

National Bank of the Republic of Macedonia



**Quarterly Report
July, 2010**



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* The quarterly report contains an analysis of the macroeconomic developments with 23.07.2010 as a cut-off date.



Introduction

The estimations for a better than expected position of the external sector by year end, the foreign exchange market conditions, and the foreign reserves growth, gave room for further reduction of the NBRM's key interest rate (in May and June) down to 5%. More precisely, the possibility for relaxation of the monetary conditions was signaled by several key points. First, the macroeconomic forecast revision, finalized in early May, showed a less sensitive external position by year end, with a lower than expected deficit of the current account. Such estimates were compatible with those for a still weak domestic demand, as well as for the loan market dynamics. Namely, the loan flows, although better than in the previous year, are still too moderate to be able to overflow into a growing external disbalance. Second, the foreign exchange market, after being stable in April, May, and June, experienced a surplus offer of foreign currencies. The NBRM intervened in those two months with a net purchase, in circumstances of a significant narrowing of the gap between the foreign currencies inflows and outflows in the banking system (especially in May, when the foreign currency demand of the corporate sector was smaller than the average demand in the previous period), and in circumstances of a repeated reduction of the banks' foreign assets (in June), as a signal for stable expectations regarding the exchange rate, and in circumstances of a stimulative interest differential. Third, the real economy indicative categories have already indicated weak performances in the first quarter, and consequently a probability for worse than expected results for the whole year. From a monetary aspect, this means a smaller domestic demand and a smaller import, and, consequently, a reduced pressure on the foreign reserves.

The stable expectations from the foreign exchange rate aspect and the negative production gap clearly justify the given monetary stimulus. They also diminish the probability for a repeated change of direction of the monetary policy. But this does not mean that unfavorable risks, stressed continuously so far, do not exist in this phase. The still slow global recovery and the problems with public finances emerging in some European countries may have negative repercussions on the pace of the export recovery, the domestic entities' expectations, and on the capital inflows level. The last factor is highly significant for the financial potential for filling the gap in the current account and for the foreign reserves amount. The capital inflows level in the first quarter was lower than expected, proving the difficult predictability of these developments and the possibilities for weaker results in this area. This certainly continues the setting of running the monetary policy in the zone of high ambiguity.

The real economy activity in the first quarter noted a decline both on annual and quarterly basis, thus materializing the potential downward risks of the central growth projection made back in April. With that, the negative production gap continued to deepen and reduced the pressure on the foreign currency demand. Contrary to the estimations for a moderately positive GDP annual shift in the first quarter, the initial data show a real GDP drop of 0.9%. The structural analysis shows a negative contribution of the domestic demand, with a drop of all its components, and a dominant significance of the lower investment activity, while the contribution of the net export is still positive. These data clearly show that the expected recovery of the real segment will start later than initially expected. These trends correspond with the currently weak impulses coming from the global economy, as well as with the deterioration of the labor market conditions. Namely, the foreign effective demand is recovering slowly, and the latest revisions of projections till year end are again showing a downward trend. The labor market conditions in the first quarter continued to adjust with a more intensive dynamics. The worse corporate sector performances, as well as the still weak perspectives for stimulating its activity on a short term by a stronger domestic and export demand, have imposed a need for adjusting the operational costs (amount of salaries and number of employees). The latest data for April showed a moderate reduction of the net salaries compared to the end of last year. Also, a more intensive and more dispersed reduction of the number of employees was noted, with quarterly and annual drop of about 1% and 0.4%, respectively. It is uncertain with what dynamics will the worsening of the labor market conditions continue. In addition, the perspectives of this market segment are very likely unfavorable on a short term, and will be the main limiting factor for a faster revitalization of the private consumption. This certainly results in a lack of demand, and consequently a smaller probability for



increase of the usage rate of capacities and of new investments. Although it seems the downward risks concerning the growth are prevailing, there is still a possibility for some positive impulses, mainly from the better conjuncture of the international metal market. The improved conditions for exchange in this field, and the increased export demand, may potentially have positive overflow effects on the economy.

The annual shifts of the total and basic inflation in the second quarter moved upwards, reflecting the effects of the offer related factors. Thus, the total inflation in the second quarter grew by 1.1% annually, while in the previous quarter it grew by 0.5%. The inflation remained in the positive zone mainly due to the growth of the administrated prices in the beginning of the year and to the growing dynamics of the world energy prices. On the other hand, the acceleration of the annual growth dynamics in the second quarter compared to the first quarter was expected, and can be explained with the decelerated drop of food prices, in circumstances of a gradual exhaustion of the high comparable basis. At the same time, considering that basic inflation in this quarter also left the zone of negative annual shifts, secondary effects are possible of the energy prices growth on the other prices. Further acceleration of the inflation growth is expected by the year end, moved by the basic effect of the food component and the possible indirect effects of the energy prices growth. Nevertheless, considering the negative production gap, no strong inflation pressures are expected, i.e. the average annual inflation is expected to be moderate.

The pace of renewal of the domestic sources of financing of the banks in the first five months of 2010 continuously grew in intensity, whereas the monetary growth rate is expected to exceed the projection for the second quarter end. On the other hand, the activity of the loan market, although within the expected range, still recovers with a slower pace, but the coverage of loans with deposits is still at a high level. In the first quarter of 2010 the deposit base continued to expand, and to accelerate in April and May, so that the total deposits grew by almost 16% on annual basis. As for the sector structure, what is characteristic is the significant growth of the deposits of population in the first quarter, while in the first months of the second quarter the funds of private companies had a dominant part in the creation of the new deposits. Continuous, although moderate, changes are noted in the currency structure, with an increased participation of the Denar deposit potential for the account of the smaller significance of the foreign currency potential. More stable expectations regarding the foreign exchange rate and the still stimulative interest differential are the factors that can explain those changes. Nevertheless, the intensity of the Euro-isation reduction is significantly smaller compared to its growth in the acute crisis phase, pointing to the time needed to return to the initial positions. The smaller risks setting and the better position of sources of financing resulted in an increased **loan offer**. Simultaneously, the relaxing of loan terms resulted in a moderate growth of the **demand for debt financing of the real sector through the domestic banking system**. This kind of offer and demand impact resulted in an accelerated loan growth by 4.4% on an annual basis in May. Although corporate crediting is still a dominant instigator of growth, in the second quarter there were signs of an increased part of the banking financing of the population, which may be a moderate support of the private demand. Despite these trends, it can be said that in banks' portfolio the participation of the non-risk placements continues to prevail, showing the banks' substantial aversion to risks. Thus, the risk premium continues to be an important limitation for a more dynamic credit activity, i.e. for a more intensive financial support to the real economy.

The external position of the economy, monitored through the balance of payments, was characterized in the first quarter of 2010 by a significant downward correction of the current account deficit, moved by the reduced trade disbalance and the growth of the net inflows from private transfers (the current deficit is about 1% of the GDP, or by 4 p.p. less than in the same period last year). These positive shifts were expected considering that last year's recession reflected faster to the export, and later to the import of goods. The conclusion is the same considering the private transfers, which in the first months of the last year were at a considerably low level. Nevertheless, the capital inflows in this period of time were lower on an annual basis, and also were insufficient to cover the current deficit, by which the balance of payments brought to a minimum reduction of the foreign reserves. In the second quarter, despite the signs of a gradual deterioration of the trade balance, the foreign exchange market is characterized by

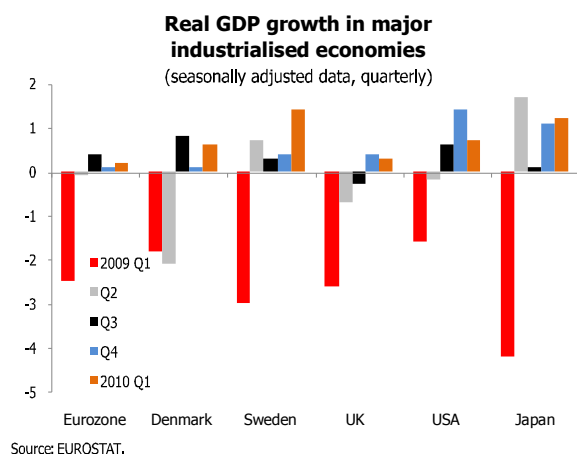


a surplus of foreign currency offer. The strong dynamics of private transfers' growth, and the possibly better flows through the capital financial account, were the possible reasons for such tendencies. These developments made it possible for the foreign reserves to reach 1.7 billion Euro by second quarter end, and for a coverage of import of over four months. It should be taken into consideration, however, that trends show volatile and hardly predictable sources of financing of current account deficit, greatly influenced by the global economic sentiment. That emphasizes the relatively high external sensitivity and dependence on factors that are not always determined by the domestic economic fundamentals. In that way, the continuity of trends on the foreign exchange market and the foreign reserves dynamics are followed by risks, especially in an environment of a slow exiting of economies from the last recession. This definitely imposes a need for careful monitoring of the macroeconomic parameters, their effects on the monetary targets, and the implications for the monetary policy.

I. Macroeconomic developments

1.1. International economic environment¹

The global economy indicators show that, in the first quarter of 2010, the economic activity recovery continued with a greater intensity than anticipated. Despite the more optimistic results, however, the turbulences on the financial markets in Europe in May 2010 emphasized the downhill risks of the world economy recovery. Namely, the increased risk of countries with a high public debt diminished the investors' trust and exposed the still high market sensitivity. Hence, the fiscal consolidation, supported by the monetary policy and the financial sector reforms, are crucial for reinforcing the trust and achieving a stable growth in the forthcoming period. Also, despite the rise of energy prices, the global inflation in the first quarter of the year was estimated as relatively stable, and without any significant inflation pressures.



The most recent data² on the world economy point to better than expected results, which again instigated an upward revision of the world economy growth. According to the European Central Bank (ECB) and the International Monetary Fund (IMF), the projections for the growth in 2010 are that it will reach 4.7% and 4.5% respectively, which is by 0.5 percentage points higher than previously projected. The economic activity recovery is still mainly supported by the stimulative measures of the monetary and fiscal policies and the reserves cycle, as well as by the world trade expansion, which began in end 2009. Indicators of the global employment in the developed economies are especially encouraging, as they have been growing in the last several months³, after the period of a large scale employee reduction. Nevertheless, despite these results, the IMF's latest estimations point to a possible increase of the downhill risks for the economic growth in the second half of 2010, determined by the financial markets' turbulence, due to the fiscal problems of the Eurozone countries. Namely, in April and May 2010, the

¹ The analysis is based on the World Economic Outlook January and April 2010, the ECB Monthly Report for March, the Quarterly Report of the European Commission on the Euro Area, and the EU Candidate and Pre-Accession Countries Economies Quarterly.

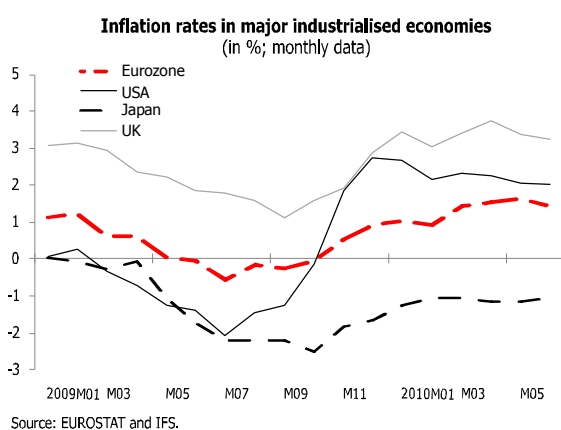
² According to the World Economic Outlook, updated on July 8, 2010, and the ECB Monthly Report of June, based on data including May 2010.

³ According to the analyses of the IMF's World Economic Outlook of July 2010, the indicator of the employment growth in developed economies includes the following countries: Australia, Canada, Czech Republic, Denmark, the Eurozone, Hong Kong, Israel, Japan, South Korea, New Zealand, Norway, Singapore, Sweden, Switzerland, Taiwan, the UK and the USA.



sovereign risk of the Eurozone countries⁴ decreased the ratings of the countries' debts, increased the margin of the credit default spread, and increased the revenues on the bonds' markets. That brought to a reduction of the stock prices and an increased volatility of the financial markets. Thus, the credibility of the governments for further fiscal consolidation and for implementation of credible midterm policies, reinforced by the monetary policy, aiming to ensure the needed liquidity of the financial markets (Annex 1) and the structural reforms, are crucial premises for the next period projections.

Analyzed from the aspect of specific groups of countries, the greatest instigators of the world economic growth in the first quarter were the developing countries, i.e. the fast-developing economies in East and Southeast Asia (China, South Korea, and the ASEAN-5 Group), as well as the South American countries, where Brazil, Argentina and Mexico have registered the most intensive economic growth. Developed economies also made their contribution to the increased economic growth. Their economic recovery began last year and in the first quarter of 2010, but with a different pace amongst the countries in the group. In the first quarter of 2010, the economy was growing more intensively than previously expected in the USA, some Scandinavian countries (Sweden and Denmark), and Japan. Contrary to that, the economic recovery in most of the Eurozone countries and in the UK is relatively less intensive.



The world inflation is still expected to be kept at a low and stable level, despite the higher prices of primary products and oil in the first quarter of 2010. The stable inflation projections and the still low level of production capacities use, especially in the developed economies, are the main determinants on which expectations by end 2010 are based. Thus, in the developed economies it would range from 1.25%-1.5%, with deflatory risks, mostly due to the economic activity that is still under the full potential. On the other hand, in the developing and fast-developing economies, the high domestic demand is the main factor for higher inflation expectations, which is projected to reach 6.25% in 2010.

The economic activity recovery in the Eurozone continued in the first quarter of 2010, which was third in a row quarterly

⁴ Greece, Portugal, and, to a smaller extent, Spain, Ireland, Italy and the rest of the countries.



GDP growth.⁵ On annual basis, for the first time after five quarters, the Eurozone registered a quarterly growth of 0.9%. The quarterly GDP growth rate in the first quarter of 2010 was 0.2%, and mainly reflected the increment of reserves and of export, led by the higher world export demand, which was partially influenced by the Euro depreciation, as well. The investment contraction, caused by the harsh weather conditions, as well as the still unchanged personal consumption, resulted in a negative contribution of the domestic demand, despite the public consumption growth in the first quarter of the year. According to the June projections of the ECB, an upward revision was made of the annual GDP growth rate for 2010, which mainly reflects the effect of the higher global economic activity on a short term, i.e. by end 2010. The estimations are that the economic activity in the Eurozone will develop in the interval between 0.7% and 1.3% in 2010, and will greatly depend on the support of the monetary policy and the measures taken for the financial system functioning. Despite the existing downward risks, mainly because of the turbulences on the financial markets, the effects on the investors' trust, the higher prices of primary products and oil, as well as the protectionist measures, the ECB still estimates the economic activity risks in the Eurozone as balanced, whereas the faster recovery of the world economy and the trade volume are anticipated as potentially positive factors for the forthcoming period.

Annex 1

Fiscal and monetary measures of the EU member countries for financial stabilization

In early May 2010, the EU member countries established a European Stabilization Mechanism, due to the problems with the repayment of the Greek public debt, which culminated in 2010, but also due to the risk for similar problems to arise in other member countries of the Eurozone (Spain, Portugal, and Italy). In addition, to surpass the problems with the public debt financing and financial market stabilization, the EU member countries obligated themselves to accelerate the fiscal consolidation processes, as well as to reduce the budget deficit levels and the public debt in the next several years. In accordance with that, the governments of several EU member countries, during the second quarter of 2010, adopted national programs for significant public expenditure reduction and for increasing certain types of public revenues, with an aim to reduce the budget deficits and to stabilize the public debt on a mid term.

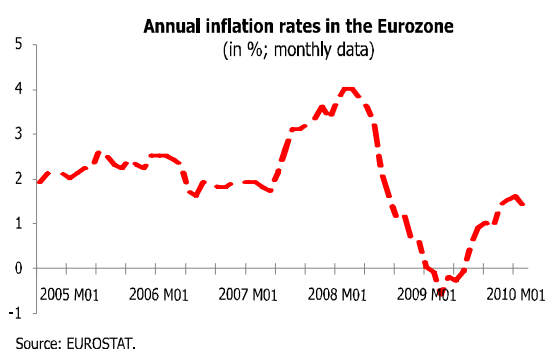
⁵ Within the Eurozone, however, the economic growth is developing with a different pace amongst the member countries, a result of the different carry-over effects of the economic crisis on the real and financial sector. Germany and France have registered a more intensive recovery; their economies have continuously registered positive quarterly growth rates (seasonally adjusted) since the second quarter of 2009. Unlike the above, the economies of Greece, Slovenia and Finland have officially still not exited the recession period, and have registered a negative rate of the quarterly GDP growth in the first quarter of 2010.



The European Stabilization Mechanism is an agreement of the EU member countries, i.e. of the Eurozone countries, to surpass the financial problems of indebtedness and public debt repayment which a member country may face. It consists of two parts: a direct 60 billion Euros credit fund of all EU member countries, and a financial agreement of the governments of the Eurozone member countries at the amount of 440 billion Euros, named European Financial Stability Facility, EFSF. The direct credit fund shall be at the disposal of all EU member countries which need a financial assistance either for a public debt repayment or for additional debt. This credit fund will function so that, in case a member country faces some difficulties, the EU will issue bonds guaranteed by the EU Budget. On the other hand, the EFSF is a fund accessible only for the Eurozone member countries, and its funds will be used as per the so-called Special Purpose Vehicle (SPV). Namely, in case a member country faces a problem, the SPV will issue bonds guaranteed by the Eurozone member countries, proportionally to their participation in the ECB's capital. The fund's assets are a guarantee of the indebtedness, but will be spent only in case the respective country does not repay the debt. Also, the use of these assets as an indebtedness guarantee of a member country will be determined by the adjustment of policies for assuring sustainability of the public finances. In addition, the IMF also participates in these financial arrangements, with additional Euro 250 billion. The IMF's intervention shall be based on a case-by-case basis and will be in the form of the usual IMF's assistance to the member countries.

The ECB also has undertaken adequate monetary measures. On May 10, the ECB adopted the Securities Markets Programme, aiming to boost the financial markets' liquidity and to ensure their additional stabilization without disturbing the price stability. The main measures undertaken by the ECB include a direct intervention by the ECB on the secondary financial markets for trading with Euro bonds where there are liquidity issues, by purchasing government bonds (Euro bonds) issued by the Eurozone member countries. The introduction of auctions of quarterly and semi-annual refinancing instruments is an additional measure. Also, the ECB, together with the FED, have introduced swap transactions with a maturity term of 7 to 84 days, intended for sustaining the liquidity of the US Dollar on the European foreign exchange market.

Source: Monthly report of the ECB for May and June 2010.



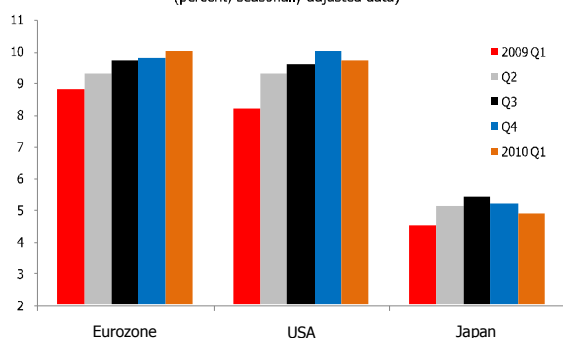
The inflation in the Eurozone in the first half of 2010 remained in the zone of moderate positive changes. The average annual inflation rate in the first six months of 2010 was 1.3% and, in an environment of a stable inflation forecast, the price level escalation was a result of the bigger prices of crude oil and food products (processed and fresh) compared to the prices in the previous year (pool effect). The fresh food price increase, due to the unfavorable weather conditions early in the year, also contributed to the consumer prices rise. The higher prices of primary products expressed in Euro contributed for an upward revision of the low inflation margin, which will range from 1.4%-1.6% on the average for 2010, which is within the limits of the 2% midterm inflation goal of the ECB.

The American economy remained on the positive economic growth path also in the first quarter of 2010. In the first quarter, the annual GDP growth rate reached 2.5%, while on quarterly basis it was 0.7%. Thus, the GDP growth, in an environment of a slow adjustment of the personal consumption, was mainly led by the



investment activity and increase of supplies. The reduced public consumption, as well as the negative net-export, negatively contributed to the economic activity growth. The expectations of the economic entities, summed up in the June projections of the Consensus Forecast, were that this trend would continue by year end, and that an annual GDP growth would be about 3.1%. In regard to the price movements, the average annual inflation including April 2010 was 2.2%, as a result of the higher energy prices. Despite the fact that the American economy registered a more intensive price growth than the Eurozone, a small downward revision of the economic growth for 2010 and 2011⁶, may potentially lead to downward pressures of the inflation in the forthcoming period.

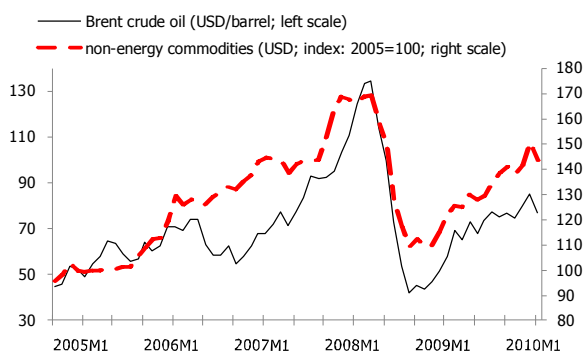
Unemployment rate in major industrialised economies
(percent; seasonally adjusted data)



Source: Monthly report, ECB, June.

Positive developments were registered on the labor market in the USA economy. Namely, in the first quarter of 2010, the unemployment rate decreased by 0.3 percentage points compared to the previous quarter⁷, so that the average unemployment rate was 9.7%. In the Eurozone, the downward adjustment of the labor market continued. Thus, the seasonally adjusted average unemployment rate in the first quarter of 2010 increased by 0.2 percentage points compared to the fourth quarter of 2009 and reached 10%.

Developments of crude oil and non-energy commodities
(monthly data)



Source: IMF monthly database.

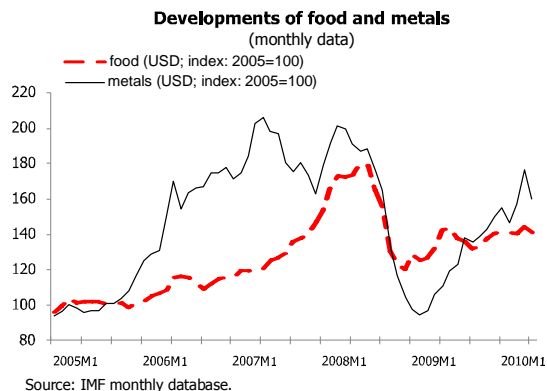
In the first half of 2010, the monetary policies in the Eurozone and the USA, monitored through the changes in the key interest rates, remained unchanged and supportive for the economic growth. In an environment of a slow economic recovery and stable inflation projections, the ECB and the FED kept the same key interest rates in the first half of 2010, i.e. at 1% and 0.25% respectively. Despite the unchanged reference interest rate, the turbulences on the financial markets (because of the high fiscal deficits and the public debt of some of the member countries) were the reason for the ECB, on May 10, to once again adopt a series of non-conventional measures for the purpose of increasing the offer of liquid assets (Annex 1), and to additionally stabilize the financial markets.

The growing trend of the prices of crude oil and primary (non-energy) products⁸, which started in the second half

⁶ According to the data of Consensus Forecast, April and July 2010.

⁷ According to Consensus Forecast, June 2010, this was probably a temporary development.

⁸ The price index of the primary products includes the prices of: food, beverages, agricultural raw materials and metals.

