording the foreign trade in the trade statistics, the State Statistical Office is publishing the data for the exports on the f.o.b. basis, while regarding the imports, on the c.i.f. basis.

Adjustment for the coverage and classification are made for good's item in the balance of payments in line with the recommendations given in the BPM5, especially regarding the following:

- coverage: regarding the return of goods and the invoiced value of the performed service for the repair of goods;

– classification: regarding the c.i.f./f.o.b. factor and processing of goods. In the balance of payments, both the exports and the imports are presented on f.o.b. basis, because of which an adjustment of the c.i.f. imports for c.i.f./f.o.b. factor is necessary. In the period from 1993 to 1997, the c.i.f./f.o.b. factor was determined on the basis of the average internationally set rates for calculation of these expenses. Since 1998, the c.i.f./f.o.b. factor is calculated on the basis of established methodology based on the SAD data on transport and insurance of the parities with a destination in the Republic of Macedonia adjusted to the overall imports.

The item import of goods in ports by carriers is based on data from the monthly reports - MR.

Services

Transportation: The data that refer to the transportation are taken from the ITRS and the monthly reports MR. There is a possibility for making a desegregation by the type of transport (air, sea, railway and road), and on the basis of the category of services (freight, passengers and other). The adjustment is made for the outflow of transportation services (transport of goods) regarding the c.i.f./f.o.b. factor that refers to the costs of transport of goods provided by non-residents.

Travel: The data originate from the ITRS and the monthly reports-MR.

Other services: The data are taken from the ITRS for the receipts from and payments to non-residents on the basis of type of services: telecommunication, construction, insurance, business, government and other services. The adjustment is made for the insurance outflow regarding the c.i.f./f.o.b. factor that refers to the costs insurance of the transport of goods. An adjustment is made in financial intermediation services, by redistribution of part of Other investment income, based upon the calculation of exports and imports of financial intermediation services indirectly measured (FISIM). Additional source on data for certain types of services are the data from the monthly reports – MR.

Income

The income as a balance of payments' component originates from: compensation of employees (residents employed with non-residents and vice versa) and investment income. Investment income represents a capital gain from the direct investment, portfolio investment and other investment (dividends, loan and credit interests, etc.).

Direct investment income: The data include dividends and distributed branch profits, as well as reinvested earnings and undistributed branch profits. Major data source for the receipts and payments of dividends is the ITRS. For the previous years a basic data source for reinvested earnings is the annual direct investment survey, while for the current year estimates are based on data from the previous years.

Portfolio investment income: Data on inflow include interest receipts on foreign debt securities and accrued interest on foreign debt securities as part of the gross official reserves. Data on outflows include dividends paid on equity securities and interest paid on debt securities. The data sources are the ITRS, the NBRM's reports on the official foreign exchange reserves stock and the annual direct investment survey.

Other investment income: The data include received and paid interest on the deposits, short-term and long-term loans. The received interest consists of the inflows of interest on foreign currency deposits on the foreign accounts (interest on the foreign exchange reserves and on the foreign exchange assets of the banks). The data sources are the ITRS and the NBRM's reports on the official foreign exchange reserves stock. Interest paid and received on short-term and long-term loans is presented on accrual basis. The source of data is external debt reports, which are obligatorily recorded in the NBRM (credit indebtedness). An adjustment is made in Other investment income, by redistribution of part of this income in the financial intermediation services item, based upon the calculation of exports and imports of financial intermediation services indirectly measured (FISIM).

Current transfers

The official transfers mainly refer to the assistance in financial assets and goods received by foreign governments and international organizations. The source of the data for the transfers in financial assets is the ITRS, while regarding the transfers in goods is the customs administration documents.

The private transfers consist of: remittances, cash exchanged and other transfers of which the most are rents. The source of data is the ITRS. Cash exchanged on the exchange market in accordance with the BPM5 should be classified in the capital and financial account of the balance of payments. However, regarding the fact that the largest part of these assets originates from the residents' receipts from non-residents on the basis of provided goods and services (unrecorded transactions) and transfers received in cash foreign currency, these transactions are recorded as a part of the balance of payments' current account (private transfers).

CAPITAL AND FINANCIAL ACCOUNT

CAPITAL ACCOUNT

This account encompasses the capital transfers for which main source of data is the ITRS.