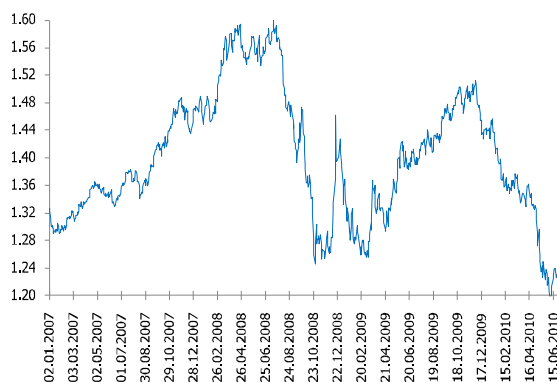


of 2009, continued during the first five months of 2010. The price of **Brent crude oil** continuously increased in the first four months of the year, reaching a maximum of 85 US Dollars per barrel in April 2010, and then gradually decreased down to 76.3 US Dollars per barrel. That resulted in a slowdown of the cumulative and annual oil price growth, which in May 2010 was 60.5% and 31.6% respectively, compared to 69.5% and 67.1% respectively in April 2010. The rise of the average crude oil price was mostly due to the higher demand, resulting from the more intensive recovery of the economic activity of the fast-growing economies in East Asia. In addition, the most recent estimations of the International Energy Agency are that oil demand is expected to grow also in the forthcoming period. **The average price index of the primary non-energy products** in the first five months of the year registered a 26.2% growth compared to the same period last year, while it increased by 18% on annual basis. The greatest impact to the index was made by the metal prices, while food prices registered a more moderate growth. Namely, the metal prices grew by 57.7% on the average in the first five months of 2010 compared to the same period in 2009, while on annual basis they increased by 44.5% in May 2010. Their intensive annual growth was due to the increased demand for metals resulting from the world economy recovery, as well as to the spending of reserves. On the other hand, in circumstances of highly uncertain future developments, and due to China's decelerated demand for metals in the second quarter of the year, the metal prices registered a monthly decrease in May and June 2010. Unlike the metal prices, food prices increased in the first five months of 2010 by 8.2% on the average, compared to the same period the previous year, while in May they fell by 0.9% on annual basis. The negative developments in May were largely led by the drop of prices of corn, rice, soya and wheat.

In the second quarter of 2010, the nominal foreign exchange rate of the Euro to the US Dollar continued to depress, and on June 8 it reached the lowest level in the last four years. Thus, the average exchange rate of the Euro to the US Dollar in the second quarter of 2010 was 1.27 USD for 1 Euro, which was an 8.1% depreciation compared to the previous quarter. Such shifts of the nominal exchange rate of the Euro to the US Dollar can be explained with the problems regarding the fiscal position of some of the Eurozone member countries (especially Greece), i.e. the problems and uncertainty with the

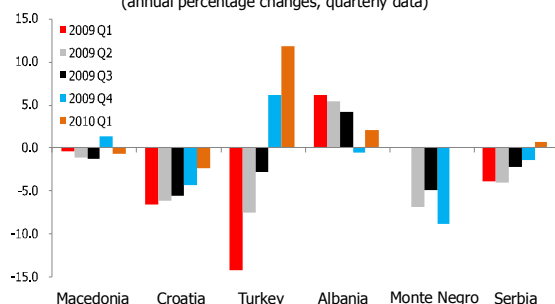


Exchange rate developments
(daily data)



Source: Monthly report, ECB, June.

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



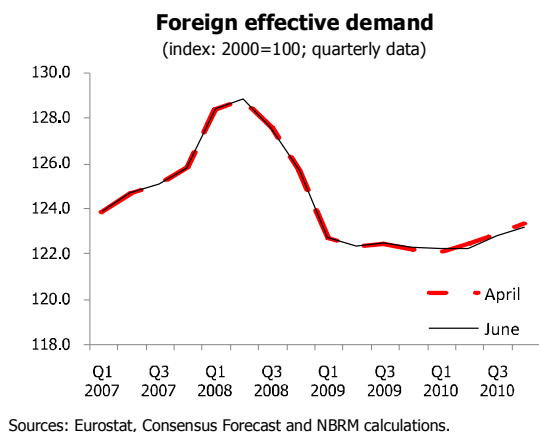
Sources: National statistical offices.

public debt financing. Also, the depreciation of the European currency to the US Dollar is also a result of the slower recovery of the economy in the Eurozone compared to the US economy.

The economic activity of the EU candidate and aspirant countries from the Western Balkans, as well as that of Turkey, are still recovering slowly, with a different dynamics in each of the countries. In addition to Turkey, that has registered high GDP growth rates and has significantly replenished the production fall from 2009, in the first quarter of 2010, Serbia and Albania also registered a positive annual growth. According to the high-frequency data, the economic activity of Bosnia and Herzegovina is expected to register moderate but positive developments. Turkey's economy significantly differs from the analyzed group of countries. Namely, the recovery in the fourth quarter of 2009, when the economy grew by 6% on annual basis, continued in the beginning of 2010, when the economic growth intensity increased further and reached 11.7% annually, and the projections are that this trend will continue. The personal and investment consumption were the main instigators of the economic growth, while the contribution of the net export was negative as a result of the increased import and of the soaring deficit on the current account. Serbia economy has also taken a positive direction. Despite the still weak domestic demand, the economy of Serbia, led by the export demand, registered a 0.6% quarterly growth. The most recent data about the economies of Albania, Bosnia & Herzegovina and Montenegro are divergent. In Albania, after the economic activity fall in the last quarter of 2009 (which had no impact on the registered growth in 2009), an annual growth rate of 2% was registered in the first quarter of 2010. The economies of Bosnia & Herzegovina and Montenegro are still slowly adjusting, i.e. the industrial production growth, more noticeable in Bosnia & Herzegovina, points to a possible start of a recovering period. On the other hand, the economic activity in Croatia has still no indications of an economic recovery. In the first quarter of 2010, the GDP dropped by 2.5% on annual basis, which was fifth in a row quarterly reduction of the real GDP growth. To revive the anemic domestic demand, the Croatian Government adopted a Program for Economic Recovery in end April, which includes a series of fiscal and structural reforms measures.

The price level in Western Balkan countries in the first five months of 2010

was estimated as stable and without any strong inflatory pressures. A tendency for inflation growth was registered in April and May, as a result of the price increment of primary products and crude oil. Greater inflatory pressures were registered in Turkey, resulting from the increment of primary products prices and of some of the administered prices. The continuous reduction of the trade balances continued in the first quarter of the year. Contrary to 2009, when the reduction resulted from the lower import demand, the first quarter of the year was characterized with a lower trade deficit resulting from the increased export, which was previously the case with all other countries, except Turkey. The labor markets continued to register a downward adjustment in all countries, except in Bosnia & Herzegovina, where the unemployment rate was stabilized in the period from January to April.



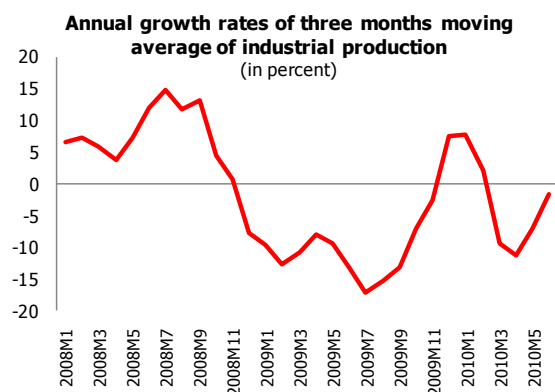
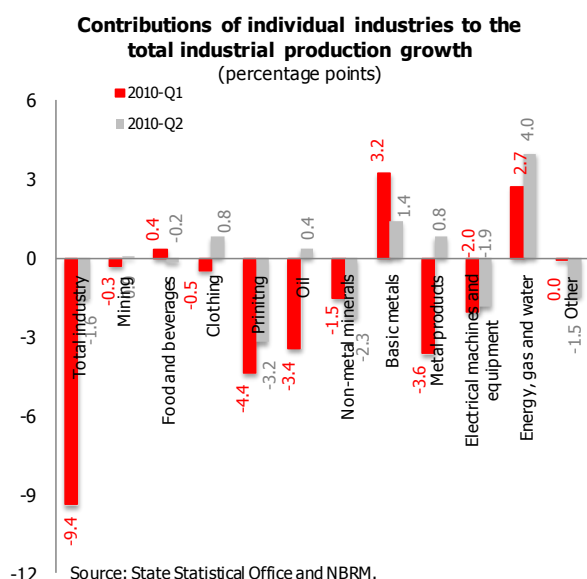
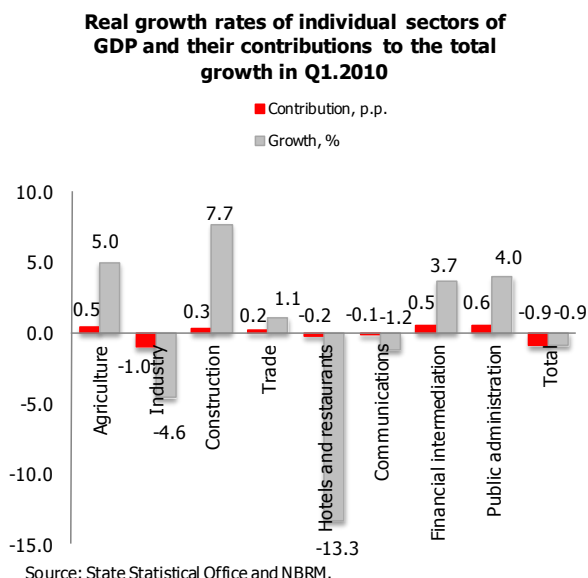
The foreign effective demand index⁹ for the Macedonian economy in the first quarter of 2010 was in accordance with the previously projected one. The most recent data and revisions of the preceding period considering the economic growth of our most important trade partners do not significantly differ from those in April projections, except that the growth is now expected to begin in the third, rather than in the second quarter of the year. As for the projections till end 2010, the data show a minimum downward revision for the second half of 2010, of 0.1 percentage points, and relatively unchanged effects on the most recent projections.

1.2. Domestic supply

The initial estimations of the State Statistical Office (SSO) are that the total economic activity in the first quarter of 2010 registered a 0.9% real annual fall. Although the foreign effective demand registered a gradual recovery, which resulted in the Macedonian export increment, the depressed domestic demand, in an environment of negative developments on the labor market, resulted in a negative dynamics of the GDP. The industrial production fall had the biggest impact on the GDP. In the first two months of the second quarter, the fall in the

⁹ Foreign effective demand is a sum of weighted indices of GDP of the most important trading partners of the Republic of Macedonia. Weights have been calculated on the basis of share of these countries in the Macedonian exports. GDP data for the countries - trading partners of Macedonia are retrieved from the Eurostat database (New Cronos database), whereas the projected data are taken from the Consensus Forecast, April and June 2010. The calculation of this index includes Germany, Greece, Italy, the Netherlands, Belgium, Spain, Serbia, Croatia and Bulgaria.

industry was reduced due to the improved export demand. This indicates that the domestic industrial production dynamics is greatly conditioned by the intensity of the global economy recovery, as well as by the further development of the metal prices, as the main export product.



Despite the registered annual growth of the domestic economy in the last quarter of 2009, in the first quarter of 2010 the economic activity reentered the negative zone and registered a 0.9% fall¹⁰. Compared to the previous quarter, the seasonally adjusted data show a 2.1% fall of the GDP. In an environment of a gradual recovery of the foreign effective demand for domestic export products, especially for iron and steel products, the annual GDP fall is due to the depressed domestic absorption, in circumstances of a more intensive labor market deterioration and unemployment escalation.

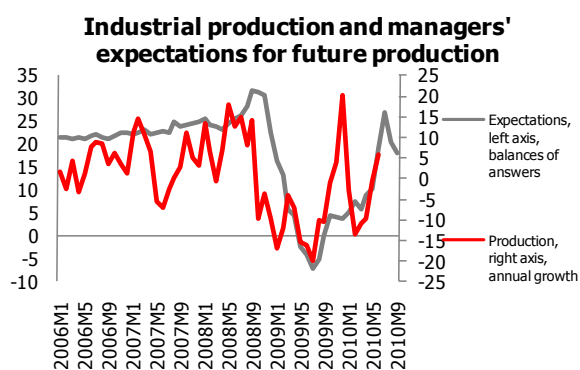
The industry, with a 4.6% annual fall, had the greatest impact on the economic activity decline. In addition, the catering services and transport and communications sectors also had a negative impact by keeping the last year's negative dynamics (annual fall of 13.3% and 1.2% respectively). Contrary to this, the other sectors continued to register positive growth rates. The annual growth in agriculture (5.0%), construction (7.7%) and public administration (4.0%) registered an acceleration, while trading and financial intermediation, real estate activities and other business and servicing activities registered a slower growth (1.1% and 3.7% respectively). **The comparative analysis including the countries in the region** shows that Macedonia is not the only one with a negative growth rate. Economy fall, albeit with a slower dynamics, was also registered in Croatia (2.5%), Romania (2.6%), and Bulgaria (3.6%). On the other hand, Serbia – for the first time after the crisis 2009 year – registered an economic activity growth of 0.6%; Albania reported a 2% growth, while Turkey reported the best results by accelerating the economic growth from 6% to 11.7% annually¹¹.

In the first quarter of 2010, contrary to the growth registered in the preceding quarter, the added value in the industry fell by 4.6%¹² annually, which again proves the theory about the high variability of our industrial

¹⁰ The GDP data for 2009 and for the first quarter of 2010 are estimated data of the SSO.

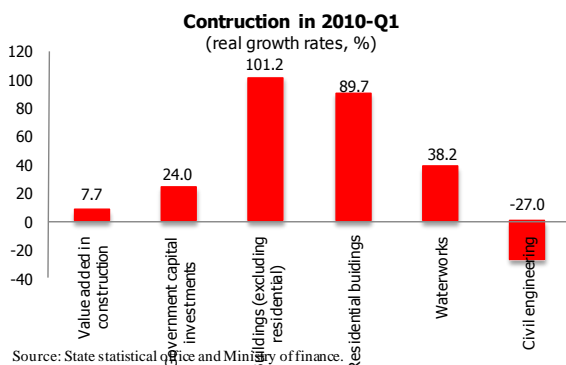
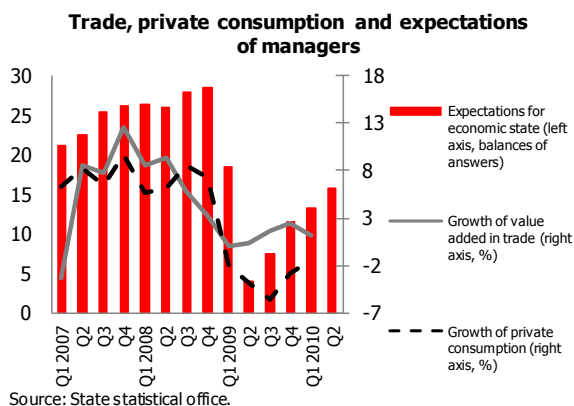
¹¹ Sources: Eurostat, Statistical Offices of the respective countries.

¹² At the same time, the annual fall of the physical volume of the industrial production in the first quarter was 9.4%.



production. The comparison with the countries in the region is similar to the comparison of the GDP¹³. The analysis per sector indicates a production fall in 16 out of 24 industrial sectors, which represent about a half of the total industrial production (51.2%). The reduced industrial activity is mostly due to the annual fall in the publishing sector, because of the high comparison basis from 2009. The metal products production (in an environment of reduced export demand) and the oil derivatives production (due to production capacities overhaul) also registered a significant fall. The basic metal production, on the other hand, continues to register positive output with accelerated growth. The increased quantity of iron and steel export, in an environment of an upward trend of prices of metals, especially nickel, were the factors that determined the 48.1% annual growth in this sector. The electric energy production registered a similar dynamics, in circumstances of an improved hydro-situation in the country, which enabled further reduction of the electric power import. **In the first two months of the second quarter of 2010, the index of the physical volume of the industrial production decelerated the annual fall from 9.4% to 5%, with the output in April and May exceeding the production in the first quarter by 15.8%.** The basic metal production, which continued to grow, was an important factor for the more positive developments in the industry. In addition, the increased activity in this sector determined the domestic production growth of the electric energy, which reported an intensified annual positive contribution (3.6 pp). The textile industry (clothing and textile) also registered a positive contribution on annual basis of 1.5 pp, with a 20.7% annual growth of the production quantity. The clothing and textile production in April and May also exceeded the quantities of the first quarter of 2010 for substantial 22.1%. These developments correspond with the gradual recovery of the foreign demand and with the slower annual fall of the exported quantities of clothing and textile products registered in April-May 2010. The publishing sector had the biggest negative impact (4.4 pp negative contribution) also in the second quarter, followed by production of non-metal mineral and tobacco products (with an individual contribution of 2.7 pp and 1.8 pp, respectively), which also reported an export

¹³ Turkey continued to report a high annual industrial production growth (17.2%), Romania also reported acceleration of growth (4.3%), and Serbia entered the positive zone of growth (2.7%). Negative rates with a downward trend are still reported by Montenegro, Bulgaria and Croatia (-14.4%, 3.1%, and 0.5% respectively). Sources: Eurostat, Statistical Offices of the respective countries.



decline. The improvement in industry is in accordance with the estimations of the industrial production managers, who have, since March onwards, expected a significant improvement in the second quarter, and especially in the following quarter¹⁴.

The added value in trading in the first quarter of 2010 increased by 1.1% annually, which was a slowdown of the growth, in an environment of indications for a considerable slowdown of the growth of the available income, as well as real fall of the personal consumption, employment, crediting of population and of domestic production of consumer goods. The positive trends in trading continued, considering the latest developments in retail sale and wholesale in April 2010 (real annual growth of 3.6% and 5.5%, respectively). The positive dynamics was supported by the annual growth of the credit activity in April-May 2010, and by the increased net revenues from private transfers in April. The estimations of trading entities' managers made in the first quarter about the business situation in the next six months were in the same direction, and were more favorable and more optimistic than those made in the preceding quarter¹⁵. The managers expected a considerable improvement in all segments of sale (orders, prices, workforce number). At the same time, the results of the Survey on Consumers' Opinion pointed to an improved indicator of trust¹⁶, which, although a negative one, has taken an upward trend as of March 2010.

The construction activity in the first quarter of 2010 registered a 7.7% real annual growth. These developments are in concordance with the increased value of the completed construction works (7.1% real annual growth) and with the increased workforce number (by 2.5% annually). At the same time, the estimations of managers were that the current business situation of construction companies would improve, by gradually considering the insufficient demand as a less limiting factor¹⁷. High annual growth was registered in the high-rise construction (excluding residential buildings) and in the residential buildings construction (because of the

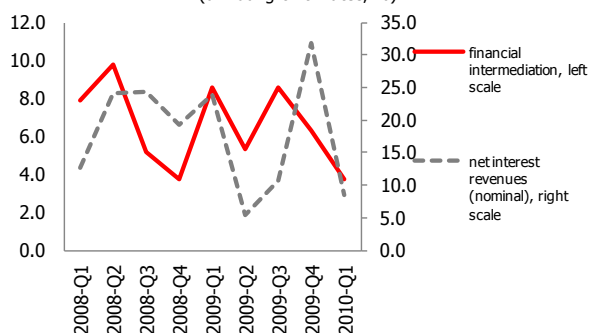
¹⁴ From the Survey on the Business Tendencies in Manufacturing Industry of the State Statistical Office from May 2010.

¹⁵ From the Survey on the Business Tendencies in Retail Sale of the State Statistical Office for the first quarter of 2010.

¹⁶ From the Survey on Consumers' Opinion of the SSO of June 2010, published for the first time in May 2010.

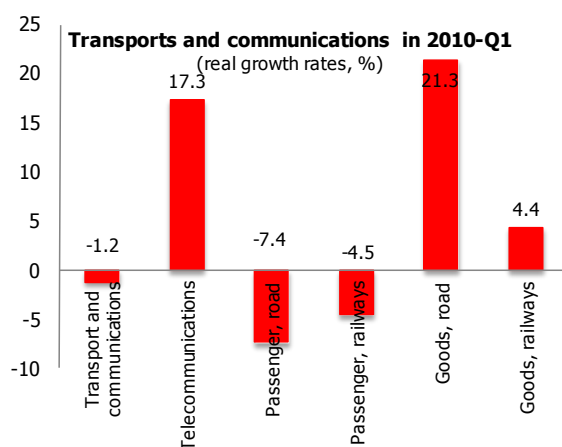
¹⁷ From the Survey on the Business Tendencies in Construction of the State Statistical Office for the first quarter of 2010.

Value added in financial intermediation and other business activities and total credits
(annual growth rates, %)



Source: State Statistical Office and NBRM.

low comparison basis caused by the crisis in early 2009). Government capital investments represented a considerable incentive for the construction activity, with a 24% real annual growth. The managers' projections for the second quarter of 2010 were more favorable considering the orders and new jobs, and they were confirmed with the available data about the value of the completed construction works in April 2010 (real annual growth of 28.3%). Nevertheless, the data on the government capital expenses, production of products from non-metal minerals and of metal products in the metal processing phase in April-May 2010 registered a real annual fall (20.8%, 26.7% and 5.2%, respectively), which points to a risk from a smaller than expected output.



The activity in **“financial intermediation, real estate activities and other business and service activities”** continued to register a **slower pace of growth**, and in the first three months of 2010 registered a 3.7% annual growth. From the aspect of financial intermediation indicators (which makes one third of the total activity¹⁸), in the first quarter of 2010 a slower credit activity was registered and, consequently, a smaller nominal annual growth in net revenues of banks from interests (8.4%, compared to 31.8% in the previous quarter). Nevertheless, with the gradual strengthening of the credit support by banks in the second quarter (especially to the corporate sector), the data on net interest revenues for May 2010 showed a continuing growth pace.

The added value in the activity **“transport, storing and communications”** in the first quarter of 2010 registered a 1.2% annual fall. In the first quarter of 2010, a decline was registered in passenger transport and in fixed-line telephony. The most recent available data for April 2010 show an increment in almost all types of transport, especially in rail cargo transport and in mobile telephony. In addition, the gradual recovery of the industrial production and the increased export of goods in April-May 2010 point to expectations for growth in this sector in the second quarter of 2010.

¹⁸ This information refers to the participation calculated according to the SSO data about the GDP for 2008.

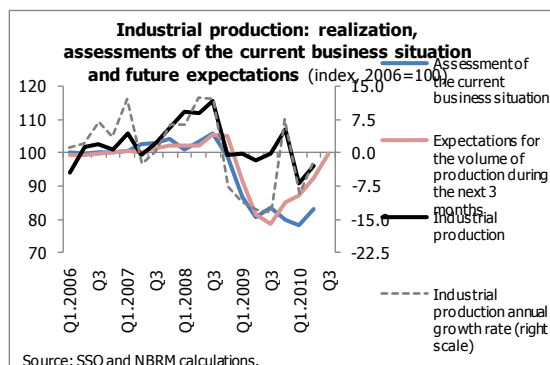
Annex 2

Estimations and projections of the business sector for the economic cycle analyzed using Surveys on Business tendencies

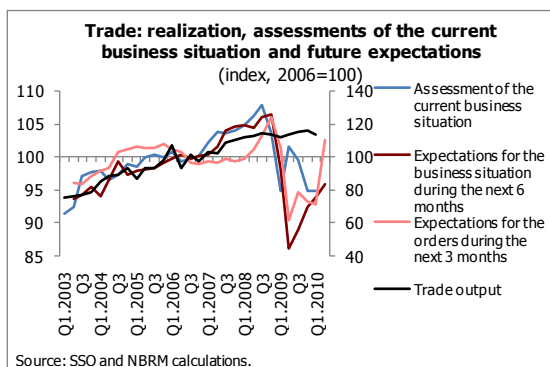
The economic activity indicators derived from various surveys on the business tendencies offer a rich set of information directly from the corporate sector. The information from the business sector are important both from the aspect of the views about the current economic situation, and from the aspect of expectations about the future developments in the economy. By comparing the survey results and the developments in respective sectors, we will attempt to conclude to what extent the corporate sector perceptions match the registered results, how indicative they are to the future developments in the economy, and what the corporate sector expectations are for the forthcoming period. Considering that all real sector activities were more or less impacted by the global financial and economic crisis, special attention is paid to that period.

In this annex we analyze the developments in the industry, construction and trading, by comparing the results with the estimations of the current situation in the companies and expectations for future developments collected with the surveys¹⁹. The aforementioned activities participate in the GDP creation with about 40%.

The analysis of *industrial production* indicates that survey results mainly are in the same direction as the outputs, but the estimations and expectations are more pessimistic. Namely, in the period of expansion (2007-2008), the industrial production level was considerably higher than previously estimated by managers in the surveys, and in the recession period the estimations and expectations were again more negative than the realized outputs. In addition, if the period when the industry was affected by the crisis is analyzed, the industrial production results show that this activity was affected in the last quarter of 2008. The expectations for that quarter, however, were still stable, and the downward correction of the expectations began one quarter later. Although the managers' expectations from end 2009 were optimistic, the output in the same period still did not show certain indications of improvement. Consequently, we may conclude that although it is hard to predict the turnaround points by analyzing the managers' expectations, yet they are greatly important for perceiving the future trends in this activity. The managers are expecting a significant recovery of the industry in the third quarter of 2010.

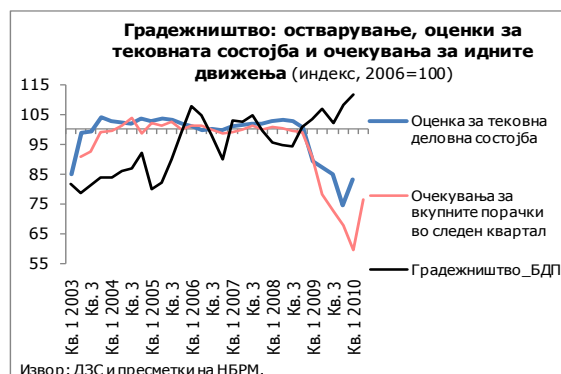


In *trading*, the expectations are generally in line with the results for the added value in trading. As for the period of crisis, the managers anticipated it in time, but they expected a larger negative effect than the actual one. Also, they expected that the mild recovery which began in the second half of 2009 to be of a greater intensity. This shows that managers estimate the situation fairly well, and they properly anticipate the results with their expectations, which justifies the use of this survey. The expectations presented in the first quarter of 2010 about the business situation in the next six months show a further recovery, and the expectations for orders for the following quarter show a substantial growth.



¹⁹ All data from Surveys on Business Tendencies (estimations and expectations) and the results were taken from the SSO, with an additional calculation made on our side. Namely, seasonally adjusted data are used for the outputs, and all series are on quarterly basis, reduced to indices with a basis period (2006=100)

The added value in *construction* in the period from 2003-2010 mainly have had an upward trend. On the other hand, the estimations about the business situation and the expectations for the total orders of the managers in construction sector were mainly stable, until early 2009, when the economy began to more intensively feel the effect of the global crisis. Namely, the managers expected a great negative effect from the crisis for the whole 2009, and negatively estimated the current situation of their companies. Hence, the added value in construction does not correspond with the estimations and expectations of the managers. Considering the estimations of managers in the first quarter of 2010 for orders rise, in the second quarter the managers expected, after a rather long period of time, the construction sector to revive, which may be interpreted as a continuation of the already registered positive trends in the construction.

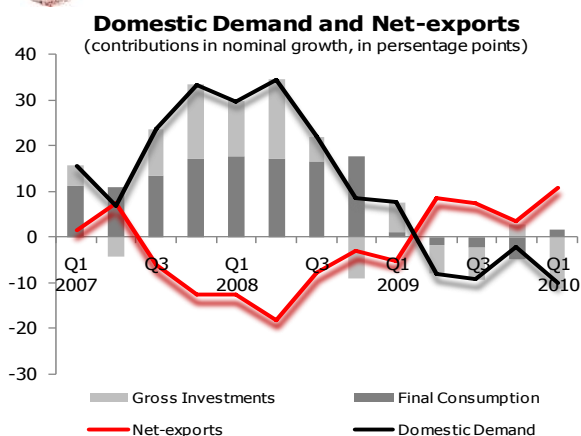


Based on the analysis made, we may conclude that the estimations and expectations mainly concur with the direction of results, but differ in the intensity of shifts, and can be used to anticipate the future developments. This, however, was not the case with the survey in the construction sector, especially during the crisis period. According to the most recent surveys, the business sector of the analyzed activities expects an improvement of the business situation in the forthcoming period (3-6 months).

1.3. Aggregate demand

The total demand in the first quarter registered a fall, resulting mainly from the reduced investment activity in the economy. Considering that the level of investments in this period did not differ significantly from the average level in the previous three quarters, this annual fall is explained on basis of comparison, i.e. with the unusually high investments in the first quarter of the previous year. The decreased personal consumption also had a negative impact on the change of the GDP, resulting from the already started deterioration of the labor market conditions, and consequently the less favorable expectations for future income. The reduced domestic demand also conditioned a smaller import demand, which, combined with the export growth resulted in a positive contribution of the net export to the GDP growth also in the first quarter. Although for the second quarter more positive trends in the economic activity are expected, the estimations are followed by unfavorable risks. This mainly refers to the still uncertain global economic setting and slow economic recovery. It creates risks regarding the export recovery, which has negative carry-over effects on the domestic demand.

After the estimations for an economic recovery in the last quarter of 2009, in the first quarter of 2010, a real annual fall of 0.9% of the GDP was registered (2.1% fall on quarterly basis, seasonally adjusted). The GDP declines in an environment of a still weak foreign demand, deterioration on the labor market and slow recovery of the crediting activity. Structurally



Source: State Statistical Office

analyzed, the drop was mostly due to the substantial real annual fall (46.6%) of investments, with negative developments both in personal and public consumption. In concurrence with the fall of the domestic demand, in the first quarter a decline was also registered in the export. On the other hand, after eight quarters with registered negative annual rates of the export, in the first quarter of 2010 a 12.4% annual growth of the export was registered. Consequently, in the first quarter a positive impact was registered of the net-export to the GDP growth, which only partly mitigated the negative contribution of the domestic demand.

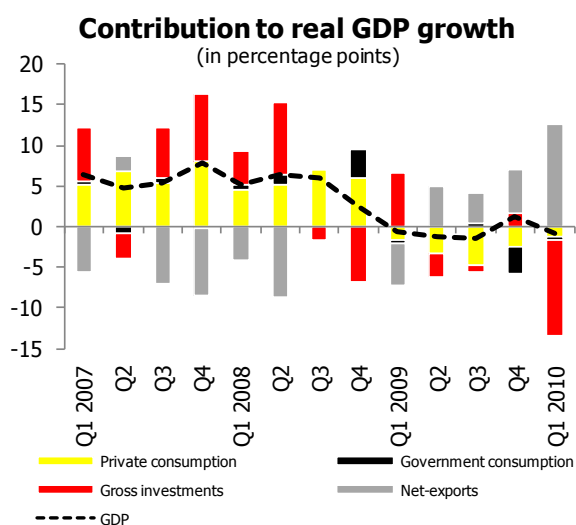
Real annual growth rates

	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2008	2009-Q1	2009-Q2	2009-Q3	2009-Q4	2009	2010-Q1
Private consumption	5,7	6,2	8,5	7,2	7,4	-2,1	-3,8	-5,6	-2,9	-3,6	-1,5
Government consumption	3,0	6,4	0,8	21,4	10,6	-2,0	0,6	2,2	-16,6	-4,7	-2,3
Gross investment	24,6	49,9	-2,9	-19,5	5,4	39,0	-11,2	-7,6	1,5	2,8	-46,6
Exports of goods and services	-11,2	-12,5	-2,0	-2,9	-6,3	-15,9	-7,2	-7,3	-3,5	-8,3	12,4
Imports of goods and services	-0,8	4,5	-2,0	-1,6	0,8	-0,8	-11,8	-11,9	-10,0	-8,8	-14,6
Domestic demand	7,9	13,6	6,1	2,8	7,5	4,6	-4,9	-4,7	-4,2	-2,5	-11,3
Net exports*	18,7	46,6	-2,0	0,6	14,7	20,4	-18,6	-23,9	-20,7	-10,1	-41,1
GDP	5,2	6,5	5,9	2,5	5,0	-0,6	-1,2	-1,4	1,2	-0,5	-0,9

*decrease represents lower deficit

Source: SSO and NBRM calculations.

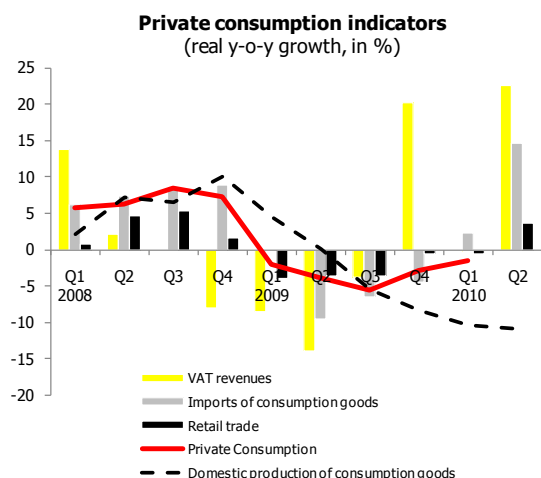
1.3.1. Personal consumption



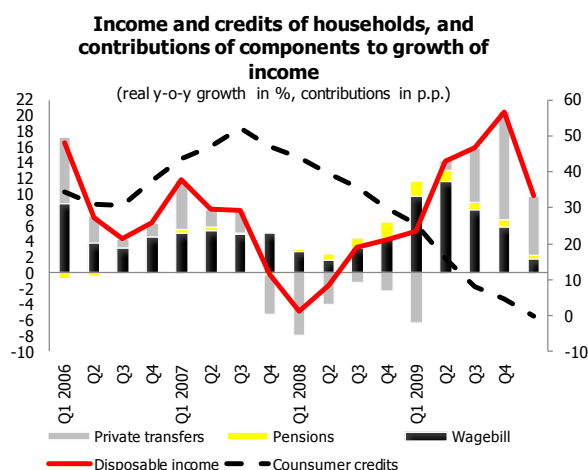
Source: State Statistical Office and NBRM calculations

Under the influence of the stronger labor market adjustment and still weak crediting, the personal consumption in the first quarter of 2010 registered a 1.5% real annual fall. On quarterly basis and seasonally adjusted, after the 2.3% growth in the previous quarter, the personal consumption had a substantial real decline of 3.1% in the first three months of 2010. **Consumption declines in circumstances of a stalled growth of the population's available income²⁰**, which in the first quarter reduced to the lowest level in the last four quarters (9.8% annually). The income growth, however, was mostly stirred by the big increment of transfers from abroad (54%), while the constant component of income registered strong negative trends. Thus, the annual growth of wages reduced to a real rate of 2.8% (the lowest level in the last six quarters), while the employment in the first quarter declined by 0.4% annually, for the first

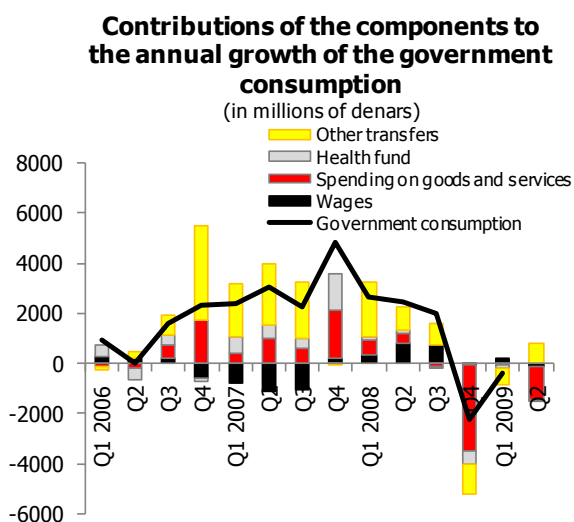
²⁰ Calculation of the NBRM.



Source: State Statistical Office, Ministry of Finance and NBRM



Source: State Statistical Office, Ministry of Finance and NBRM



Source: Ministry of Finance

time in the last five-year period. In a situation of an income fall, the economic agents usually tend to finance the consumption with loans. In the first quarter, however, this form of financing also did not contribute, as the annual rise of credits to the population was in the negative zone (-0.2% real rate).

The personal consumption decline in the first quarter corresponds with the development of indicative categories of consumption. The retail sale turnover in the respective period registered a 0.6% real annual fall (equal to the previous quarter), similar to the revenues from the VAT (0.1% decline), with a minor deterioration in domestic production of consumer goods (10.4% fall). A small improvement was registered in the first quarter, compared to the preceding periods, in consumer goods import (2.4% growth).

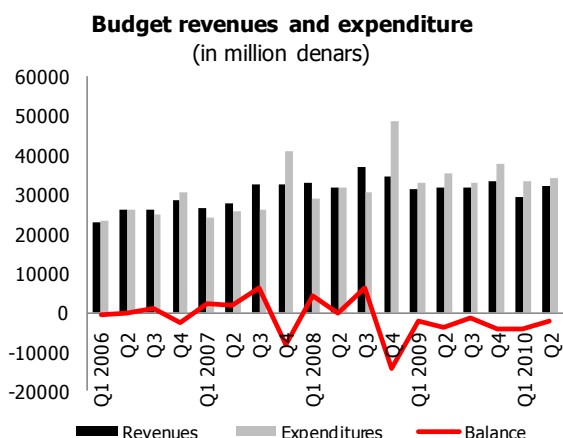
A small annual decline of the consumption is expected in the second quarter. Such expectation is in accordance with the further worsening of the situation on the labor market. Namely, the wages in April stagnated in real terms, which points to the further decline of the population's income. The indicative categories²¹ point to divergent developments. Besides the unfavorable expectations for the future available income, the domestic production of consumer goods also registered a 10.9% decline. On the other hand, the consumer goods import registered a real annual growth of 14.7%, the turnover of the retail trade – of 3.6%, and the crediting of population also registered a real annual growth of 1.4%. The improvement of consumers' trust in the last several months²² may be considered an indication of a better inclination for consumption in the forthcoming period.

1.3.2. Budget and public consumption

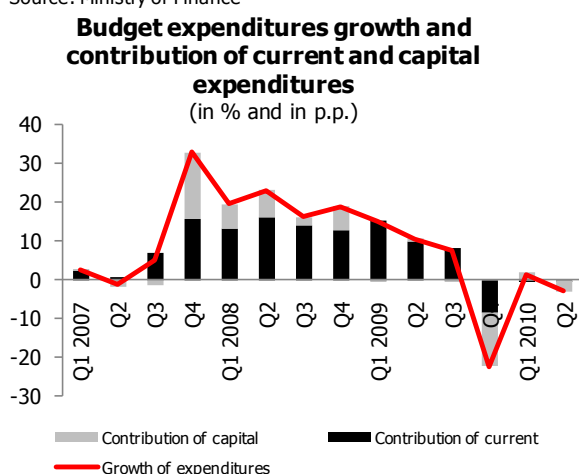
In the first quarter of 2010, a 2.3% real annual fall (2/4% quarterly fall, deseasonized) of the public expenditure was registered, for a second quarter in a row. In the same period, a deficit was registered in the consolidated budget of 4.1 billion denars, i.e. 4.4% of the GDP, which was the highest deficit in the last five quarters. The deficit appears when there is a nominal decline of budget revenues (5.7% annually) and a nominal

²¹ The data on the domestic production of consumer goods, the import of consumer goods and credits for the population were including May, while the data on trading were including April.

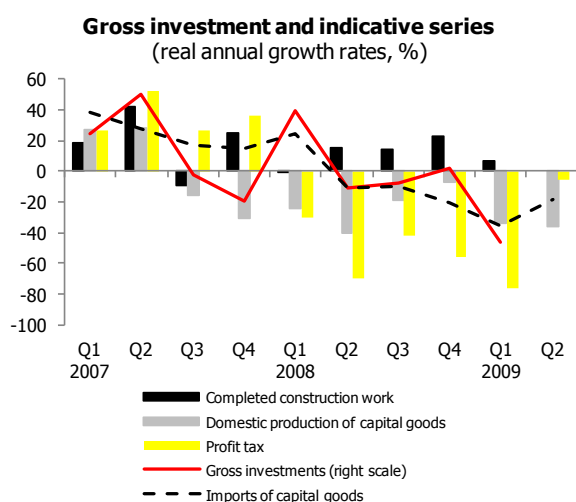
²² Survey on Consumers' Opinion by the SSO, June 2010.



Source: Ministry of Finance



Source: Ministry of Finance



Source: State Statistical Office, Ministry of Finance and NBRM

growth of expenditures (1.2% annually). Considering the revenues, a decline was registered also in taxes (especially in profit tax) and in contributions. The budget expenditure increased due to the expanded capital investments by the government (24.6%). The current expenditures, as the most important expenditure item, for a second quarter in a row registered a 0.8% decline, mostly due to the fall in the "other transfers".

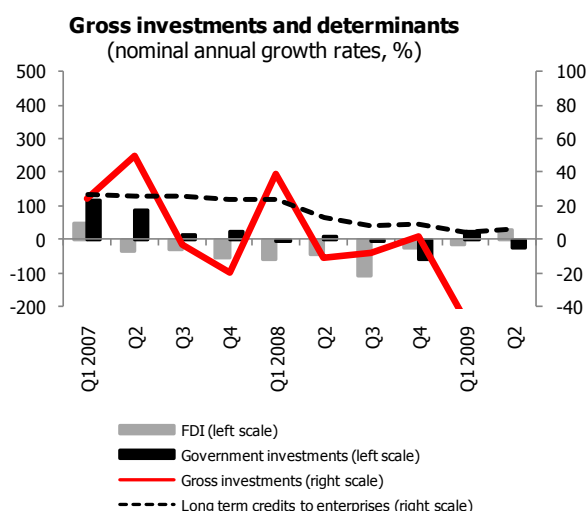
In the second quarter of the year, the consolidated budget again registered a deficit, with revenue increment and expenditure decrease. The revenue growth of 1.7% (nominally, annually), which was the first in the last four quarters, was mostly due to the higher tax revenues (8%), especially revenues from the VAT (25%) and import taxes (35%)²³. On the other hand, the non-tax revenues, due to the high comparison basis from the preceding year (paid dividend of a partially state-owned company in May 2009), registered a 41% fall in the second quarter. The 3% decline of the expenditures was due to the smaller expenditures for capital expenses (26% fall), in circumstances of a current expenditures decline of 0.4%. **Following these developments, in the second quarter a decline is expected of the public expenditure and a negative contribution of the government capital investments to total investments.**

1.3.3. Investment consumption

The investments are the main instigator of the GDP decline on the first quarter, with a 46.6% fall (real, annually). The big decline can, to some extent, be explained with the high comparison basis, i.e. high annual growth (39%) of the investments in the first quarter of 2009. The deteriorated investment activity can, however, be observed through the quarterly dynamics, in circumstances of a deseasonized quarterly decline of 12.8%.

The lower investment activity can be explained with the behavior of the domestic and foreign investors. Namely, the slow global recovery and the strong aversion to taking risks, as well as the uncertainty regarding the dynamics of the domestic economic growth, contributed to a real annual fall of the FDI of 14.5%. The domestic

²³The import taxes increment was in accordance with the increased import in that period (nominal annual growth of 20.2%), where significant growth (68%) was registered in the import of cars (which is mostly explained by the Government's Decision for Amending the Law on Excises).



Source: State Statistical Office, Ministry of Finance and NBRM

economic entities also were much refrained in an environment of a tough access to capital, i.e. slow recovery of crediting (slowdown of the credit growth to 4.5% in end March, compared to 8.6% in end December 2009), as well as in circumstances of significant uncertainty about the future dynamics of demand. The government capital investments, which increased by 24%, had a moderate positive effect in the first quarter.

The worsening of investments concurs with the developments in the indicative categories. The significant slowdown of the growth rate of the completed constructions works in the first quarter of 7.1% (real annual rate) was a deterioration compared to the preceding periods (average growth of 15.9% in the previous ten quarters). Worsening was also registered in domestic production and import of investment goods (annual fall of 36% and 34% in the first quarter, respectively, compared to the 20% and 6.8% fall in the previous quarter, respectively).

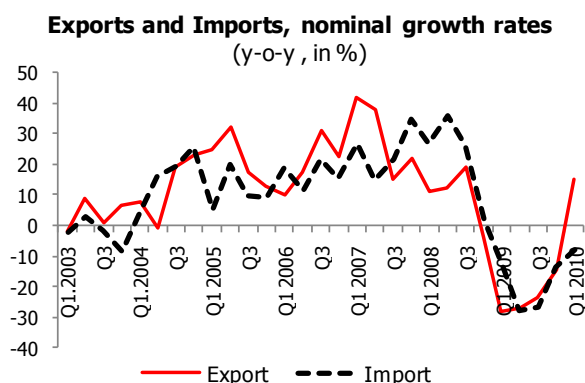
In the second quarter, under the influence of the improvement of foreign direct investments and domestic crediting, the decline of the investment activity can be expected to slow down. Thus, after eight quarters of decline, the foreign direct investments registered a real annual growth of 26.4% in April 2010. A small recovery is also registered on the credit market, where the growth of loans for companies, although slowly, is intensifying (6.2%). An improvement is also obvious from the development of the indicative categories. The completed construction works in the second quarter had a real annual growth of 28.3%, the highest in the last eight quarters. Slowdown of decline was registered in import of instruments of labor (18.6%), while there is deterioration in the domestic production of instruments of labor, which has registered a decline of 36.5%²⁴. Revenues from the profit tax, due to the equal comparison basis²⁵ in this period, registered a 0.3% growth for the first time in the last six quarters.

1.3.4. Net export demand

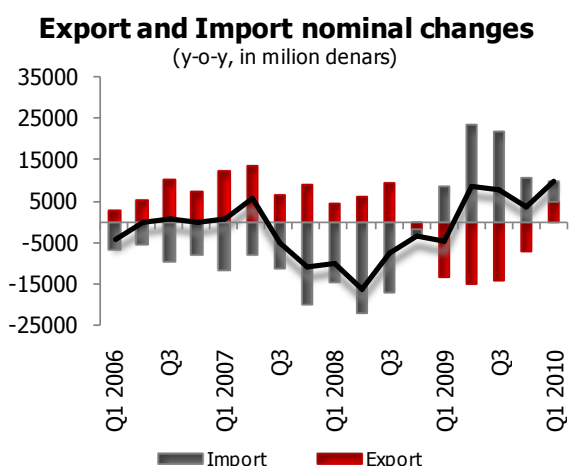
The positive contribution of the net export to the economic growth was registered also in the first quarter of 2010,

²⁴ Data on completed construction works and foreign direct investments are including April, while data on profit tax are including June, and the rest of the data are including May.

²⁵ From the beginning of 2009, the regulations on profit tax were changed so that no tax is paid on non-distributed profit.



Source: State Statistical Office



Source: State Statistical Office

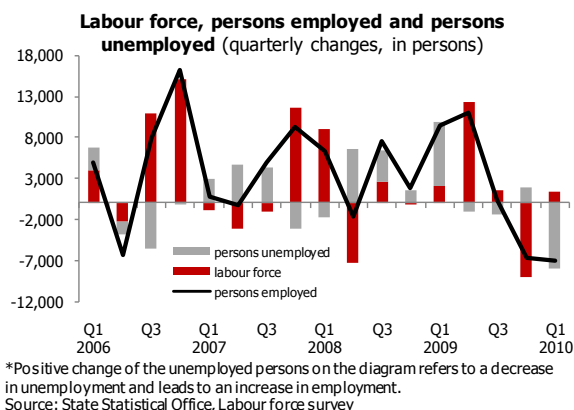
which was fourth quarter in a row. For the first time after two years the export had a positive contribution corresponding with the improved conjuncture on the export markets. Nevertheless, on quarterly basis, a 1.1% fall of the export was still registered, and the high annual increment (15.2% nominal and 12.4% real rate) can, to a great extent, be explained with the low comparison basis. On the other hand, in accordance with the deteriorated domestic demand, an import decline was registered both on annual (8.2% nominal and 14.6% real rate) and on quarterly basis (6.8% fall, seasonally adjusted).

Data on the foreign trade exchange for the second quarter show deepening of the deficit in the exchange on annual basis, with an intensive nominal growth of export and import (23.2% and 20.2%, respectively). On quarterly basis, corrected for seasonal effects, the nominal growth of export and import was 6.7% and 13.3%, respectively. The intensive nominal growth of the import in the second quarter concurred with the estimations for a small recovery of the domestic demand in this period. **According to the real indicators, a continuation of the positive contribution of the net export to the GDP quarterly growth would be expected, but of a weaker intensity.**

1.4. Employment and wages

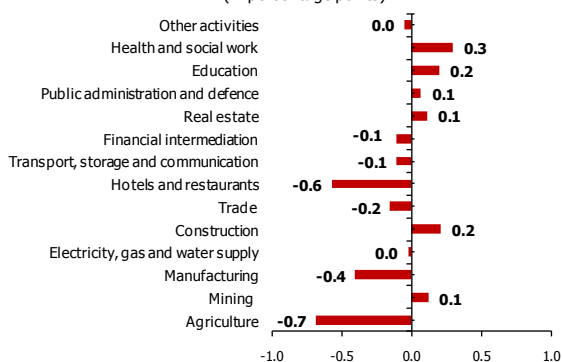
The downward adjustment of the labor market, which started towards last year's end, continued in the first quarter of 2010, as a consequence of the deterioration of the total economic activity since the beginning of 2009. The negative quarterly rates were copied into the annual dynamics causing, for the first time since the beginning of the economic crisis, an annual decline of the number of employees and of the employment rate on one hand, and increment of the number of unemployed and of the unemployment rate on the other hand. The downward developments on the labor market were also supplemented by the continued slowdown of the annual growth of nominal average wages and of labor costs by production unit. The negative developments on the labor market will most probably continue in the next quarter, as well, considering the economic activity decline in the first quarter of the year, the time delay with which the labor market reacts, and the expectations of the economic agents for the next twelve months.