FINANCIAL ACCOUNT

Direct investment: The direct investment include equity, reinvested earnings and other capital. Trade credits, long-term and short-term loans between affiliates are recorded under other capital. Basic data source for the previous years is the annual direct investment survey DI 22. The source of data for the investment in financial assets is the ITRS, while regarding the investment in goods is the customs administration documents. For the current year data on reinvested earnings and other capital are estimates based on data from the previous years. Loans within other capital are based on the system for reporting on the external debt and claims.

Portfolio investment: The source of data for the portfolio investment is the ITRS. Additional data source for the previous years is the annual direct investment survey DI 22.

Other investment:

Trade credits: The trade credits (extended to and received from foreign countries) represent a differential between the exports/imports of goods and the corresponding settlements. The estimated data for the trade credits are derived from the foreign trade data in the administration customs documents and corresponding settlements from the ITRS. If the value of the exported goods is higher than the value of receipts on exports, the difference is recorded as an extended trade credits (with a negative sign). If the value of imported goods is higher than the payments on the imports, the difference is recorded as a received trade credits (with a positive sign). Additional source of data are the data from the monthly reports – MR.

Loans: Within the "loans" category, disbursements and amortization on short-term and long-term loans are recorded. Principal and interest arrears are also recorded as a counter-entry in the category other investment – other. The data are based on the reports on medium-term and long-term public and private external debt prepared by the NBRM, which are obligatory recorded in the NBRM.

Currency and deposits: The data primarily refer to the changes in the foreign exchange assets and foreign exchange liabilities of the banks. The sources of data are the monthly bank's reports on the deposit money banks' book-keeping stock and the ITRS. The changes of foreign exchange assets and foreign exchange liabilities of the banks are showing with partly excluding of valuation changes. The changes of foreign exchange assets of individuals include net cash deposited on foreign exchange accounts with the banks, reduced for the imports of goods by the individuals. The source of data for net cash deposited on foreign exchange accounts with the banks is the ITRS and for imports of goods is the SAD. Additional source of data on currency and deposits for other sectors are the data from the monthly reports – MR.

Gross official reserve assets: Transactions are calculated as the changes in the stock of the particular components of the official foreign exchange reserves, excluding price changes and exchange rate differentials. The source of data are the reports of the NBRM.

Table no. 24 and 25 Foreign trade

The source of the data regarding the foreign trade is the State Statistical Office of the Republic of Macedonia. The data on the international trade of goods of the Republic of Macedonia is prepared in accordance with the main statistical standards, definitions and recommendations of the UN regarding the concepts and definitions of the foreign trade statistics. The data relating to the exports are published on f.o.b., while those relating to the imports, on c.i.f. basis.

Table no. 26 and 27 Stock of foreign direct investment

The calculation and dissemination of foreign direct investment (FDI) data worldwide is based on the methodological recommendations of the Balance of Payments Manual-fifth edition, IMF 1993 and The OECD Benchmark Definition of Foreign Direct Investment-third edition, OECD 1996. In accordance with these recommendations, FDI include:

- equity and reinvested earnings;
- claims on direct investors/affiliates abroad;
- liabilities to direct investors/affiliates abroad.

Methodologically, the reinvested earnings include:

- part of the profit distributed in equity;
- part of the profit distributed in reserves;
- part of the profit distributed for loss coverage from the previous period;
- undistributed earnings;
- uncovered losses;
- losses from previous periods, transformed into claims on the investors;
- earnings from previous periods, transformed into liabilities to the investors.

According to the recommendations of the Balance of Payments Manual-fifth edition, the criterion for classifying a transaction as a direct investment is a minimum 10% of equity participation on the right to vote. Accordingly, the distinction between a portfolio and direct investor is based on the percentage of owned shares in the company.

The methodology applied to calculate foreign direct and portfolio investment in the Republic of Macedonia corresponds fully with the methodologies applied by the member countries of the IMF and OECD.

The FDI data in the Republic of Macedonia are disseminated by the country of the investor and the type of activity of the direct investment company.

Table no. 28 and 29 International investment position

The international investment position is a statistical report which presents the position and the structure of the financial claims (assets) of residents on non-residents and the financial liabilities of residents to non-residents arising from their operations. In other words, the international investment position is a balance sheet of the international financial assets and liabilities of a country on a certain date, often at the end of the year.