The worsening of the situation on the labor market, started in end last year, continued also in the first quarter of 2010. The quarterly dynamics analysis points to a further employment decline, but also to a further unemployment increment compared



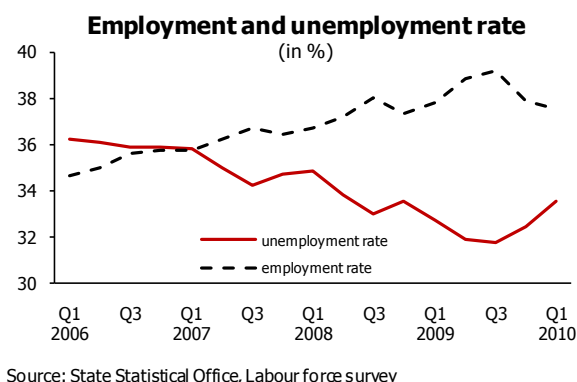
to the previous quarter²⁶. Thus, in the first quarter of 2010, the number of employed persons reduced by 1.1% (7,037 persons) compared to the preceding quarter. Also, unlike in the previous quarter, when the unemployment was still decreasing, the employment decline in the first three months of the year was coupled by unemployment raise. The number of unemployed people increased by 2.7% (8,057 people) mostly as a result of the employment fall, while a smaller part of the unemployment growth is explained with the workforce increase, i.e. with the inflow of people who began to look for a job in this period. This development in unemployment, supplemented with the increment of the total workforce resulted in a higher unemployment rate.

Contribution of the main economic activities to the quarterly fall of total employment in Q4 2009
(in percentage points)



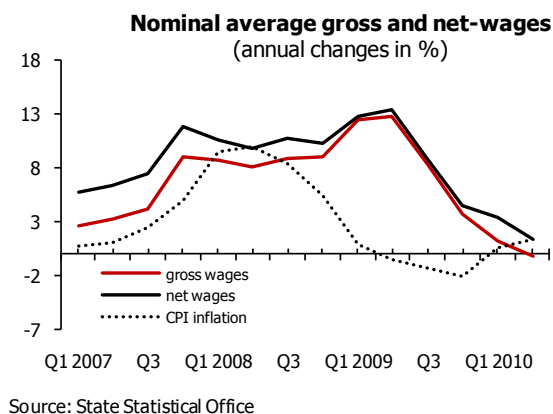
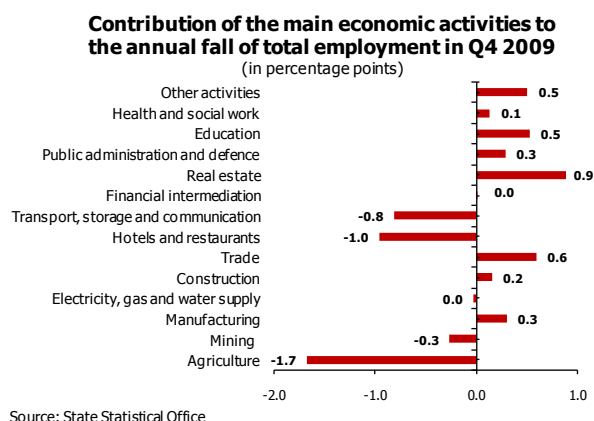
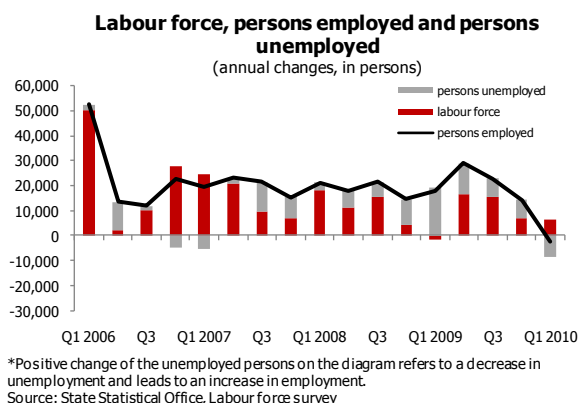
Quarterly decline of the number of people working was registered in most of the activities. In terms of the structural participation of each activity in the total number of employed people, the fall of the total employment rate in the economy was greatly explained by the reduction of employment in the agriculture (3.7% quarterly fall), the manufacturing industry (2% quarterly fall), and tourism (17.7% quarterly fall).

In the first quarter of 2010, for the first time since the beginning of the economic crisis, annual fall of employment and growth of unemployment were registered. Compared to same period of the previous year, the employment reduced by 0.4% (2,227 persons), while the unemployment grew by 2.9% (8,814 persons). To compare, in the preceding quarter no downward adjustment of the labor market on annual basis could be registered, i.e. the employment was increasing, and the unemployment was decreasing. The changed trends of the basic categories on the labor market caused a shift of the direction in the development of employment and unemployment rates. In the first quarter of 2010, an annual fall of 0.3 p.p. of the employment rate was registered and it was at 37.5%. The unemployment rate in the same period increased by 0.8 p.p. on annual basis and it was at 33.5%.



The annual employment fall is mainly explained with the reduced number of people employed in the agriculture (8.6% annual fall), in tourism (24.9% annual fall), and in transport and communications

²⁶ The analysis of the quarterly dynamics of employment and unemployment was made with seasonally adjusted data. Seasonal adjustment was not made only of the total number of active population.



(12.5% annual fall). Employment decline on annual basis was also registered in mining and in the activity "supply of electricity, gas and water". In the rest of the economic activities, the employment grew on annual basis. In some of them (trading, financial intermediation and "other service activities"), however, the negative quarterly developments resulted in a slowdown of the annual growth.

It is difficult to estimate the situation on the labor market in the next quarter. The probability for its deterioration is big, taking into consideration the economic activity decline in the first quarter of the year and the time delay with which the labor market reacts. These expectations are supported with the negative expectations of consumers for the future developments on the labor market²⁷. Namely, according to the Survey of Consumers' Opinion, the economic agents in April 2010 expected an increment of unemployment in the next twelve months. Their pessimistic expectations prevail also in May, when they expressed their expectations for further unemployment increase. On the other hand, the expectations of companies in the manufacturing industry, construction and retail trade for the number of employees in the next quarter were more optimistic and gave some positive signals for the developments on the labor market in the forthcoming period²⁸.

In the first three months of 2010, same like in the previous year, the decelerated annual growth of wages continued. Namely, in the first quarter of 2010, the annual growth of nominal net and gross wages in the economy continued to slow down. The nominal net wage was by 3.3% higher, while the nominal gross wage was by 1.1% higher than in the same period last year²⁹. As a comparison, the annual growth of the net and gross wage in the preceding quarter was 4.5% and 3/7%

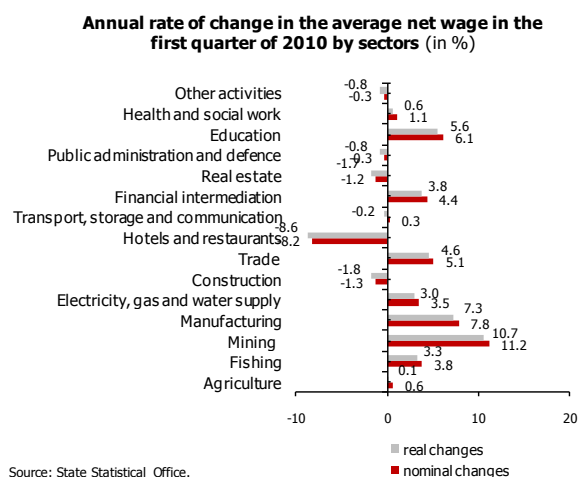
²⁷ Source: State Statistical Office, Survey on Consumers' Opinion.

²⁸ Source: State Statistical Office, Surveys on Business Tendencies in Construction, Manufacturing industry and Retail Trade.

²⁹ The difference in the growth rate of the net and gross wages was due to the further reduction of the contribution for social insurance. The contribution for pension insurance reduced from 19% in 2009 to 18% in 2010, the health insurance contribution reduced from 7.5% to 7.3%, while the employment contribution remained at the same level as in 2009 (1.4%). After these changes, the burdening of the gross wage with the compulsory contributions for social insurance reduced to 26.5%, from 27.9% in 2009 ("Official Gazette of RM" no. 156 of Dec. 25, 2009).

respectively³⁰. The annual growth decelerates even more intensively if the effect of the price rise is isolated, i.e. through analysis of the real net and gross wages, which registered a 2.8% and 0.6% growth, respectively.

Similar developments were registered when paid wages were analyzed within the framework of individual economic activities. In most of the activities, the annual changes were still positive compared to the previous quarter. The highest annual growth of the nominal net wage was registered in mining and manufacturing industry. On the other hand, in construction and in some of the service activities (tourism, real estate, public administration and defense, and in "other service activities"), a reduction of the nominal net wages was registered compared to the same period the previous year.



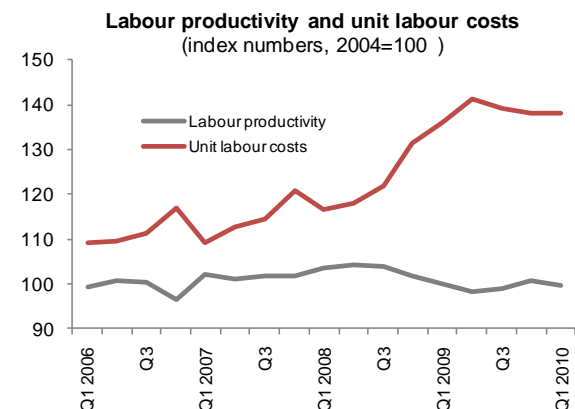
The quarterly analysis pointed to a mild rise of the nominal net wages of 0.6%, while gross wages fell by 1%. This net wage increment in the first three months was explained by the wage growth in agriculture and industry, while the service sector wages declined. The highest quarterly fall (8.5%) of nominal net wages was registered in tourism. In the first three months, the real net and gross wages, which are an indicator of the purchasing power of the economic entities, were by 1% and 2.6% lower, respectively.

Deceleration of the annual growth of nominal net wages continued in April 2010, when the growth reduced to 1.4%, while gross wages decreased by 0.2%. The real net wage in April was at the level equal to that in the same month of previous year, while the gross payment was lower by 1.6%.

The trend of annual productivity decline continued, although with a smaller intensity. As a result of the bigger GDP decline in ratio to the decrease of the number of employees, the productivity of labor was by 0.4% lower on annual basis and by 0.9% on quarterly basis. By activities, lower productivity

³⁰ Due to the change in the method of wage calculation as of 2009 (the concept of gross wage, or inclusion of reimbursements for food and transport in the basis on which the personal income tax is paid), with the aim of achieving a higher level of inter-annual comparability of the data, a correction was made under assumption that the wages in December 2008 were on the same level as the wages in January 2009, while for the preceding months (prior to December 2008) this amount was corrected according to the monthly changes of wages published by the State Statistical Office.

(on quarterly and annual basis) was registered in industry, trading, in "financial intermediation and other business activities", and in the public administration and defense.



Source: State Statistical Office and NBRM.

Labor costs by production unit, same like wages, registered a slow growth after the high increment in 2009 of 14%. Namely, despite the negative changes in labor productivity, in the first quarter of 2010, the decline of the annual growth of labor costs by production unit continued, as a result of the decelerated increment of the gross wages. The rise decelerated from 5% in the preceding quarter to 1.6% in the first three months of the year. The annual growth slowdown of the labor costs per production unit was greatly due to the decline of the labor costs per production unit in some of the economic activities. The biggest fall of labor costs per production unit was registered in tourism. Lower labor costs per production unit on annual basis were registered in the exchangeable products sector, where the decline had begun in the preceding quarter, but also in the non-exchangeable products sector³¹. On quarterly basis, the labor costs per production unit on the level of economy in general were relatively stable (minimum fall of 0.1%), so that the lower labor costs per production unit in most of the economic activities were mainly neutralized with the growth of the labor costs in trading, industry and public administration.

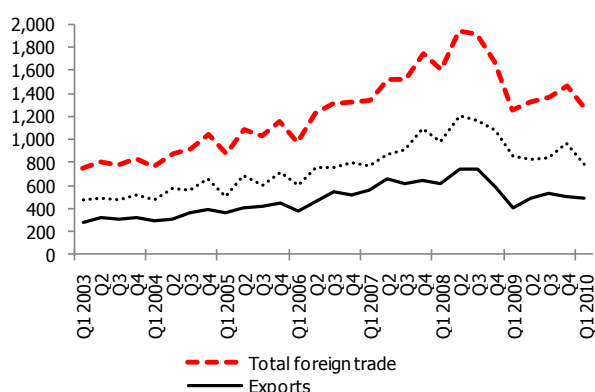
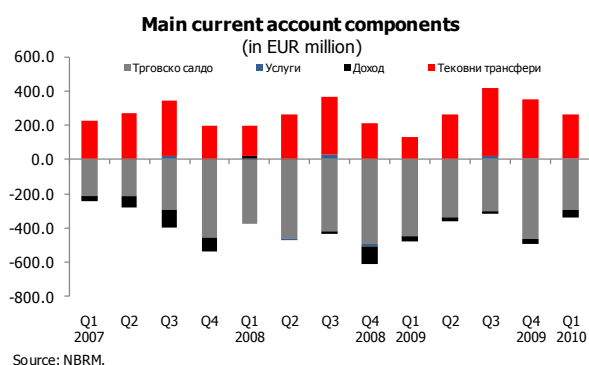
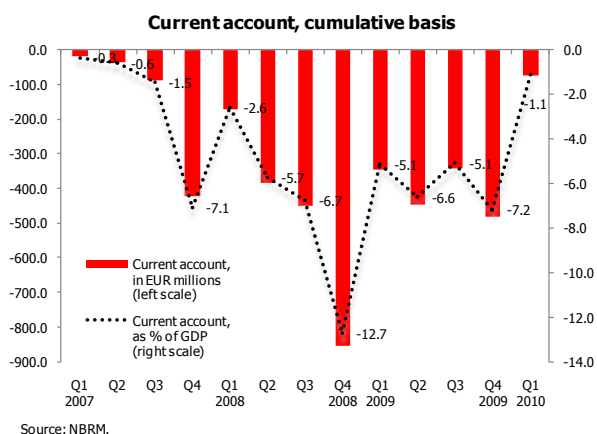
1.5. Balance of payments

The deficit on the current account continued narrowing in the first quarter of 2010 as well, with downward correction in the trade deficit and upward dynamics in the private transfers being registered. The stabilization of the foreign effective demand, after the deep fall in the largest part of the previous year, as well as the improved conjuncture on the market of metals positively affected the export performances. On the other hand, the influence of the fall in the domestic demand was non-stimulating for the import, which together with the higher comparison basis resulted in its further drop. Despite the smaller current deficit and the improved external position from this aspect, the capital net inflows were insignificantly lower than the gap in the current account. This signaled still negative sentiment of the foreign investors, which considering the latest turbulences on the international financial market, is slightly possible to improve considerably on short term. The financing issue became more significant after obtaining the latest data from April and May 2010, which showed the first signals for worsening in the trade account. Although the high net purchase of foreign

³¹ Sectors of exchangeable production are: agriculture, hunting and forestry, fishing, mining and quarrying, manufacturing industry, and the sector for electricity, gas and water supply. All other activities are included in the non-exchangeable products sector.

currencies on the currency exchange market continued, and the deviations on the foreign exchange market and the dynamics of the foreign reserves were positive in the second quarter, the dynamics of recovery of the capital inflows still created risks in the external sector in the following period.

1.5.1. Current account



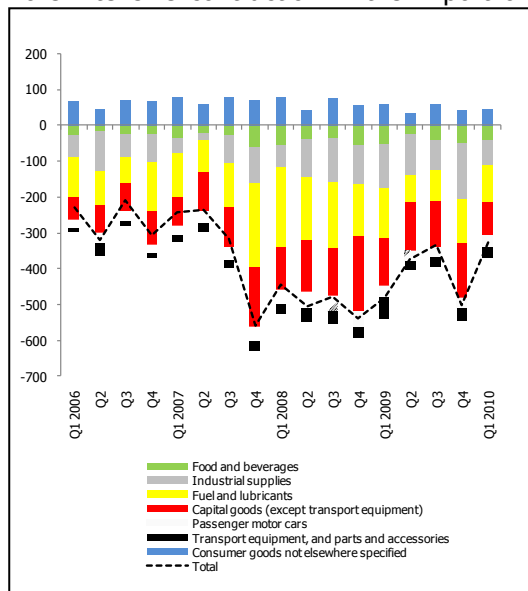
In the first quarter of 2010, the deficit on the current account amounted to **Euro 74 million or 1.1% of the GDP**. Relative to the previous quarter, the negative balance on the current account reduced by 1 p.p. of the GDP, which represented usual seasonal drop, and this was mostly due to the narrowed trade deficit (by 2.6 p.p. of GDP). Under the influence of the season, the dynamics of the inflows from current transfers slowed down, whereas the income realized more considerable deficit, and the surplus with the services dropped on quarterly basis. On annual basis, the narrowing in the negative gap on the current account was more evident, equaling 4 p.p. of the GDP. The positive annual correction was mostly due to the base effect, i.e. to the high comparison basis than in the previous year. Within this period, the tendencies in the foreign trade were still in favor of the import, with already decreased export being registered, and the dynamics of the private transfers was exquisitely unfavorable. Consequently, the contribution of the foreign trade of goods to the annual narrowing in the deficit on the current account was positive and it amounted to 2.3 p.p. of GDP, while the private transfers contributed with 1.9 p.p. of GDP.

In the first three months of the year, the deficit on the **trade account** amounted to Euro 296.7 million, or 4.3% of the GDP. On quarterly basis, in conditions of more intensive import fall relative to the drop in the export of goods, the trade deficit registered decrease of 36.1%. Compared with the first quarter of 2009, the negative trade balance also reduced by 33.6%, but the improvement resulted from the revival of the export (annual rise of 20.4%), with fall in the import of goods being still registered (by 8% on annual basis).

Annex 3

Analysis of the foreign trade of goods³²

The trend of quarterly rise in the foreign trade of goods which started in the second quarter of 2009 was interrupted in the first quarter of 2010. The foreign trade of goods reduced by Euro 207.1 million, on quarterly basis, with more intensive contraction in the import of goods being registered, relative to the export of goods. This resulted in quarterly narrowing in the negative trade balance by Euro 176.8 million. However, if the seasonally adjusted data are observed, the export of goods registered increase on quarterly basis, in the first quarter of 2010 as well, so the positive trend which started in the second quarter of the previous year continued, while the fall in the import had more moderate intensity. On annual basis, for the first time since the beginning of the crisis, the foreign trade registered increase, which was due to the export growth (of Euro 82.2 million), whereas the import of goods still registered drop on annual basis (of Euro 72.3 million). Such tendencies determined narrowing in the trade deficit by Euro 154.4 million on annual basis.



The largest part of the annual decrease in the trade deficit in the first quarter of 2010 can be explained by the lower deficit in the trade of industrial procurements and investment goods, whereas for the annual narrowing, besides the improved trade with this groups of products, the better energy balance gave an additional effect. The positive tendencies in the trade of **industrial procurements** were considerably evident with the iron and steel, metal ore and metal wastes and chemical materials and products. The annual rise in the export of iron and steel reached up to 48.5%, which was partially due to the low comparison basis. However, the high exported quantity of these metals indicated gradual recovery of the foreign investment activity. The positive price developments with the metals gave additional positive effect on the export. The export of the metal ore and metal waste was by 2.5 times higher than in the last year and it contributed considerably to the revival of the total export. In the first quarter, the trade of the chemical materials and products registered change, i.e. it switched from the deficit zone to the surplus zone³³. These changes can be explained by the higher export activity of one relatively new company on the market, with foreign assets. However, opposite to the positive performances with the trade of industrial procurements, which indicated gradual recovery of the domestic and foreign economic activity, the indications from the trade of **investment goods** were negative and they indicated lower domestic investment activity. The fall in the deficit on quarterly, but also on annual basis, in the trade of various types of machines, appliances and transportation equipment confirmed such assertion. Simultaneously, indications for lower domestic personal consumption were registered, with lower deficit on quarterly basis in the trade of **joint consumption goods**. On the other hand, on annual basis moderate broadening in the negative balance with this group of products was registered, which was mostly due to the lower export of wearing apparel, which indicated presence of still low and unrecovered personal consumption. Concerning the trade of **energy**, the quarterly improvement in the trade balance resulted from the lower import of oil and oil products, which in conditions of rise in the oil price, reflected the quantity effect³⁴. However, the

³² According to the Methodology for foreign trade, the data on the export of goods are disclosed on f.o.b., and for the import of goods on c.i.f. basis.

³³ The export of these products in the first three months reached up to Euro 16.4 million, opposite to Euro 0.8 million in the same period of 2009.

³⁴ In March, lower imported quantity of oil and oil derivatives was registered which was due to the closure of the domestic refinery (due to the overhaul).

improvement in the trade of energy was more evident on annual basis, which was due to the lower import of electricity (in conditions of higher domestic offer) and higher export of oil and oil products (in conditions of higher oil price).

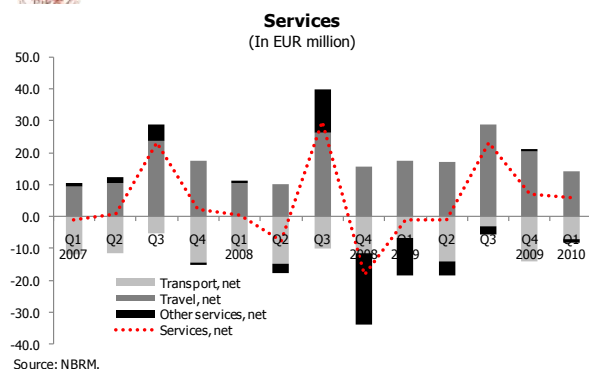
The data from April and May 2010 showed that the foreign trade of goods exceeded the average from the first quarter of the year, mainly because of the more intensive import revival. In the same time, the foreign trade continued to grow on annual basis as well, with almost identical percentage rise in the export and import being registered (by approximately 20%). However, in absolute indicators, in this period the annual rise in the import (of Euro 120.8 million) was twice higher than the export growth. Thus, the negative trade balance registered broadening on annual basis (by Euro 58.6 million), which was mostly due to the higher deficit in the trade of energy sources, joint consumption goods and industrial procurements. The higher import of oil and oil products determined increase in the deficit with the energy and it represented generally a price effect (because of the low comparison basis). Simultaneously, in this period the decision for decreasing the duties for import of used cars³⁵ acted towards higher import of road vehicles (by Euro 25.1 million) on annual basis, which resulted in increase in the negative balance in the trade of joint consumption goods. The broadened deficit with the industrial procurements resulted mainly from the higher import of inorganic chemical products and colored metals. On the other hand, the narrowing in the deficit continued with the investment goods.

The analysis of the trade in the Republic of Macedonia (RM) according to the trade partners, for the first quarter of 2010 indicated to considerably improved trade with the European Union (EU). The deficit in the trade of goods with EU narrowed by Euro 78.8 million on annual basis, i.e. out of total twenty seven EU member-countries, the RM realized surplus with eight member-countries. In conditions of considerable revival in the export, the position of net exporter with Bulgaria was recovered, and there was considerable broadening in the positive balance with Germany and Belgium. In the first quarter of 2010, the deficit in the trade with Greece registered minimal broadening of Euro 0.5 million, relative to the same period of 2009. In the given period, considerable slowing down in the annual fall in the export to Greece was registered (which started in the last quarter of 2008), so the fall was insignificant (1.6% on annual basis). With import of goods from Greece, minimal drop was registered (of 0.2% on annual basis) after the rise in the previous quarter (of 4.6%).