International financial assets of the country comprise of the direct and portfolio investments of resident legal entities and natural persons in other countries including the investments in financial derivatives, other investments of residents abroad in the form of extended loans and credits, foreign

assets of resident banks with foreign commercial banks, as well as the official foreign reserves. International financial liabilities of the country comprise of the liabilities based on direct and portfolio investments of non-resident legal entities and natural persons in the country including the investments in financial derivatives, liabilities on the basis of other investments of non-residents in the country in the form of used loans and credits, and liabilities on the basis of deposits of foreign legal entities and natural persons with resident banks.

The difference between the total international financial assets and liabilities presents the net-international investment position of a country. This means that the international investment position of the Republic of Macedonia is a difference between the investments of residents with non-residents (its international assets) and the investments of non-residents with residents (its international liabilities).

Direct investments are investments by which the investor intends to establish a permanent economic link and/or to exercise right to manage the legal entity it invests in. In line with the international recommendations and standards, a minimum share of 10% in the capital or voting right in the legal entity the investment is made in, is used as a criterion for defining direct investments. Direct investments include shareholders' capital, reinvested gain and the debt of connected entities. Source of data on direct investments for compiling the international investment position of the Republic of Macedonia are the questionnaires - reports on the condition and the turnover of the connected entities which all resident legal entities submit to the NBRM on annual basis, and are related to the investments to and from other countries.

Portfolio investments include the investments in debt securities and in equity instruments, where the investor owns less than 10% of the shareholders' capital or does not have voting right. Source of data on the investments in equity instruments for compiling the international investment position of the Republic of Macedonia are the annual questionnaires - reports on the condition and the turnover of the connected entities, while for the investment in debt securities data are used on the international payment operations of commercial banks (in line with the Reporting system for international transactions), reports on operations with securities from the authorized participants in the Macedonian Stock exchange, as well as the data base of the Central Securities Depository. For calculation of the market value of the securities, data on the market prices from the Macedonian Stock Exchange are used.

Other investments include the assets and the liabilities on the basis of short-term and long-term financial and trade credits and loans, currencies and deposits and other assets and liabilities. In line with the Balance of Payments Manual of the IMF, trade credits denote claims and liabilities arising from international commercial operations of residents (on the basis of import/export of goods and services, advance payment, etc.) Source of data on the trade credits for compiling the international investment position of the Republic of Macedonia are the quarterly reports on the claims and liabilities on the basis of international commercial operations of residents (KIPO Form), while for the financial credits and loans records of registered foreign credits are used (KZ and KO Forms). Currencies and deposits include the deposits which resident banks keep abroad, i.e. liabilities of resident banks to non-residents. Sources of data for this item are the monthly balance sheet of the commercial banks and international payment operations of banks.

Table no. 30-32 Gross external debt, Gross external claims and Net external debt

1. General methodological notes

The National Bank of the Republic of Macedonia (National Bank) is the institution responsible for recording and monitoring of the external debt of the Republic of Macedonia in accordance with the legislation i.e. the Law on the National Bank of the Republic of Macedonia and the Foreign Exchange Law.

The external debt statistics is prepared in accordance with the External Debt Statistics Guide¹ (Guide).

Gross external debt

Gross external debt, at any given time, is the outstanding amount of those actual current, and not contingent, liabilities that require payment(s) of principal and /or interest by the debtor at some point(s) in the future and that are owed to nonresidents by residents of an economy. According to this definition, gross external debt at a certain date is the stock of all future liabilities of residents to nonresidents, future installments of principal, arrears in principal and interest, accrued interest costs, as well as late (default) interest, regardless of the type of instrument and maturity.

Gross external claims

Gross external claims are the stock of all current, not contingent claims based on debt instruments, of residents from nonresidents. Basically, the definition of gross external claims is identical with the definition of gross external debt, having in mind that the claims of one economy are liabilities for other.

Net external debt

Net external debt is defined as the difference between the stock of gross external debt and gross external claims. In its structure, net external debt is identical with the gross external debt, where the standard presentations contains classification by institutional sectors, maturity and debt instruments.