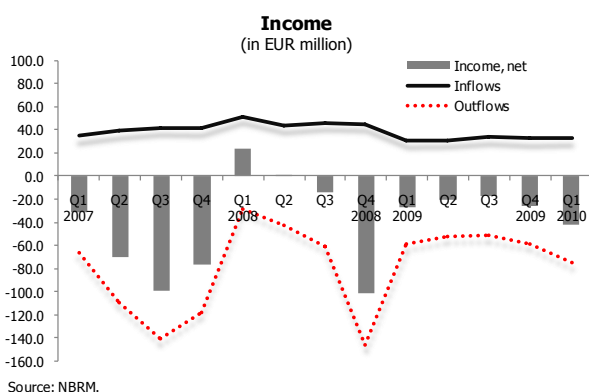
In the period April - May 2010, the deficit in the trade of goods with EU registered moderate broadening on annual basis (of Euro 4.7 million), whereas surplus was realized with six member-countries. More considerable annual increment in the deficit was registered in the trade of goods with Great Britain, in conditions of realized import of precious metals and platinum by one relatively new company on the Macedonian market. On the other hand, the balance with Spain and Belgium, which was negative in April-May 2009, registered surplus in the analyzed period, while the negative trade balance with Greece broadened by Euro 12.7 million on annual basis (with rise in the import of Euro 7.6 million and fall in the export of Euro 5.1 million).

With the trade of **services** with abroad, in the first three months of 2010 surplus of Euro 6 million was registered, and this was opposite to the usual trend of realization of deficits in the first quarters of the previous years (excluding 2008). This was mainly due to the higher realization from the inflows from the road transport and the other

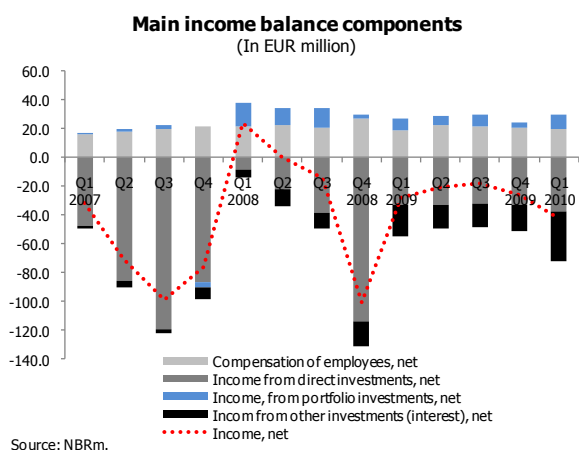
³⁵ With the amendments to the Excise Law dated March 11, 2010 the excise rates of motor vehicles dropped and they changed progressively in accordance with their value. Simultaneously, the amendments to the Law on customs tariff dated March 12, 2010 decreased the customs duties when importing used motor vehicles from the current 10% to 5%, i.e. the customs duties for new and old vehicles equaled.



business activities, which exceeded the historical average. With respect to the quarterly dynamics, the realized surplus with the services was lower by 13.5%, which mainly resulted from the lower surplus with construction services and with the traveling (lower number of foreign tourists and foreign tourist nights by 12.1% and 12.6%, respectively, on quarterly basis). On annual basis, the balance with the services was considerably improved, mostly as a result of the higher net inflows from construction activities. Simultaneously, higher annual amount of the net inflows was realized through performing computer and information services, as well as other business activities. Opposite to such positive tendencies, the traveling registered lower positive balance and the transport services registered higher deficit.



In the first quarter of 2010, the **income** sub-balance registered deficit of Euro 42.1 million. In conditions of registered net positive fees and commissions, the deficit resulted from the net outflows realized on the basis of direct investments and other investments (interests³⁶). On quarterly basis, the deficit with the income deepened by 60.4%, whereas relative to the same period of the previous year, the broadening in the negative balance amounted to 53.5%. In both cases, the rise in the negative gap resulted from the high level of net outflows with the income from other investments.

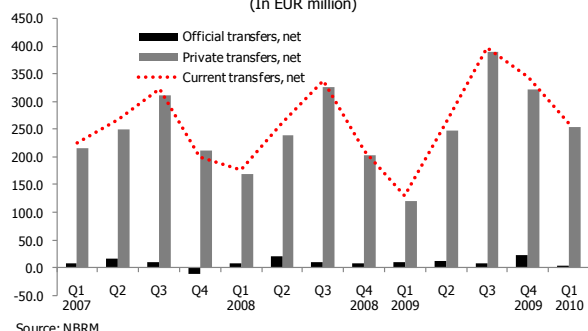


With the basic surplus category on the current account, **the current transfers**, in the first three months of the year net inflows in the amount of Euro 258.9 million were realized, or 3.7% of the GDP. Relative to the quarterly dynamics, the current transfers registered fall second quarter in a row, (of 24.7%), most of which represented a seasonal effect. Analyzed on annual basis, the rise in the current transfers which started in the second quarter of 2009, continued in the first three months of 2010 as well. The realized net inflows from current transfers were twice higher on annual basis, which was partially due to the lower comparison basis than in the previous year, when the preferences of the domestic entities for holding effective foreign assets were high. Within the current transfers, the official transfers registered annual fall of 57.5%. On the other hand, the private transfers were higher by 2.1 times on annual basis. The higher surplus with the private transfers enabled high coverage of the deficit in the foreign trade of goods (of 85.8%). According to the latest data, the

³⁶ Pertains to the interest capitalization.

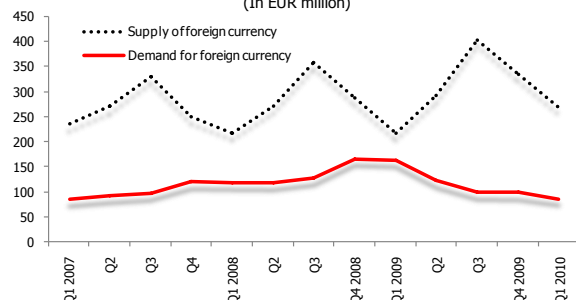


Main components of the current transfers
(In EUR million)



Source: NBRM.

Cash exchange bureau transactions
(In EUR million)

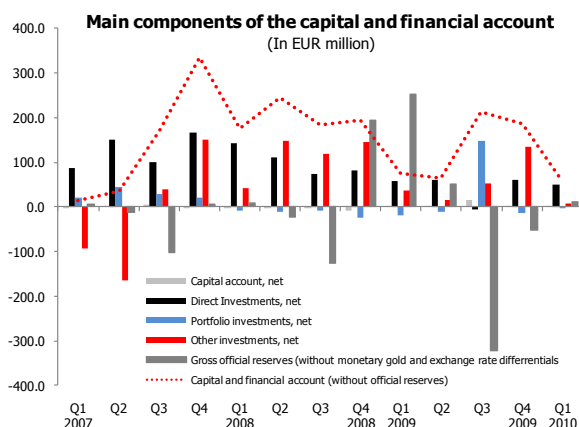


Source: NBRM.

positive tendencies with the private transfers continued in the second quarter of 2010. In the period 01.04.2010 - 20.06.2010, the cumulative net inflow from the currency exchange market reached up to Euro 217.2 million, which represented increase of 48% on annual basis.

In accordance with the latest data from the balance of payments, in April 2010, the deficit on the current account amounted to Euro 39.1 million and relative to the previous month it went up by Euro 25.6 million. The largest share of the broadening was due to the deepened trade deficit (by Euro 39.7 million), which was due to the monthly rise in the income (of 10.4%), with realized fall in the export of goods (by 4%) being registered. On annual basis, the deficit on the current account was still lower (by Euro 42.7 million), but relative to the previous months, the drop considerably slowed down. This was due to the depletion of the base effect in the first three months of 2009, when the export registered considerable fall, and the import was not being adapted to the crisis yet. Thus, after the three-month annual fall, the trade negative balance registered broadening by 10% on annual basis. On the other hand, the larger surplus with the current transfers (by 56.6% on annual basis) still remained the factor for the positive annual dynamics of the current account. In April 2010, the services registered increase in the surplus (by 4.3 times on annual basis), whereas the deficit with the income deepened (by 87.5% on annual basis).

1.5.2. Capital and financial account

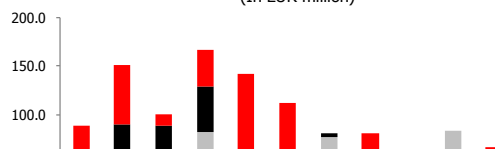


Source: NBRM.

In the first quarter of 2010, on the capital and financial account, net inflows in the amount of Euro 56.1 million were realized, or 0.8% of the GDP and they enabled funding of the largest share of the deficit on the current account. Most of the capital inflows were realized based on foreign direct investments, currencies and deposits and other investments, whereas the loans, trade credits and portfolio investments registered net outflows. However, the capital net inflows were lower on quarterly basis (by 69.8%) and on annual basis (by 24.7%). This emphasized the still present high degree of restraining of the foreign economic entities from investing in other countries, as well as the low international liquidity.

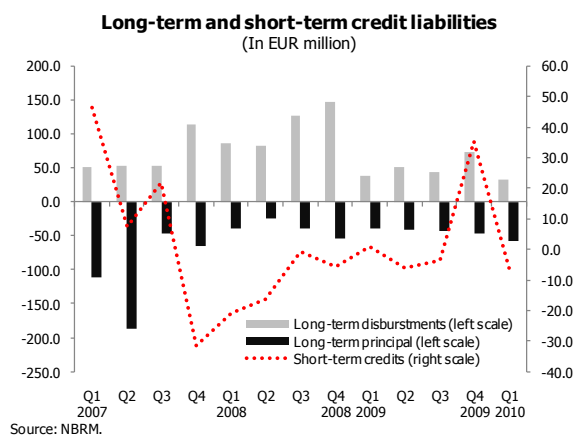
In the first quarter of 2010, the net inflows from **foreign direct investments** amounted to Euro 48.7 million, which was by 20% lower level

Direct investments' structure, net
(In EUR million)





than in the previous quarter. Net inflows were realized based on reinvested gain and equity. Net outflows were registered with the intercompany debt, which were due to the higher amount of granted credits by domestic companies with foreign capital of the direct investors, credited by the parent companies. On annual basis, despite the low comparison basis, the direct investments were still low and they registered fall of 13.7%. Such dynamics was mainly due to the lower inflows of equity and of realized outflows with the intercompany debt. The realized annual drop would have been even bigger, if it was not neutralized, to a great extent, by the larger inflows from the reinvested gain. With the category **currencies and deposits**, net inflows in the amount of Euro 29.4 million were realized (opposite to the realized net outflows of Euro 62.1 million in the previous quarter). Such developments resulted from the withdrawn currency assets of the banks from the accounts abroad, despite the negative change with the "currencies and deposits" of the households. Parallel with the realized net inflows from foreign direct investments and based on currencies and deposits, in the first quarter of 2010, net inflows were registered with the **other investments** in the amount of Euro 23.9 million.

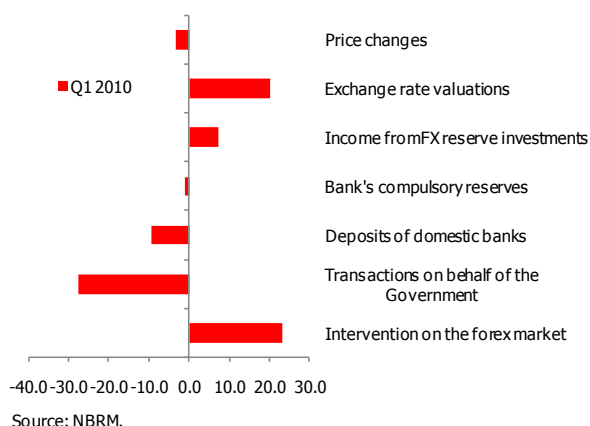


In the first quarter of 2010, most of the capital net outflows were realized based on loans. The total net **loans** repayments reached up to Euro 29.7 million (opposite to Euro 59.4 million net inflows on such basis in the last quarter of 2009). This resulted from the higher repayments of loans. Namely, the corporate sector had considerable repayment of long term credits, and the quarterly amount was almost twice higher than the average amount since 2003. On the other hand, the withdrawn assets from the long-term loans were unusually low both, with the enterprises and the banks. On annual basis, the net repaid loans rose by 10.7 times. With the **trade credits**, the net outflows amounted to Euro 16.1 million, so the repayment of these short-term credits, which were cumulated in the previous quarter (Euro 126.4 million), started. Based on the **portfolio investments**, net outflows of Euro 1 million were realized in this period. Despite the slower dynamics, the portfolio investments were still registering drop on quarterly and on annual basis.

Within the capital and financial account, in April 2010, net inflows of Euro 66 million were realized (opposite to the net outflows of Euro 6.3 million in the previous month). Most of the capital inflows resulted from



Factors influencing the foreign reserve changes in Q1 2010
(In EUR million)



foreign indebtedness, trade credits and foreign direct investments. Within the net loans (in the amount of Euro 52.3 million), the public sector credits dominated (more precisely, the withdrawn assets of about Euro 20.5 million from the loan for developing policies by the Government), as well as the credits used by the corporate sector on short term. On the other hand, high net outflows were registered based on currencies and deposits (Euro 53.4 million), mainly as a result of the accumulation of foreign assets by the banks on their accounts, with simultaneous continuing of the conversion from foreign currency to Denar saving. On annual basis, the net inflows from the capital and financial account realized growth of 5.2 times, which resulted from the higher net withdrawals with the loans and the higher level of cumulated trade credits.

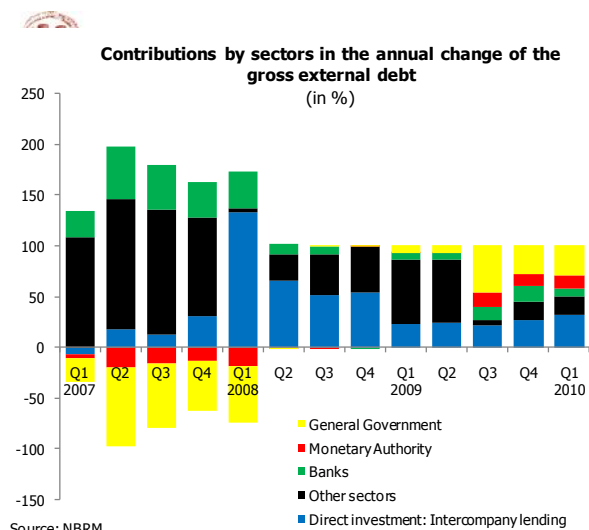
The high purchase of foreign currencies on the foreign exchange market by the NBRM and the positive exchange rates (as a result of the depreciation of the Euro relative to the USA Dollar), determined rise in the **foreign currency reserves**³⁷ of Euro 9.1 million in the first quarter of the year. Thus, on March 31, 2010 the gross foreign reserves amounted to Euro 1.606,6 million, which enabled 4.1-month coverage of the import of goods and services in the following year. The positive dynamics continued in the second quarter as well, so the stock of the foreign reserves reached up to Euro 1.708,3 million at the end of June, which compared with the end of 2009, represented rise of Euro 110,8 million. Such level of the foreign reserves enabled 4.3-months coverage of the import of goods and services in the next year.

1.5.3. Gross external debt

On March 31, 2010, the **gross external debt**³⁸ amounted to Euro 3.833,2 million and on quarterly basis it registered minimal fall of Euro 6.2 million or by 0.2%. Compared with March 31, 2009, the stock of the gross external debt was higher by Euro 493.9 million, or by 14.8%. Approximately one third of the annual rise in the external debt was due to the larger loans among related entities, i.e. the bigger long term liabilities

³⁷ The foreign reserves include the monetary gold and the exchange rate differentials. In the methodology for the balance of payments, the foreign currency reserves are shown without these two items.

³⁸ Since 2007, the NBRM started preparing and issuing data on the gross external debt. The analysis of the gross external debt was made based on the data for the gross external debt shown by market value.

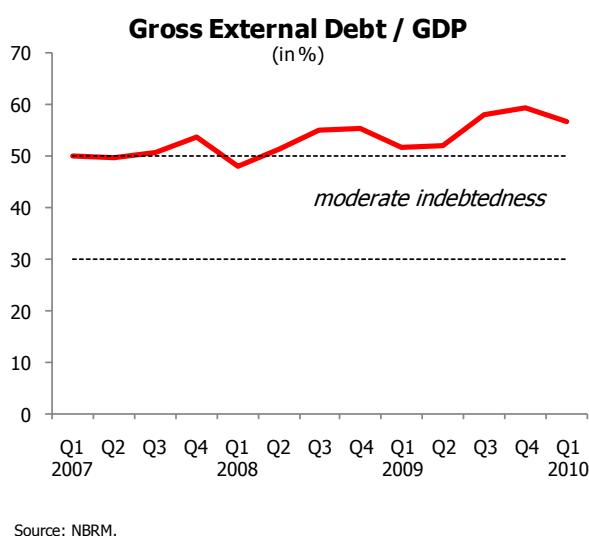


to direct investors. The indebtedness of the Government on the international markets, through issuing the second emission of the Eurobond (July 2009), had almost identical contribution. Out of the other sectors, the debt of the non-banking sector contributed to the rise, and within it the short term commercial credits and due unpaid liabilities (by about Euro 60 million and Euro 45 million, respectively). The stock of the gross external debt of the monetary Government was almost unchanged on quarterly level and it consists of allocation of SDR from the International Monetary Fund realized in the third quarter of 2009. The foreign indebtedness of the banking sector rose by Euro 38.1 million on annual basis, with rise in the long term currencies and deposits and long term loans being registered (by Euro 34.1 million and Euro 24 million, respectively) and simultaneous fall in the liabilities based on short-term currencies and deposits to non-residents.

With respect to the structure participation of the **sectors** in the gross debt, the corporate sector³⁹ is still dominant. The participation of this sector in the gross debt amounted to approximately 60% in the first quarter of 2010. Within this sector, the participation of the loans between related entities (intercompany indebtedness) increased continuously in the last three years, whereas the indebtedness of the corporate sector through financial loans in the last few quarters was relatively stable.

With respect to the **instruments**, the loans were the most dominant form of foreign indebtedness⁴⁰ with participation of 64.4% in the gross debt. However, compared with the end of 2008, the structure participation of the loans reduced (by 3 percentage points), as much as the share of the debt securities increased (as a result of the issued second Eurobond). With respect to the **maturity**, 67.5% of the gross external debt was on long term, with upward tendency, which indicated to improved and less sensitive structure to external shocks.

In the first quarter of 2010, the participation of the gross external debt in the nominal GDP⁴¹ of the RM amounted to 56.6%, which relative to the same period of 2009 represented growth of 5.0 p.p. This currently



³⁹ Includes the public companies and the total intercompany debt.

⁴⁰ Pertains to credits from international bilateral and multilateral creditors and intercompany loans.

⁴¹ Three-year average, according to the methodology of the World Bank.



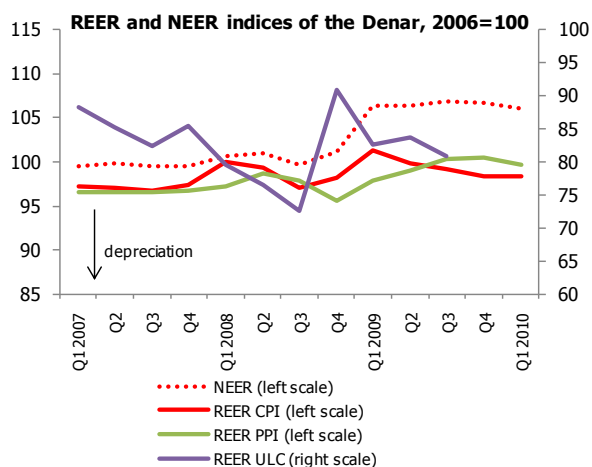
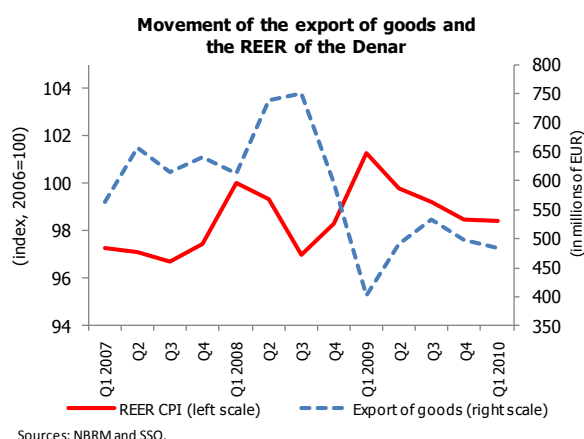
places the RM in the group of states with high indebtedness. However, the other indicators for the foreign indebtedness⁴² (the ratio between the gross external debt and inflows from goods and services, the ratio between the debt servicing and inflows from the export of goods and services and the ratio between the repayments of interests and inflow from export of goods and services), indicated lower foreign indebtedness of the RM.

Indicators for external indebtedness	Q1 2007	Q2	Q3	Q4	Q1 2008	Q2	Q3	Q4	Q1 2009	Q2	Q3	Q4	Q1 2010
Gross external debt / GDP (criterion: moderate indebtedness 30-50%)	50,0	49,5	50,6	53,7	47,9	51,2	55,1	55,3	51,6	52,1	57,9	59,3	56,6
Gross external debt / Export of goods and services (criterion: lower indebtedness 0-165%)	95,3	94,5	96,5	102,4	87,6	93,7	100,9	101,3	100,3	101,5	112,7	115,3	118,2
Debt servicing / Export of goods and services* (criterion: moderate indebtedness 18-30%)	19,0	28,2	7,9	8,4	5,4	3,7	6,5	10,9	7,0	14,7	7,7	7,1	7,2
Interest payments / Export of goods and services* (criterion: lower indebtedness 0-12%)	2,1	2,2	2,1	2,9	1,5	1,2	1,9	2,8	2,0	1,6	1,6	2,3	1,9

*Servicing debt and interest payments data have not been revised.

Source: NBRM.

1.5.4. Price competitiveness



The dynamics of the REER, generally, indicated relative improvement of the price competitiveness in the domestic economy. In the first quarter of 2010 the nominal effective exchange rate (**NEER**) registered minimal depreciation of 0.6% on quarterly basis, while the real effective exchange rate (**REER**) calculated by the consumer prices remained unchanged, and the REER by the producer prices registered moderate depreciation. On annual basis, the REER calculated by the consumer prices, for the first time after eight quarters of appreciation, registered depreciation of 2.8%. This resulted mostly from the positive price ratio, i.e. the rise in the foreign relative to the domestic inflation (by 3.1%, opposite to 0.4%), and to a smaller extent from the NEER depreciation (by 0.2% on annual basis). On the other hand, in the first quarter of 2010, the REER deflated with the producer price index appreciated with slower dynamics (by 1.9% on annual basis), which in conditions of NEER depreciation, was due to the larger growth in the domestic relative to the rise in the foreign producer prices (by 7.5%, opposite to 5.3%).

In April and May 2010, compared with the first quarter of 2010, the NEER registered depreciation of 1.2%. This was due to the Denar depreciation relative to the Russian Ruble, USA Dollar, Turkish Lira and Croatian Kuna. The depreciation of the Denar in this period represented the effect from the depreciation of the

⁴² According to the methodology of the World Bank.

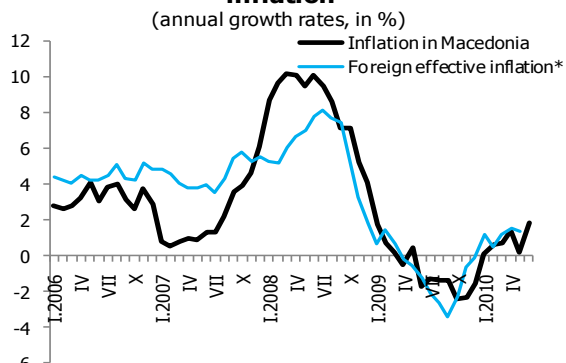
Euro relative to these currencies. Such depreciation of the NEER, together with the more intensive rise of the foreign prices, relative to the domestic, reflected with rise in the price competitiveness in the Macedonian economy. On the other hand, the NEER depreciation influenced the slowing down in the REER appreciation calculated by the producer prices.

From the beginning of the year and until May 2010, relative to the same period of 2009, the REER deflated by the consumer prices registered depreciation of 3.2%, which was mostly due to the positive price ratio, and to a smaller extent to the NEER depreciation (by 0.7%). On the other hand, the REER deflated with the producer prices, appreciated by 1.8% on annual basis, which was due to the negative price ratio.

1.6. Inflation

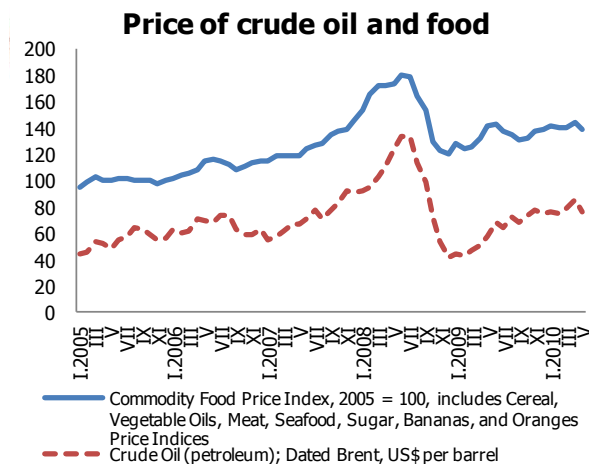
In the second quarter of 2010 the annual inflation intensified relative to the first quarter, thus reaching up to 1.1%. The developments with the domestic inflation generally corresponded with the development in the foreign inflation, and the foreign effective inflation exceeded the domestic in the second quarter as well. The higher energy prices were the key factors for the inflation in the second quarter again, as a result of the administrative growth in the price of the electricity and heating energy at the beginning of the year and of the rise in the oil price on the international stock exchanges. However, the depletion of the deflationary pressures from the food price, which in this period registered rise relative to the previous quarter, was the key factor for the inflation intensification relative to the first quarter. The core inflation in the second quarter, after two quarters of negative rates, returned in the positive zone, and the producer prices registered rise as well. Hence, as a consequence of all these factors, in the following period further moderate inflation intensification is anticipated, which would still remain within the projections.

Domestic inflation and foreign effective inflation



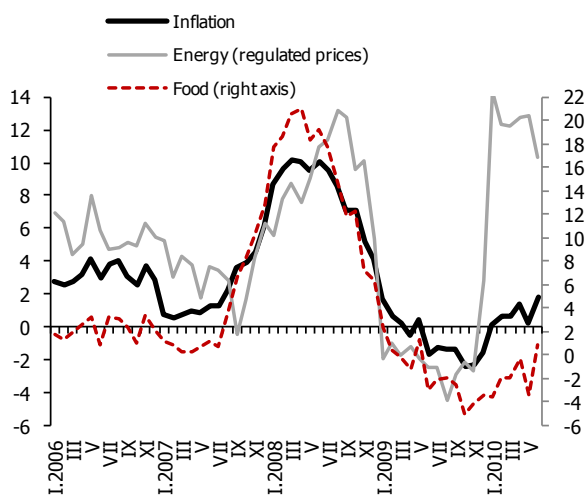
*Foreign effective inflation is calculated as weighted sum of inflations in countries that are major trade partners with Macedonia.
Source: State statistical office, Eurostat and NBRM calculations.

Under the influence of the higher import prices, mainly the oil price, as well as the rise in the regulated prices (the price of the electricity and central heating), the consumer prices were by 1.1% higher in the second quarter of 2010, relative to the same period of the previous year. Compared with the rate of 0.5% which was registered in the first quarter, this represented inflation intensification. In the second quarter the contribution by the energy price was similar with the one in the first quarter, and the inflation intensification resulted from the depletion of the deflationary effect by the food price. Namely, the contribution of the food in the second quarter amounted to -0.4 p.p., different from the first when it was -1 p.p. The development in the domestic inflation coincided



Source: IMF Primary Commodity Prices

Inflation and volatility of food and energy (annual growth rates, in %)



Source: State statistical office and NBRM calculations.

with the global trends, where inflation rise was registered as well under the influence of the base effects, i.e. the low inflation in 2009. Thus, the annual foreign effective inflation amounted to 1.5% in the second quarter, relative to 1% in the first quarter. Upward developments were registered with the producer prices and the core inflation as well in the second quarter.

The downward trend in the deflationary pressures by the food prices continued in the second quarter as well, when the prices of food products registered annual fall of 0.9%, smallest in the last five quarters. Same as in the first quarter, the grain products, fruits and vegetables gave the biggest contribution to the lower food prices in the second quarter. On the other hand, the slowing down in the drop with the food prices in the second quarter was mainly due to the **milk and dairy**, which registered rise in this period. **Observed on quarterly dynamics**, the prices of food products in the second quarter, adjusted for the seasonal effects, registered large growth of 1.4%. However, the rise in the food prices resulted mostly from the higher vegetable prices (quarterly growth of 6.9%, seasonally adjusted), which was probably due to the moving in the usual seasonal drop in the prices, as a result of the weather conditions. Namely, the fruit and vegetable prices in June, seasonally adjusted, registered monthly increase of 8.9% and 7.4%, respectively. Hence, the assessments are that the growth in the food prices in the last period will be temporary, and that in the third quarter downward correction in the food price can be anticipated.

The energy gave the largest contribution to the annual price growth in the second quarter, with annual rise of 11.9%, i.e. contribution of 1.4 p.p., which was almost at the same level as in the first quarter. The growth in the price of oil derivatives of 23.2% resulted from the rise in the oil price on the international stock exchanges, which was due to the base effects, while the growth in the price of electricity (9.8%) and central heating (5.3%) was due to the increase in the price of these two categories in January 2010.



Table No. 1
Individual price categories
(annual changes in %)

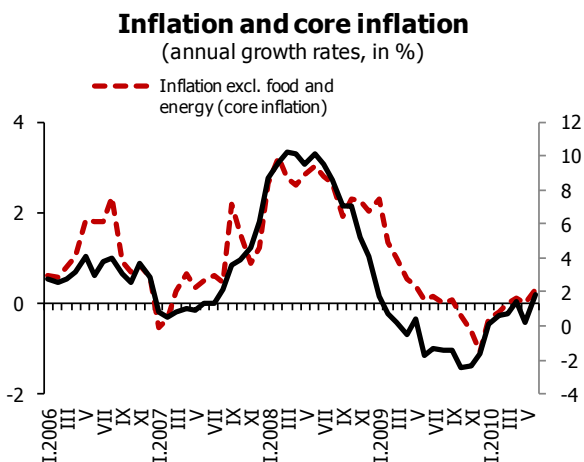
	Q 1 2008	Q 2 2008	Q 3 2008	Q 4 2008	2008	Q 1 2009	Q 2 2009	Q 3 2009	Q 4 2009	2009	Q 1 2010	Q 2 2010
Inflation (CPI)	9,5	9,9	8,4	5,4	8,3	0,8	-0,6	-1,4	-2,1	-0,8	0,5	1,1
Food	19,0	19,5	14,7	8,5	15,4	0,9	-1,0	-2,2	-4,2	-1,6	-2,4	-0,9
Fresh food	26,4	25,2	16,0	11,0	19,7	1,0	1,9	-0,2	-5,3	-0,6	-3,0	-2,0
Processed food	13,3	15,2	13,2	6,3	12,0	1,4	-3,0	-3,4	-3,6	-2,2	-1,8	0,4
Energy	7,4	9,2	12,5	8,3	9,3	-1,6	-1,9	-3,4	-1,1	-2,0	12,9	11,9
Fuels and lubricants	18,6	22,6	23,6	-6,2	14,6	-27,1	-27,7	-24,6	-4,0	-20,9	25,9	23,2
Electrical power	1,6	0,0	0,0	8,7	2,6	13,1	13,1	13,1	4,0	10,8	9,9	9,8
Heating power	4,6	10,9	23,2	25,3	16,0	4,2	3,6	-4,9	-6,2	-0,9	6,4	5,3
Food and energy (volatile prices)	16,1	16,9	14,1	8,5	13,9	0,3	-1,2	-2,5	-3,4	-1,7	1,3	2,2
Goods	11,0	11,4	9,0	5,4	9,2	0,8	-0,7	-1,3	-2,0	-0,8	0,6	1,4
Services	3,9	4,5	6,1	5,8	5,1	1,2	0,0	-1,8	-2,4	-0,7	-0,2	-0,2
Core inflation (inflation excl. food and energy)	2,9	2,8	2,5	2,2	2,6	1,5	0,3	0,1	-0,6	0,3	-0,2	0,1
Industrial producer prices	10,5	13,6	15,1	2,2	10,4	-6,2	-8,8	-10,1	-0,5	-6,4	7,5	9,7

Source: State Statistical Office and NBRM calculations.

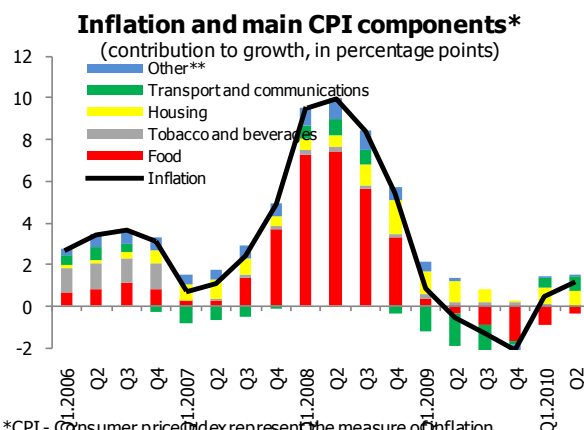
Table No. 2
Contribution to the inflation
(in p.p.)

	Q 1 2008	Q 2 2008	Q 3 2008	Q 4 2008	2008	Q 1 2009	Q 2 2009	Q 3 2009	Q 4 2009	2009	Q 1 2010	Q 2 2010
Inflation (CPI)	9,5	9,9	8,4	5,4	8,3	0,8	-0,6	-1,4	-2,1	-0,8	0,5	1,1
Food	7,3	7,5	5,6	3,3	5,9	0,4	-0,4	-0,9	-1,7	-0,7	-1,0	-0,4
Fresh food	4,7	4,5	2,8	2,0	3,5	0,2	0,4	0,0	-1,0	-0,1	-0,6	-0,4
Processed food	2,7	3,1	2,7	1,3	2,5	0,3	-0,6	-0,7	-0,8	-0,5	-0,4	0,1
Energy	0,9	1,2	1,6	1,1	1,2	-0,2	-0,2	-0,4	-0,1	-0,3	1,5	1,4
Fuels and lubricants	0,7	0,9	0,9	-0,2	0,6	-1,1	-1,1	-1,0	-0,2	-0,9	0,7	0,7
Electrical power	0,1	0,0	0,0	0,5	0,2	0,7	0,7	0,7	0,2	0,6	0,6	0,6
Heating power	0,1	0,3	0,7	0,8	0,5	0,1	0,1	-0,2	-0,2	0,0	0,2	0,2
Food and energy (volatile prices)	8,2	8,6	7,2	4,3	7,1	0,2	-0,6	-1,3	-1,8	-0,9	0,5	1,1
Core inflation (inflation excl. food and energy)	1,4	1,4	1,2	1,1	1,3	0,7	0,2	0,0	-0,3	0,2	-0,2	0,1

Source: State Statistical Office and NBRM calculations.



Source: State statistical office and NBRM calculations.



*CPI - Consumer price index represents the measure of inflation.

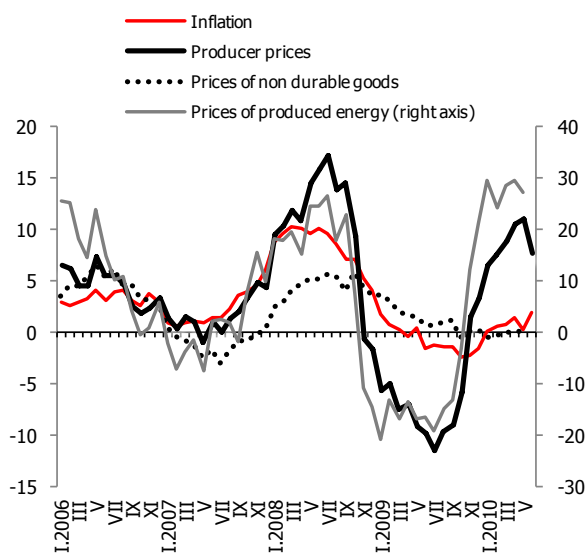
**Other includes the components: clothing and footwear, hygiene, education, culture and entertainment, hotels and restaurants, and other services not mentioned elsewhere.

Source: State Statistical Office and NBRM calculations.

Opposite to the negative change rates in the last two quarters, the long-term component in the inflation in the second quarter registered minimal annual rise of 0.1%. The growth in the core inflation resulted from the higher prices of the means of transportation (1.4% in the second quarter, opposite to -2.3% in the first), as well as of the wearing apparel and footwear (1% in the second quarter, opposite to -0.4% in the first). Although minimal, the rise in the core inflation can be due to the transmission effects from the price growth in the energy.

In the second quarter, the consumer prices registered moderate rise on quarterly basis as well, of 0.7% (same rate was registered in the seasonally adjusted data). Different from the previous quarter, when the higher price of electricity and central heating was the key factor for the quarterly inflation of 1.7%, in this quarter the higher prices of food, mainly of the fruits and vegetables, were the key factor for the rise in the consumer prices (increase of 1.1%, unadjusted, i.e. 1.4%, seasonally adjusted). As already emphasized, the higher prices of food in the second quarter resulted probably from the moving of the usual seasonal effect, which is anticipated to become evident in the third quarter.

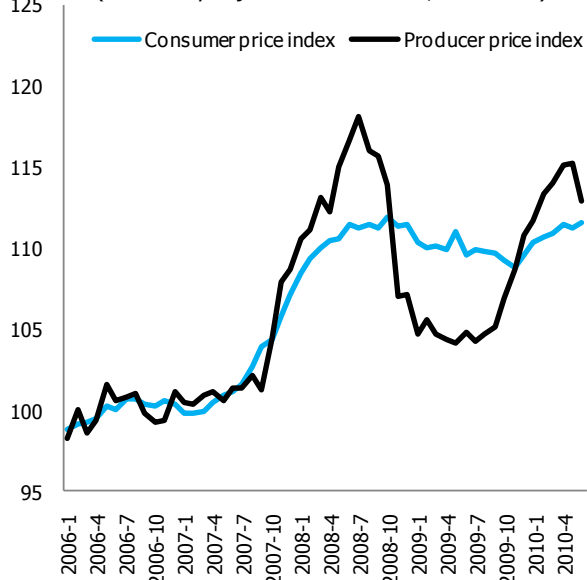
Inflation and industrial producer prices (annual growth rates, in %)



Source: State statistical office and NBRM calculations.

The developments in the inflation in the second quarter generally corresponded with the anticipations of the economic entities. Thus, according to the results from the Inflation Anticipations Survey of the NBRM, in April, most of the surveyed anticipated for the average inflation in the second quarter to exceed the inflation registered in the first quarter (49%), 35% anticipated for it to remain unchanged, and 9% expected for it to decrease. The transmission effects from the price growth in the electricity at the beginning of the year and the relaxation of the monetary policy, i.e. the revival of the demand, were the key factors which generated anticipations for inflation growth. However, the economic agents anticipated for the annual inflation to amount to 0.9% in June, which was lower than the realized inflation of 1.8%. The expectations for the inflation development till the end of the year were also in direction of its rise (60% of the surveyed)⁴³, under the influence of the drop in the interest rates and the revival of the domestic demand, the exit of the global economy from recession and the global price growth, as well as due to the transmission effects from the appreciation of the USA Dollar on the import prices. The surveyed anticipated for the average inflation in 2010 to amount to approximately 1%, which was in line with the projections of NBRM.

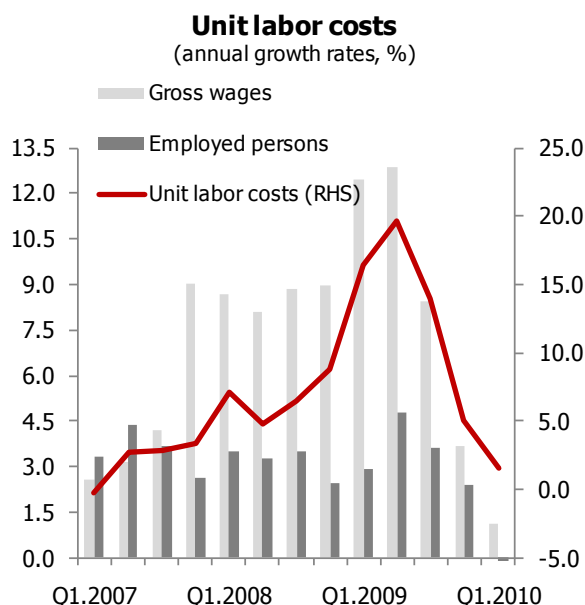
Consumer and producer prices (seasonally-adjusted base indexes, 2006=100)



Source: State Statistical Office and NBRM calculations

Under the influence of the growth in the prices of oil derivatives, electricity and basic metals, the producer prices in the second quarter of 2010 had annual rise of 9.7%, which represented intensification relative to the rise of 7.5% in the first quarter. With stable contribution of the energy being registered, the intensification resulted from the higher prices of the basic metals, which in the second quarter registered annual rise of 21.4%, different from the drop of 4.1% in the first quarter. The producer prices in the second quarter registered relatively high growth on quarterly basis as well, of 4.7%, seasonally unadjusted, i.e. 1.2%, seasonally adjusted, which was due to the higher prices of the basic metals again (quarterly rise of 20.7%). With respect to the producer prices which influence the domestic component of the consumer prices, the prices of energy registered rise (25%) as well as the prices of joint

⁴³ Out of the total surveyed, 14% anticipated for the inflation to remain at the current level, 7% anticipated for it to decrease, and 19% consider that it is hard to assess.



Source: State statistical office and NBRM calculations

consumption goods (0.3%)⁴⁴. This indicated to potential inflationary pressures, mainly by the price of the produced energy, considering the fact that the mentioned products were an integral part of the household consumption.

As a result of the slowing down in the drop with the productivity and the slowing down in the rise with the wages, the increase in the unit labor costs reduced to 1.6% in the first quarter, from 13.8%, as it equaled in 2009 on average. Simultaneously, the rise in the unit labor costs in the first quarter was at the lowest level in the last three-year period. Considering the anticipated downward adjustment with the wages and employees in the rest of 2010 and certain revival in the economic activity, downward movements in the unit labor costs can be expected for the following period.

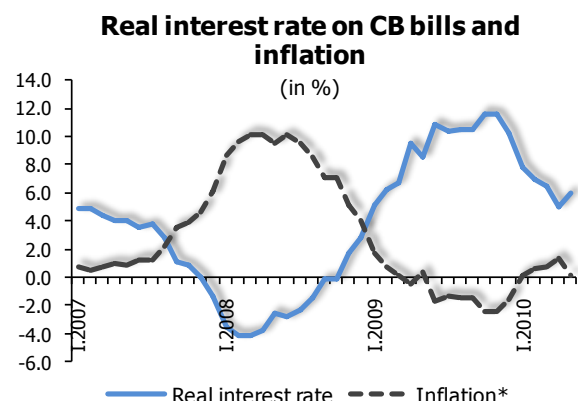
Summarized, further moderate rise in the level of the consumer prices was anticipated for the second half of 2010. Consequently to this, and as a result of the base effects, small intensification with the annual inflation rate was expected, especially for the last quarter of the year. However, the average inflation rate in 2010 was anticipated to remain within the initially projected frame of approximately 1.5%.

II. Monetary policy

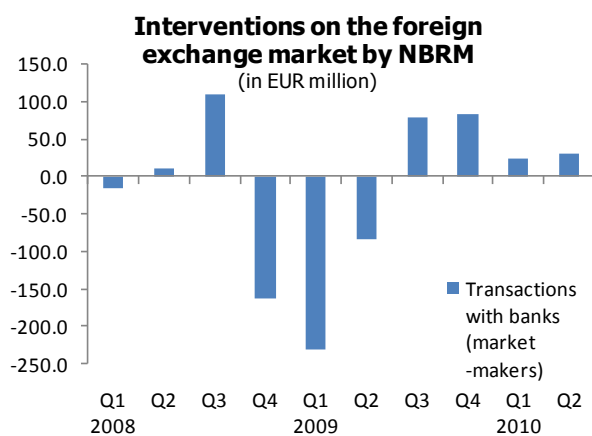
Within January - June 2010 period, in several occasions, NBRM gradually decreased the basic interest rate, correcting it by total of 350 base points, cumulatively. Thus in June 2010, the interest rate on CB bills reduced to 5%, which is the lowest level of this interest rate since January 2008. The decrease in the basic interest rate owed to further continuity maintenance of the favorable movements on the foreign exchange market and it is in favor of easier overcoming of the negative consequences of the crisis on the real sector of the economy, without endangering the basic monetary objective - maintenance of the price stability through maintenance of the stability of the foreign exchange rate. Namely, in environment of assessments for a relatively stable expectations for the foreign exchange rate and the inflation and the still weak recovery of the domestic economic activity, it is expected that such monetary reaction will contribute to a decrease in the lending costs, i.e. more active movement on the credit market and gradual return of the optimism with the investors and the consumers, creating favorable conditions for sustainable exit of the domestic economy from the recession phase. It is expected that also in the following period the environment for monetary policy conduct will remain relatively stable. However, the risks are not depleted and they are mainly connected to the

⁴⁴ The durable consumer goods registered drop of 3.4%, but the non-durables, which had higher weight, registered increase of 0.4%.

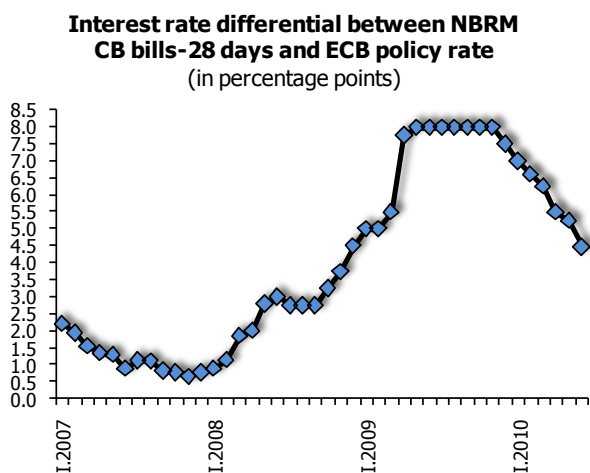
uncertain global developments, especially after the escalation of the Greek debt crisis. Having in mind the unpredictability of the future development of the events, NBRM continues to monitor the movements on a permanent basis.



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



Source: NBRM.



Source: NBRM and ECB (www.ecb.int).

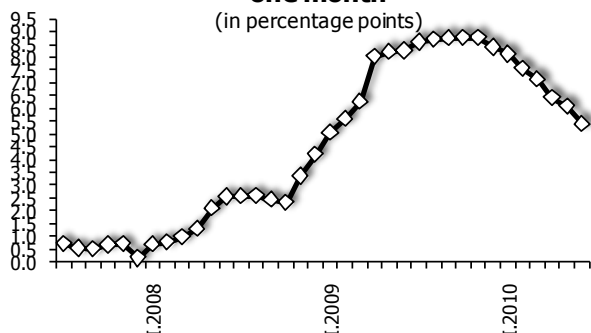
Since the beginning of the year, the trends in the domestic economy mainly proved the expectations for more stable environment in the monetary policy conduct in 2010 and lower risks regarding the stability of the foreign exchange rate and the inflation. Thus in line with the stabilization in the global economy and improvement in the trade conditions, the demand for the domestic export registered high annual growth in the first five months of the year, which in conditions of smaller increase in the imports contributed to the annual narrowing of the trade deficit. Simultaneously, the increase in the inflows from private transfers continued, more intensively than expected, enabling further maintenance of the mainly stable movements on the foreign exchange market. Thus within January - June 2010 period, NBRM intervened on the foreign exchange market with a net purchase of foreign exchange of about Euro 53 million. The maintenance of favorable trends on the foreign exchange market from the beginning of the year, together with the smaller perceived risks for the external sector in the following period indicated that there is space for additional monetary policy relaxation. Arguments in favor of the monetary policy relaxation can also be found in the real sector of the economy, having in mind that the real sector of the economy points to the still fragile recovery of the economic activity and space for more active credit support by the banking sector. Namely, in conditions of poor domestic demand, the intensification in the bank's credit activity is not perceived as a significant risk factor for the macroeconomic stability in the following period. The monetary policy position was additionally relaxed by the satisfactory level of foreign reserves, as a key buffer to the future potential shocks. In such conditions, within the January - June 2010 period, the basic interest rate of NBRM declined in five occasions, and in June 2010 it reduced to 5%.