According to the Guide, the basic classification of debt is among the four basic institutional sectors of an economy:

- general government (government units that exist at each level—central and local—of government within the national economy and all social security funds operated at each level of government);
- monetary authorities - (the central bank or other institution carrying out the operations of a monetary authority);
- banking sector (financial intermediaries carrying out activities of taking deposits and extending credits);
- other sectors (non-bank financial intermediaries, non-financial corporations, households and non-profit institutions serving households).

Furthermore, within each of the sectors, debt is classified by maturity, on short term (with original maturity of one year or less) and long term (maturities of more than one year). On the third level of disaggregation, debt is distributed amongst the standard types of debt instruments, such as:

- trade credits - consist of claims or liabilities arising from the direct extension of credit by suppliers for transactions in goods and services, and advance payment by buyers for goods and services and for work in progress (or to be undertaken);
- loans - include those claims or liabilities created through the direct lending of funds by a creditor (lender) to a debtor (borrower) based on a credit agreement;
- debt securities - creation of debt or a claim through the issuance/purchasing of securities as part of the portfolio investment in the country, being traded on organized markets or over-the-counter;
- currency and deposits - currency (notes and coins) are claims on a central bank or a government that have issued them, from the nonresident holders. Liabilities on deposits are liabilities of the financial institutions that take deposits to nonresident depositors, while claims on deposits arise from the funds deposited with nonresident financial institutions; and
- other - other claims and liabilities, not included under previous debt instruments. An important category within this item are arrears, that have a treatment of short-term claims/liabilities, as they are considered to be immediately due and are a cumulative amount of arrears on all previously mentioned instruments.

¹ External Debt Statistics: Guide for compilers and Users, IMF, 2003

Direct investment - intercompany lending claims or liabilities are shown separately. The separation of these claims/liabilities within net external debt is significant in view of the necessary compatibility with the IIP statement, where these claims/liabilities are incorporated within the item Direct investment (Other capital).

From the aspect of valuation, the Guide recommends the nominal value to be used for all debt instruments, except debt securities, where it is recommended to use the market value of debt. This is entirely consistent with the methodological recommendations for the compilation of the IIP of a country.

Stock data, repayment schedules, arrears, new commitments and accrued interest are converted into the unit of account using the mid exchange rate of the National Bank at the cut-off date. Flow data, disbursements and repayments, are converted into the unit of account using the mid exchange rate of the National Bank on the day of the transaction.

The stock of debt is a result of disbursements, decreased for the amortization (repayments of principal), increased for the amounts of capitalized interest in arrears, accrued interest and default interest. Having in mind the fact that stock data are converted using the end period exchange rate, while the flow data are converted using the transaction date exchange rate, discrepancies between debt stock at end-period and beginning of period differ from the net flows, as they include the exchange rate differentials as well.

2. Data sources and methodology for compiling net external debt of the Republic of Macedonia

Data sources for the net external debt of the General Government sector

-for the category debt securities (bonds and money market instruments) - for debt securities issued abroad and bought by nonresidents, data from the reporting system on external debt (ED) and data for debt securities market value at the cut-off date;

-for the category debt securities (bonds and money market instruments) - for debt securities issued domestically and bought by nonresidents, data from the reports on operations with securities from the authorized participants in the Macedonian Stock exchange, as well as the data base of the Central Securities Depository are used, while for calculation of the market value of the securities, data on the market prices from the Macedonian Stock Exchange are used.

- for the category loans the data are used from the reporting system on external debt (ED) -the credit records statistics is conveyed by the NBRM and is based on a loan-by-loan data base containing various elements. Various data can be obtained from this data base on the stock of external debt, disbursement, repayments, arrears, accrued interest etc.; and the reporting system on external claims (EC) -the credit records statistics is conveyed by the NBRM and is based on a loan-by-loan data base containing various elements. Various data can be obtained from this data base on the stock of external claims, disbursement, repayments, arrears, accrued interest etc.;

Data sources for the net external debt of the Monetary Authority sector

-for the category debt securities (bonds and money market instruments) - data from reports of the NBRM on the official foreign reserves of the Republic of Macedonia;

- for the category currency and deposits - data from reports of the NBRM on the official foreign reserves of the Republic of Macedonia;

- for the category loans the data are used from the reporting system on external debt (ED) and data from reports of the NBRM on the official foreign reserves of the Republic of Macedonia.

- for the category other the data are used from the reporting system on external debt (ED) and include a debt liability for SDR allocations.