The decrease in the basic interest rate of NBRM, in circumstances when ECB preserved its interest rate policy unchanged, contributed to significant narrowing of the interest rate spread between the basic interest rates of NBRM and ECB in the January - June 2010 period, although it has been maintained on solid level. Thus in June 2010, the interest rate spread between these two interest rates equaled 4.4 percentage points,



Interest rate differential between SKIBOR-one month and EURIBOR-one month

(in percentage points)

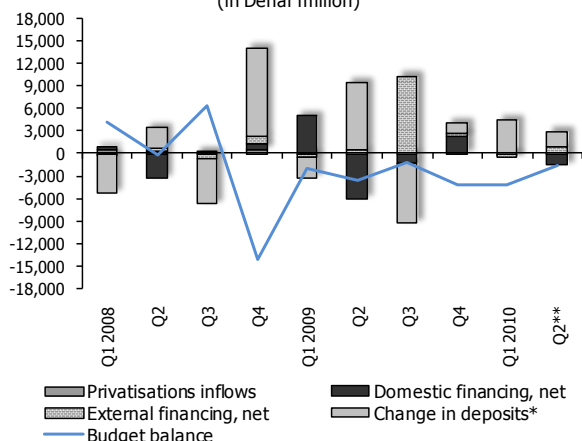


Source: NBRM and De Nederlandsche Bank (www.statistics.dnb.nl).

compared to 6.3 percentage points in March and 7.5 percentage points in December 2009. On the domestic financial market, the one-month SKIBOR⁴⁵ followed the changes with the basic interest rate of NBRM, registering constant decrease within the analyzed period. On the European financial market, the one-month EURIBOR was relatively stable. In such conditions, the interest rate spread between the one-month SKIBOR and the one-month EURIBOR of 8.4 percentage points, as it equaled in December 2009, in March 2010 reduced to 7.1 percentage points, while in June, it additionally decreased to 5.4 percentage points.

Budget balance financing

(in Denar million)



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

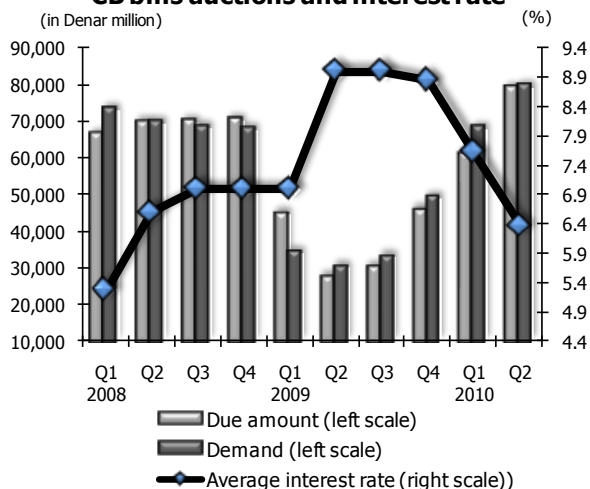
** Refers to April and May 2010.

Source: Ministry of finance of the Republic of Macedonia.

In the first quarter of 2010, deficit in the amount of Denar 4,097 million, with an effect of Denar 4,382 million in the consolidated Government budget was registered. In the first quarter, the budget deficit was almost fully financed through the deposits withdrawal from NBRM, especially from the Government's foreign exchange account, while the Denar deposits registered an increase on a quarterly basis. Also in the first two months of the second quarter, the deficit in the government budget continued, although less intensively (Denar 1,571 million in April - May period). However, beside the Government deposits with NBRM (with an effect of Denar 2,108 million), bigger contribution to the financing of the budget balance accounted for the inflows based on foreign borrowings (of Denar 1,406 million), with outflows based on payment of domestic debt being also registered (the regular installment of the bond for the old foreign exchange saving was paid in April).

CB bills auctions and interest rate

(in Denar million)



Source: NBRM.

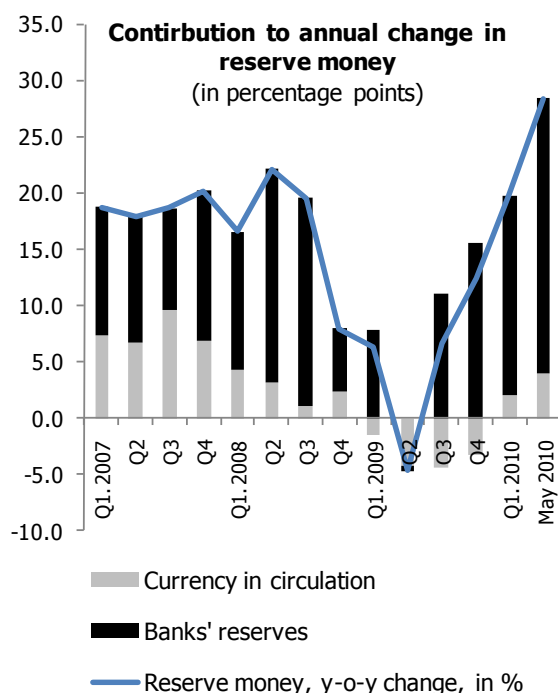
In the conditions when the NBRM foreign exchange transactions and Government deposits with NBRM created liquidity, the CB bills were the main factor for liquidity withdrawal in the first quarter. Thus despite the initiated process of monetary policy relaxation, the banks continued with intensive investment of their free funds in non-risk NBRM instruments, and in the first quarter they demanded amount which was higher than the due one by 11.7%. It contributed to a withdrawal of total of Denar 7,092 million through CB bills in the first three months of 2010. Signs of the banks' adjustment to the lower interest rate of the NBRM were obvious in the second quarter already, conducted through significant decrease in the demand for CB bills (amount that was higher than the due one only by 0.6%), and thus to the total

Thus despite the initiated process of monetary policy relaxation, the banks continued with intensive investment of their free funds in non-risk NBRM instruments, and in the first quarter they demanded amount which was higher than the due one by 11.7%. It contributed to a withdrawal of total of Denar 7,092 million through CB bills in the first three months of 2010. Signs of the banks' adjustment to the lower interest rate of the NBRM were obvious in the second quarter already, conducted through significant decrease in the demand for CB bills (amount that was higher than the due one only by 0.6%), and thus to the total

⁴⁵ Interbank interest rate for Denar deposits, calculated from the quotations of the reference banks.

withdrawn liquidity (of Denar 521 million). However, having in mind that the monetary aggregates influence with certain time-lag, the adjustment of the banking sector will probably continue in the following period, as well.

The average liquidity of the banking sector registered a quarterly increase of 13% during the first quarter of 2010. In the first quarter, the excess allocated liquid funds over the reserve requirement (in Denars)⁴⁶ equaled 2.7%, on average, compared to 3.2% in the last quarter of 2009. In comparison with the first quarter of 2009, the excess over the reserve requirement is higher by 0.7 percentage points. In the second quarter of 2010, the average daily liquidity of the banks was relatively stable and it augmented by 0.7%, quarterly. The excess allocated liquid assets over the reserve requirement within April - May period equaled 1.1%, on average. In May 2010, the annual growth rate of the reserve money⁴⁷ equaled 28.4%, compared to 19.8% in March and 12.4% at the end of the previous year.



Source: NBRM

In accordance with the constant trends and expectations, the ambient for the monetary policy conduct can be estimated as relatively favorable also in the following period. However, risks still exist and they primarily relate to the uncertainty about the external sector perspectives, as a key point for the monetary policy conduct according to the fixed foreign exchange rate principle. Namely, the recovery of the global economic activity continued also in the first quarter, which is positive signal from the aspect of the Macedonian economy. The thing that bothers is the recovery that is still unequal, observed from geographical aspect, with the largest vulnerability being located in EU exactly, which is the largest trading partner of Macedonia. The effect of escalation of the Greek debt crisis, which emphasized the risks of possible "spill-over effects" in few new fiscally vulnerable members, additionally stirring the doubts about the vulnerability of the global economic growth, should also be mentioned. However, the extensive EU and IMF interventions aimed at financial support to the Greek economy are encouraging, although the risk for the Macedonian economy is still present, having in mind the position as a neighboring country, with high degree of trading

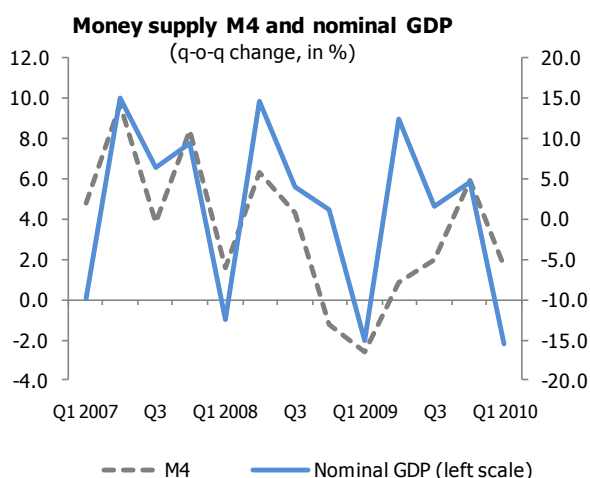
⁴⁶ The period for maintaining (fulfilling) the banks' reserve requirement covers the period from the 11th in the current month to the 10th in the following month. The excess pertains to the excess of funds allocated to the banks' accounts with NBRM over the reserve requirement.

⁴⁷ It includes also the reserve requirement in foreign exchange.

and financial integration with Greece. Although the effects of the Greek crisis on the Macedonian economy are so-far estimated as limited, however, to have a crisis in an EU member state is sufficient indicator to remain cautious in the adoption of monetary policies in the forthcoming period. NBRM will continue with close monitoring of the developments and if necessary, it will react adequately, thus ensuring maintenance of the foreign exchange stability and consequently, the overall macroeconomic stability.

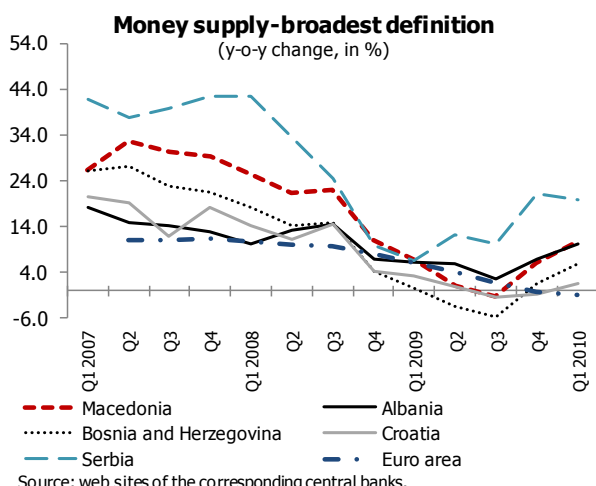
2.1. Monetary aggregates

In the first quarter of 2010, the broadest money supply M4 continued to increase on a quarterly basis. The stable macroeconomic environment, the favorable tendencies with the private transfers and in the foreign trade, as well as the intensified credit activity are factors that contributed to the growth in the new saving in the banking sector. Also the "Government" sector contributes to the total supply of money in the economy, through the bigger public consumption. The increase in the money supply continued also in April and May, with moderate decrease in the households' saving rate in this period being registered. Such movements can point to certain impact of the registered unfavorable adjustments on the labor market on the saving capacity of this sector. However, the decrease in the households' saving has been evidenced for a very short period, which does not exclude also the probability that it is only a temporary change. On the other hand, the enterprises' deposits registered high increase in April and May, which can be interpreted as an indicator for certain recovery of the economic activity, having in mind that the changes in the real sector of the economy with relative smallest time-lag are transmitted to the cash flows of the corporate sector. From the aspect of the following period, the general estimates are directed towards further broadening of the money supply, with the intensity of such change being conditioned, to great extent, by the capacity of the domestic economy for generating additional income, i.e. by the recovery pace of the domestic economic activity.



Source: State Statistical Office and NBRM.

In the first quarter of 2010, the broadest money supply M4 registered quarterly growth of 1.7%, which is deceleration compared to the increase in the preceding quarter. However, it is a common seasonal dynamics of the money supply, related to the normalization effect of the higher demand for the most liquid assets (currency in circulation and demand deposits) from the end of the preceding year, before the New Year and Christmas holidays' season. From the aspect of the private sector saving, the tendencies are still positive, which can be explained, to great extent, with the influence of the stable macroeconomic environment, favorable trends in the external sector, as well as the larger credit activity of the banks in this period. The same combination of factors contributed to further increase in the total supply of money in the



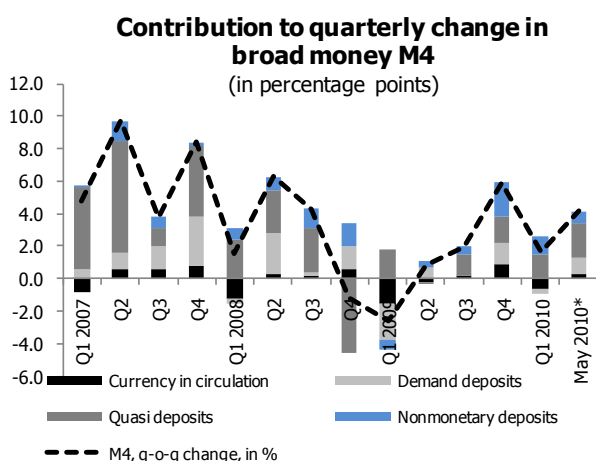
economy also in the first two months of the second quarter. Thus at the end of May 2010, the broadest money supply was higher by 4.1%, relative to the end of the first quarter, given additional inflows on the households' accounts based on the payment of the regular installment of the bond for the old foreign exchange saving in April. However, this period characterized with the change in the structure of creating banking deposits by individual institutional sectors, i.e. the enterprises' deposits registered more significant contribution to the growth in the total deposit potential. Analyzed on annual basis, the increase in the broadest money supply in May 2010 reached 15%, compared to 10.7% in March 2010 (6% in September 2009).

Main components of money supply M4

	May 2010	q-o-q change, in %					
	Share in M4	Q1 2009	Q2	Q3	Q4	Q1 2010	May 2010*
Currency in circulation	7,1	-16,8	-3,0	1,7	12,5	-8,7	4,5
Demand money	17,1	-12,0	4,0	0,1	7,5	-1,5	5,7
M1	24,1	-13,5	1,8	0,6	9,0	-3,7	5,3
Short-term deposits	64,5	2,7	0,0	2,0	2,4	2,3	3,3
M2	88,6	-2,2	0,5	1,6	4,1	0,6	3,9
Long-term deposits	11,4	-7,3	5,0	5,9	24,2	10,8	6,2
M4	100	-2,6	0,8	2,0	5,9	1,7	4,1

* refers to change with respect to March 2010.

Source: NBRM.



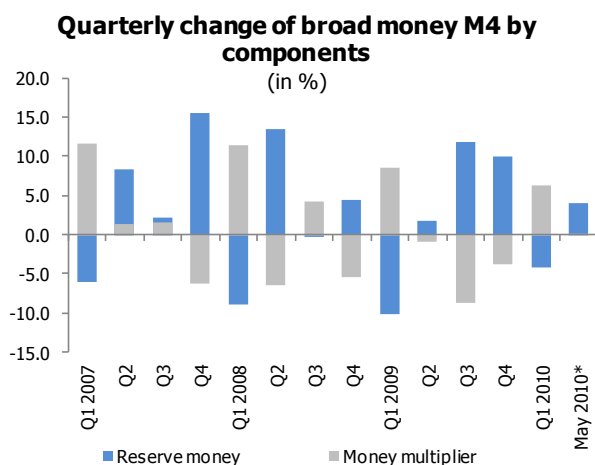
*Refers to change with respect to March 2010.

The analysis of the monetary indicators in the regional countries basically points to the recovery of the monetary growth, although with different intensity in one country to another. Thus the smallest monetary growth was registered in Croatia (of 1.6% in March 2010, annually), which still represents positive movement relative to the end of the previous year, when negative annual growth rate of the broadest money supply (of 0.9%) was registered. On the other hand, the broadest broadening of the money supply was registered by Serbia, with annual growth rate of almost 20% in March. Positive movements were also registered in Bosnia and Herzegovina and Albania, where annual growth rates of the broadest money supply of 5.9% and 10.2%, respectively were registered at the end of the first quarter. On the other hand, the Euro area still characterizes with a downward trend of the broadest money supply on annual basis, which equals 0.7% in March 2010.

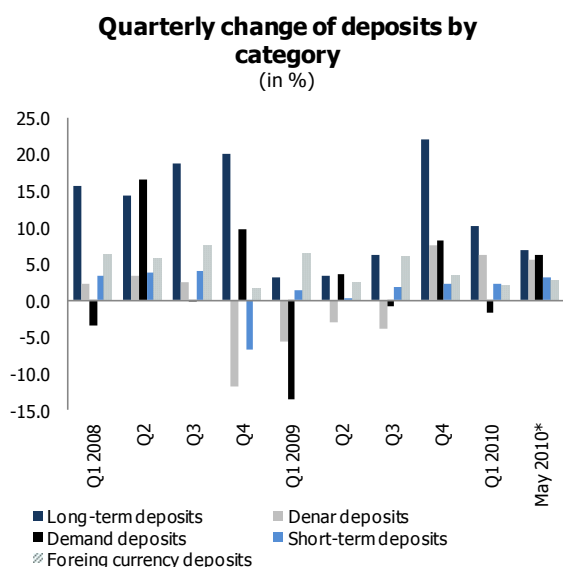
The decomposition of the money supply M4 by components shows that the



largest share still accounts to the short-term deposits in the first quarter, with a quarterly rise of 2.3%. Significant contribution to the increase accounts to the long-term time deposits, which registered high relative growth of 10.8%, quarterly. On the other hand, in accordance with the common seasonal adjustment, the currency in circulation registered a quarterly decline of 8.7% in the first quarter, and a decrease of 1.5% in the "demand deposits" category.



*Refers to change with respect to March 2010.
Source: NBRM.



*Refers to change with respect to March 2010.
Source: NBRM.

During the first quarter, also the accelerated monetary multiplication process supported the money supply growth. Hence, in March 2010, the monetary multiplier of the broadest money supply M4 equaled 4.8, compared to 4.5 in December 2009. Such movement is conditioned, to large extent, by the seasonally caused decrease in the demand for cash, which contributed to the quarterly drop in the reserve money. The intensified process of monetary multiplication is characteristic also for the following quarter, given the registered value of the monetary multiplier of 4.8 in May 2010, as a reflection of the intensified growth with the broadest money supply.

Under the influence of the stable macroeconomic ambient and more favorable movements in the economy's external sector, since the beginning of 2010, the total deposit potential of the banks⁴⁸ continued to mount, registering quarterly rise of 3.5% in March 2010 (4.9% in the preceding quarter). However, as in the preceding quarter, also in the first three months of 2010, the Denar deposits⁴⁹ continued to increase with intensified dynamics (of 6.2%) relative to the increase in the foreign currency deposits (of 2%) and for the first time after almost two years their contribution to the quarterly growth of the total deposit potential (of 62.7%) is bigger. Thus the level of Eurization⁵⁰ of 53.6% in December 2009 (54.6% in September 2009), declined by 53.3% in March 2010, which is clear indicator for the steady expectations of the domestic entities regarding the foreign exchange rate in the following period. This can be verified also with the change registered in April and May, when new intensified increase in the Denar deposits and further decrease in the Euroization degree (to 52.5% in May) was registered.

⁴⁸ It refers to the total deposits without demand deposits. If including demand deposits, the quarterly growth of the total deposits in March 2010 would equal 2.6%, compared to 5.4% in the previous quarter.

⁴⁹ It refers to the Denar deposits without demand deposits.

⁵⁰ Measured through the share of the foreign currency deposits in the total deposit potential.



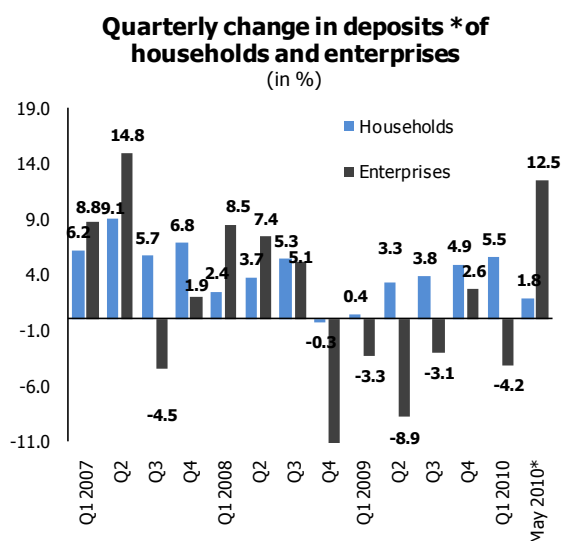
Analyzed from the aspect of the maturity structure, the short-term time deposits had larger contribution to the increase in the total deposits in the January - May 2010 period, opposite to the last quarter of 2009, when more significant contribution to the growth accounted to the long-term component. On annual basis, (May 2020 / May 2009), the total deposits (with demand deposits) incremented by 15.7%, which is additional acceleration relative to the realized annual growth rate in March of 11.4% (7.1% in December 2009).

Share in total deposits* (in %)

	2008				2009				2010	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	May
Total denar deposits	54,8	55,2	53,8	52,1	48,3	47,5	45,4	46,4	46,7	47,5
Households	26,8	26,1	25,5	25,4	22,6	21,6	21,4	23,1	24,7	25,1
Enterprises	25,3	26,4	25,8	24,0	21,7	21,6	19,4	18,4	17,0	17,4
Total foreign currency deposits	45,2	44,8	46,2	47,9	51,7	52,5	54,6	53,6	53,3	52,5
Households	33,5	33,3	34,7	36,2	40,5	42,9	44,2	43,2	43,2	41,4
Enterprises	11,5	11,3	11,3	11,4	10,5	8,8	9,7	9,6	9,2	10,5
Total deposits	100	100	100	100	100	100	100	100	100	100

*Total deposit and Denar deposits include demand deposit.

Source: NBRM.



*Demand deposits are not included.

**Refers to change with respect o March 2010.

Source: NBRM.

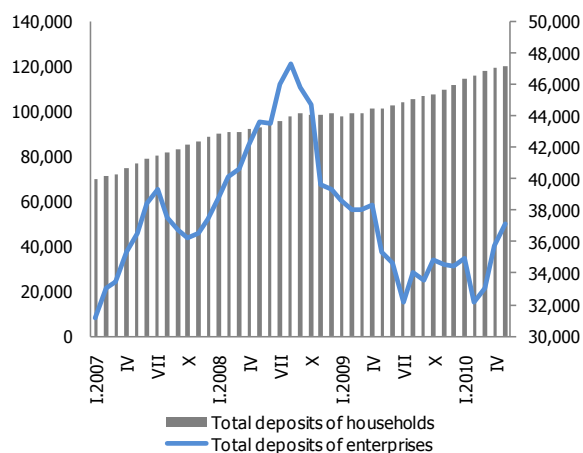
In the first quarter of 2010, the households' deposits (without demand deposits)⁵¹ realized a growth of 5.5%, quarterly, compared to 4.9% in the previous quarter. The intensification of the quarterly growth was followed by further retaining of the favorable tendencies from the aspect of the currency structure of the households' total deposit potential. Thus the Denar deposits⁵² registered quarterly increase of 13.5% (9.8% in the preceding quarter), contributing by 67% in the growth of the households' total deposits. On the other hand, the growth rate of the foreign currency deposits continued to decelerate and from 3.1%, quarterly, in the last quarter of 2009, it reduced to 2.5% in the first quarter of 2010. From the aspect of the maturity structure, approximately 70% of the new saving of the households in the first three months of 2010 was distributed in form of short-term deposits, which is change relative to the structure in the previous quarter, when almost same volume of the long-term deposits participated in the change of the total households' deposits. **The first two months of the second quarter were marked by deceleration in the monthly growth rate of the total households' deposits.** Thus despite the payment of the regular installment of the bond for the olds foreign

⁵¹ If including demand deposits, the quarterly growth rate of the total deposits of households in March 2010 would equal 5%, compared to 6.5% in the previous quarter.