Data sources for the net external debt of the Banking sector

- for the category loans the data are used from the reporting system on external debt (ED) and the reporting system on external claims (EC);
- for the category currency and deposits - data from reports of the banks on assets and liabilities - monthly balance sheet of the commercial banks;
- for the category other - the data on arrears are used from the reporting system on external debt (ED) and the reporting system on external claims (EC);

Data sources for the net external debt of the Other sectors

- for the category debt securities (bonds and money market instruments) - for foreign debt securities issued abroad and bought by residents, data on the market value of the purchased debt securities at the cut-off date, is provided by the residents authorized for participation at foreign capital markets;
- for the category loans the data are used from the reporting system on external debt (ED) and the reporting system on external claims (EC);
- for the category currency and deposits - data from the monthly reports of resident accounts held abroad (MR);
- for the category short-term trade credits - data are used from the quarterly reports on the claims and liabilities on the basis of international commercial operations of residents (KIPO Form). For the current year, this category is based on estimation of the stock of debt/claims from commercial operations by adding trade credits flows from the balance of payments to the stock at the end of previous quarter.
- for the category long-term trade credits the data are used from the reporting system on external debt (ED) and the reporting system on external claims (EC);
- for the category other - the data on arrears are used from the reporting system on external debt (ED) and the reporting system on external claims (EC), as well as data from the survey on debt/claims takeovers among residents and nonresidents (POZ);

Data sources for the net external debt Intercompany lending (Direct investment)

- a basic data source for the claims and liabilities based on intercompany lending data are used:
 - for intercompany lending in the form of loans data are used from the reporting system on external debt (ED) and the reporting system on external claims (EC), that contain information on relations between creditors and debtors with regard to ownership;
 - for intercompany lending in the form of trade credits data are used from the quarterly reports on the claims and liabilities on the basis of international commercial operations of residents (KIPO Form). For the current year, for this category, estimations on the stock of claims/liabilities from commercial operations are derived from the balance of payments flows and the stock from the previous reporting period;
 - for other claims and liabilities, data from the annual direct investment survey - inward (DI 22) and outward (DI 11), which all resident legal entities submit to the NBRM on annual basis, are used.

Data for the period 2004-2005 are disseminated annually, while starting with 2006 data are disseminated quarterly, in Euro and US Dollars. Starting as of January 01, 2010, data include accrued interest.

Table no. 33 Reserve assets

The data reflect the stock of reserve assets.

Reserve assets being those external assets that are readily available to and controlled by the monetary authorities, consist of: monetary gold, SDRs, reserve position in the Fund and foreign exchange assets.

The components of reserve assets are defined in accordance with the methodology of the International Monetary Fund (Balance of Payments Manual, fifth edition).

The stock of reserve assets is calculated using the mid exchange rate of NBRM on the day for which the data are disseminated.

Monetary gold

Gold: The category monetary gold encompasses gold handled by the NBRM, consisting of gold in the NBRM's treasury, gold granulates, monetary gold deposited in foreign banks and monetary gold in transport.

Gold deposits: Gold deposits consist of term deposits in gold with foreign banks for a longer period of time.

Foreign exchange

Deposits with foreign banks: This category comprises of foreign exchange on nostro accounts with foreign banks, assets with foreign banks used as coverage for opened letters of credit and guarantees, placements in subordinated deposits in foreign currencies with non-residents, as well as term foreign exchange deposits abroad.

Cash in treasury: Cash in treasury consists of cash foreign tenders of payment within the treasury, foreign exchange cheques received at the counter, cheques sent abroad for settlement, as well as cheques received for settlement by domestic banks.

Securities: This category includes the foreign exchange assets placed in debt coupon and discount securities issued or guaranteed by foreign governments, central banks, multilateral development banks and international financial institutions, as well as foreign exchange assets placed in collateralized and agencies' bonds.

Table no. 34 and 35 Denar exchange rate - average in the period and in the end of the month

The average annual exchange rates are calculated as an arithmetical average of the monthly average rates.

The average quarterly exchange rates are calculated as an arithmetical average of the average monthly exchange rates in the given quarter.

The average monthly rates are calculated as an arithmetical average of the average daily exchange rates.

The exchange rates at the end of the month represents the daily middle exchange rate at the exchange rates list of the NBRM for the last day of the month.