⁵² It refers to the Denar deposits without demand deposits. By including demand deposits, the quarterly growth would equal 9.8%, compared to 13.6% in the previous quarter.

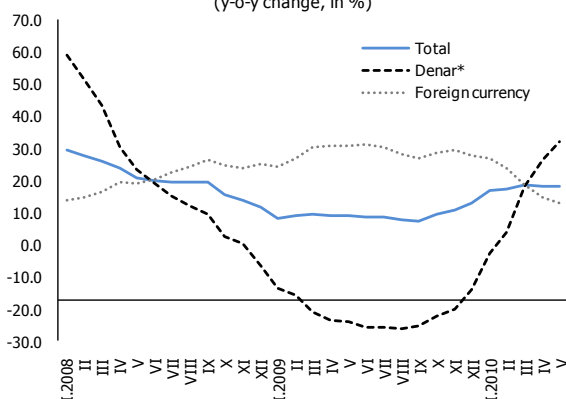


Deposits* of households and enterprises
(in Denar million)



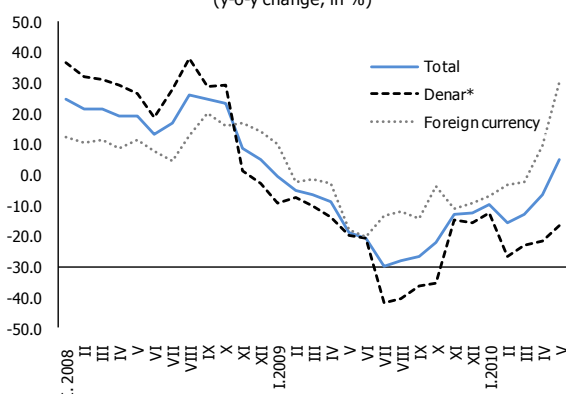
*Demand deposits are not included.
Source: NBRM

Households deposits
(y-o-y change, in %)



*Denar deposits do not include demand deposits.
Source: NBRM.

Enterprises deposits
(y-o-y change, in %)



*Denar deposits do not include demand deposits.
Source: NBRM.

exchange saving in April, the realized cumulative growth in the total households' deposits in the April - May 2010 period was smaller by almost three times relative to the increase in the preceding quarter (1.8%, compared to 5.5% in the previous quarter). It can be interpreted that such movements with the households' deposits results from the unfavorable tendencies on the labor market evidenced at the beginning of the year, because the households' savings capacity is of key significance and primarily conditioned by the availability of the inflows based on personal income. Additionally, the increase in the wages (nominal and real) in the first four months of 2010 constantly decelerated on annual basis. However, it is very short period in which the households' saving decelerates (which means that it is only a temporary change. Analyzed annually, in May 2010, the total households' deposits⁵³ went up by 18.3%, which is small deceleration relative to the annual growth rate of 18.6% registered in March.

During the first quarter of 2010, the total enterprises' deposits⁵⁴ declined by 4.2%, quarterly, opposite to the increase of 2.6% in the preceding quarter. Such change was mostly conditioned by the lower level of Denar deposits (by 6.9%, quarterly, opposite to the increase of 0.7% in the previous quarter), which explains almost 80% of the decrease in the total time deposits. The foreign currency deposits also registered a downward change, although with lesser intensity of 1.7% (in comparison with the increase of 4.5% in the previous quarter). However, the following two months were marked by significant accumulation of assets on the enterprises' bank accounts, with the growth rate of the enterprises' total deposits (without demand deposits) was two-digit in May 2010 relative to the end of the preceding quarter and it equaled 12.5%. Such movements correspond to the improved performances in the trade and industrial output in this period, as well as the favorable performances in the export sector. The recovery of the cash flows of the corporate sector can be asserted as a positive sign for moderate recuperation of the economic activity in the second quarter. In accordance with the apparently positive attainment with the enterprises' deposits in April and May, and partially as a result of the base

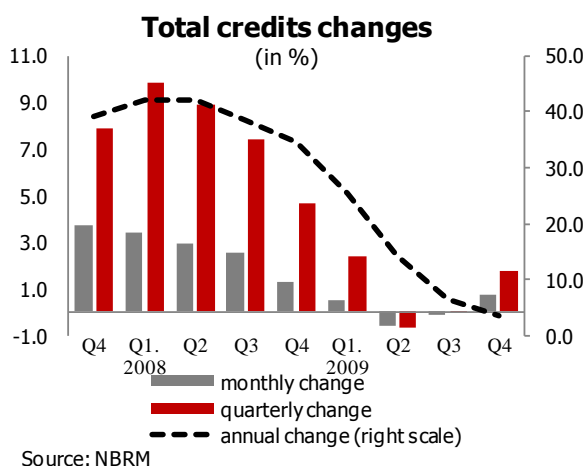
⁵³ It refers to the total deposits without demand deposits. If including demand deposits, the annual growth rate in May 2010 would equal 19.3%, compared to 19.9% in March.

⁵⁴ It refers to the total deposits without demand deposits. If including demand deposits, the quarterly drop would equal 4.1%, whereas the growth of 1.7% in the previous quarter.

effect⁵⁵, after a total of 16 months, the annual growth rate of the enterprises' total deposits (without demand deposits)⁵⁶ was positive in May for the first time and it equaled 4.9% (in comparison with 13.2%, as the annual decrease equaled in March 2010).

2.2. Credit activity⁵⁷

The stable macroeconomic environment, the constant widening of the deposit base and the better expectations of both the banking and the private sector are factors that enabled credit supply recovery in the first five months of 2010. The undertaken monetary measures, together with the improved perspectives for the economy resulted in certain positive effect on the banks' crediting conditions, reflected through the decrease in the aggregate interest rate for the corporate and the households' credits. Upward movements with the credit demand were also registered, which is in line with the initiated economy revitalization. The expectations for the future credit activity are directed towards further increase, with the realization of the assumptions for constant growth in the banks' sources of financing, as well as the continuous revitalization of the global economy being of great importance, and thus faster recovery of the domestic economy. The downward risks are mirrored in the possible worsening of both the credit demand and the credit portfolio, in circumstances of possible late impact of the crisis on the labor market.

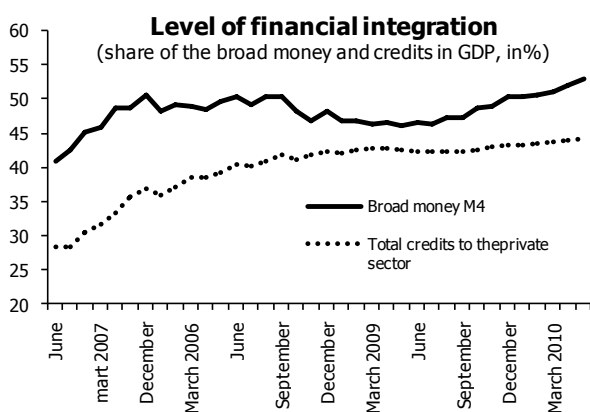


In contrast to the downward trend characteristic for 2009, in the first five months of 2010 the credit activity was continuously mounting, which indicates new beginning of the credit cycle towards bigger economy support. Thus only in the first five months, the banks placed approximately Denar 5.5 billion in form of credits in the economy, which is close to the amount placed in the entire 2009 (about Denar 6 billion). On a quarterly basis, the credit growth equaled 1.4% (1.8% in the fourth quarter of 2009). On annual basis, the growth accelerated in April and May, and the annual rate in May equaled 4.2%. The crediting recuperation happens in conditions of improved macroeconomic environment, primarily the favorable movements in the external sector, increase in the deposit base and improved expectations, as well as the banking and the private sector. The monetary policy relaxation for several times also gave positive

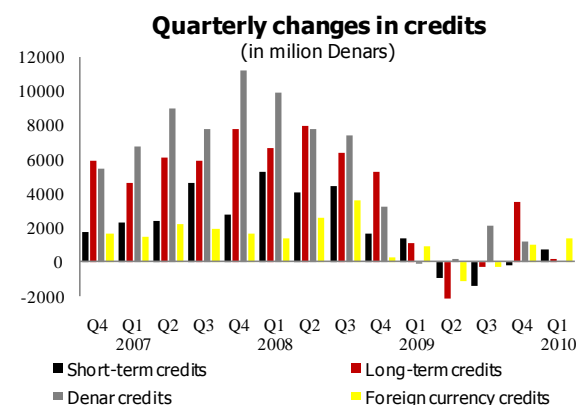
⁵⁵ In May 2009, monthly decrease of higher significance of the total enterprises' deposits was registered, in conditions of payment of larger amount of dividend to the Government.

⁵⁶ If including demand deposits, the annual growth rate of the total enterprises' deposits in May 2010 would equal 5.2%, whereas the decrease of 9.4% in March.

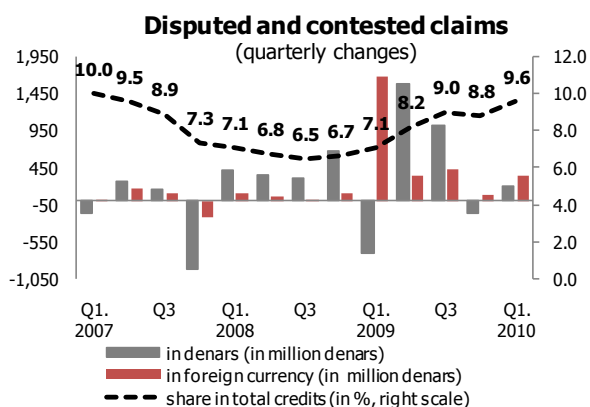
⁵⁷ The analysis of the credit aggregates is based on the data of the new Methodology for preparation of standard forms of the monetary balance sheets and surveys and the new chart of accounts (that became effective on January 01, 2009).



Source: NBRM



Source: NBRM



Source: NBRM

impulse towards movements in the credit flows, although having in mind that the monetary changes are transmitted with a delay, their bigger effect is expected for the forthcoming period. The positive movements are evident also with the credit demand⁵⁸, which is in conformity with the initiated cycle of the economy's revitalization.

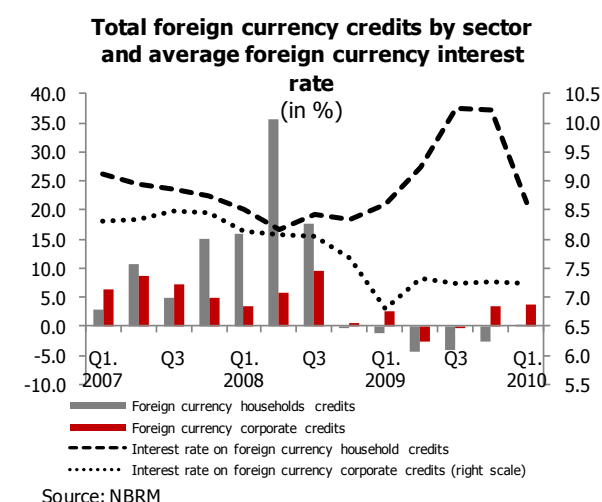
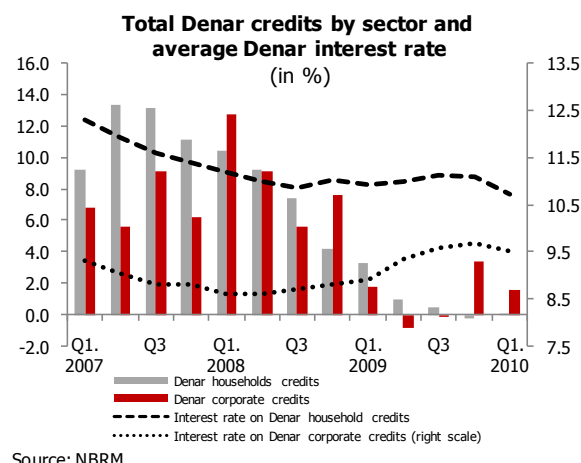
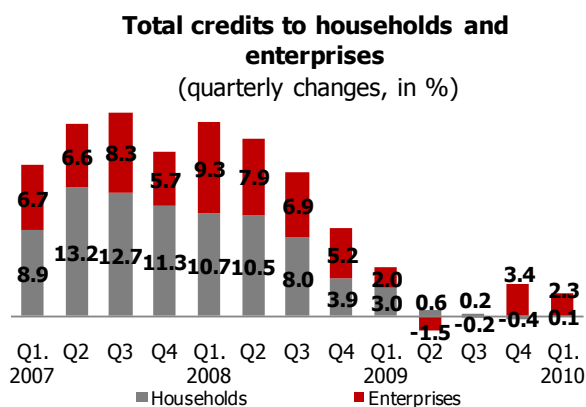
Despite the chances for faster crediting revival in the analyzed period, the issue of sustainability of the current positive trends, given the uncertainty related to the intensity and the duration of the post crisis recovery of the global and the domestic economy, caused further carefulness of the banks and cautious and selective access in credits approval. The banks' perceptions, presented in the Lending Survey for the first quarter of 2010, also indicate such direction, where despite the positive movements towards favorable crediting terms, the largest portion of the banks points mainly to the unchanged credit policy. The risk premium still remains high, with the interest for investments in non-risk securities (CB bills) despite the low yield, still being big. On the other hand, in the first three months of 2010, negative annual trend with the banks' functional credit portfolio has been registered, in conditions of deceleration of the banks' credit flows to the private sector, while the simultaneous credit portfolios "maturation", given the reduced financial capacity of the private sector, significantly elevated the percentage of uncollectibility of the credit liabilities⁵⁹.

From the aspect of the currency structure, positive quarterly changes also with the Denar and foreign exchange credits were realized. In contrast to the preceding quarter, bigger contribution (of 52.7%) to the increase in the total credits accounted for the foreign exchange credits, with a quarterly growth rate of 3.4% (2.6% in the previous quarter). Simultaneously, the Denar credits went up by 0.9% (1.6% in the previous quarter).

Observed on annual basis, faster increase by the foreign exchange credits (8.4% in May opposite to 1.4% in December 2009) was registered, while the Denar crediting dynamics was slower (2.9% growth in May opposite to 4.1% in

⁵⁸ Lending Survey of the banks in the first quarter of 2010.

⁵⁹ The data on the share of the non-performing loans in the total credits since the beginning of 2009 prove this statement. Thus the share of 6.7%, as it equaled at the end of 2008, increased to 8.9% at the end of 2009, while in the first quarter of 2010, it additionally augmented to 9.7%.



December). Such trends contributed to constant decrease in the share of the Denar credits in the total credit growth, which equaled 54.4% in May (91.3% in December 2008).

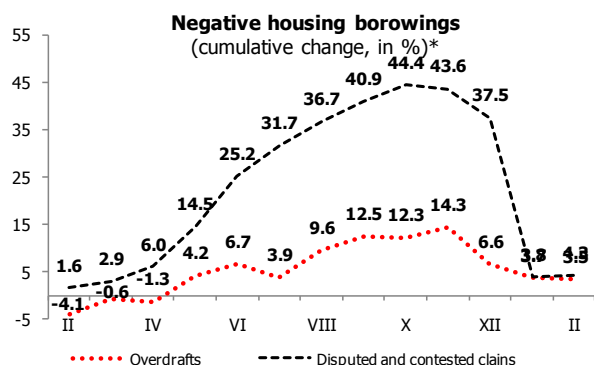
From the aspect of the maturity⁶⁰, the quarterly growth of the short-term credits (of 1.3%), which follows after three consecutive quarters of fall (1.7%, 2.6% and 0.4%, in the second, third and the fourth quarter of 2009, respectively) should be emphasized. Simultaneously, the movements registered with the long-term credits were quite moderate during the all quarter, and as a result, their quarterly growth was maintained around zero. Annually, the short-term credits has been registering slower decrease since March (from 4.6% in February, to 1.5% in May), in circumstances of faster growth rate of the long-term credits (from 0.8% in February, to 3.2% in May).

From the aspect of the sector structure, the cause for the rise in the total credits in the first quarter remains to lie on the corporate credits, but opposite to the preceding quarter, the newly placed credits to households had also positive contribution. Namely, after the three-month fall in the households' credits, in March, the banks started to place credits to this sector, with the quarterly growth rate being equal to 0.1% (opposite to the decrease of 0.4% in the fourth quarter of 2009). The positive change is mostly (85.9%) caused by the rise in the Denar credits, which augmented by 0.1%. With respect to the increase in the foreign currency credits, the negative trend characteristic for the five quarters ceased, and these credits augmented by 0.3%. From the aspect of the maturity, the long-term credits registered a decrease of 0.2% (compared to the increase of 0.4% in the previous quarter), given further, although moderate, decrease in the short-term credits (1.1% in comparison with 2.1% in the preceding quarter).

From the aspect of the individual types of households' credits, the housing credits continued to increase also in the first quarter of 2010, with growth rate of 1.9% in conditions of bigger confidence of the consumers and improved perspectives of the housing market⁶¹. Generally, also the banks' interest to

⁶⁰ Suspicious and doubtful claims and the accrued interest are excluded from the maturity analysis.

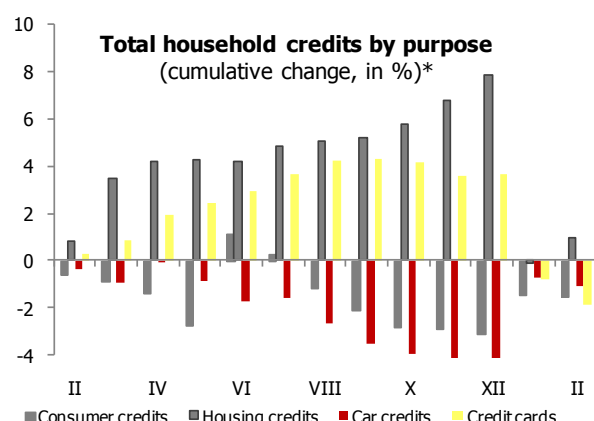
⁶¹ Lending Survey of the banks, January 2010.



*Until December 2009, cumulative change compared to January 2009. From January 2010, cumulative change compared to December 2009.

Source: NBRM

approve these collateralized credits is bigger in comparison with the interest for other credit products with higher risk (such as the negative balances on the current accounts and the consumer credits), which was also positively influenced by the prices of the apartments in the first quarter of 2010 (which influence on the higher market value of the collateral of these credits)⁶². Upward movements are visible also with the credit cards, which augmented by 5.3%. On the other hand, the changes with the consumer credits were negative (quarterly decline of 0.7%), although their decrease was weaker relative to preceding two quarters. Severer quarterly decrease (of 2.2%) were registered by the car credits and credit cards (0.7% and 0.6%, respectively, in the previous quarter). Concerning the credit portfolio quality, quality worsening on a quarterly basis was registered. Thus the suspicious and the contested claims incremented by 2.7% (opposite to the drop of 5.3% in the previous quarter).



*Until December 2009, cumulative change compared to January 2009. From January 2010, cumulative change compared to December 2009.

Source: NBRM

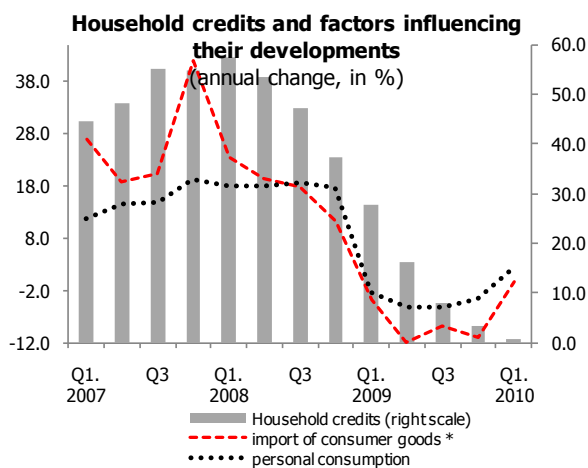
After the stagnation of the **annual rate of credit growth** of the households in the first three months of 2010 (on the historically lowest level of 0.5% after 1999), in April and May, the credit growth registered an annual intensification, reaching 1.9% in May. On the side of the supply, the negative risks regarding the banks' on-balance sheet positions, the sources of financing and the perspectives of the real economy are less included in the banks' decision-making regarding the crediting, which reflected positively on the banks' readiness for crediting and the crediting terms, primarily the interest rate⁶³. In conformity with the surveys conducted in January and April 2010, positive trend was registered also on the side of the demand, with the regaining of the consumers' confidence and the smaller consumption restraint emerging as the main factors for higher demand.

The banks' more optimistic expectations and the better expectations of the households⁶⁴,

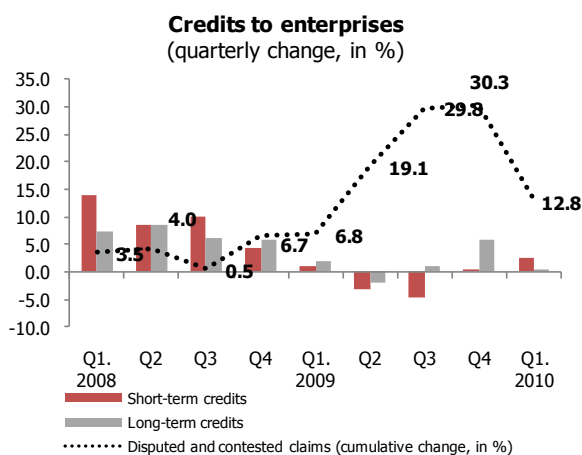
⁶² According to the hedonic price index of apartments calculated in the NBRM, in the first quarter of 2010, the prices of the apartments registered quarterly growth (5.2%), compared to 2009, when downward trend was registered.

⁶³ According to the Lending Survey in the first quarter of 2010, almost all banks pointed to partial decrease in the interest rate on credits aimed at households.

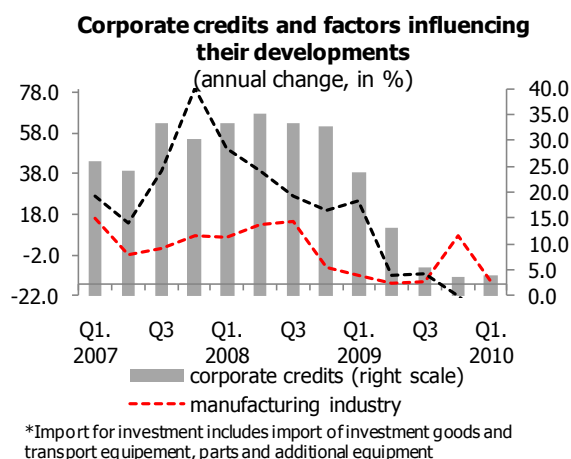
⁶⁴ According to the analyses of the State Statistical Office, the indicator for consumers' confidence in June 2010 augmented relative to May. This indicator includes the expectations for the financial standing of the households in the following 12 months, expectations for the economic standing in the country and the probability to save, for which the consumers are getting more optimistic. However, regarding the unemployment, the consumers' assessment is less favorable in comparison with the previous period.



* Import includes food and beverage, passenger motor cars and joint consumption goods
Source: NBRM



Source: NBRM



Source: NBRM

indicate possible stabilization and recovery of this segment of the credit market in the following period. In any case, this points to fast and solid recovery of the households' crediting, having in mind the risks of the late worsening on the labor market (where in the first quarter of 2010, decrease in the employment of 1% quarterly is registered).

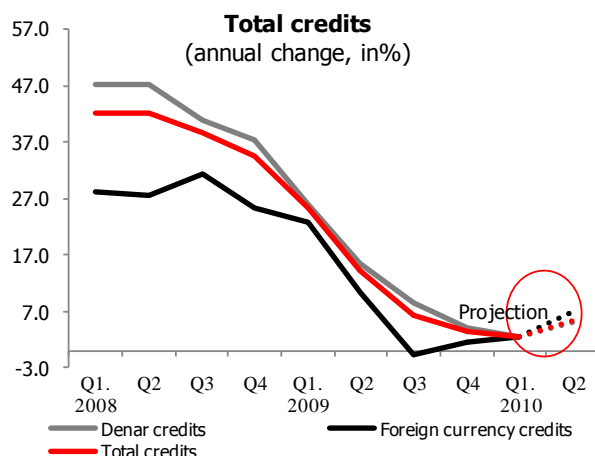
The banks increased their crediting of the corporate sector by 2.3% quarterly, given intensified placement of credits in foreign currency and on a short-term basis.

Thus the foreign exchange credits augmented by 3.7% and participated with 54.3% in the growth in the total corporate credits, in conditions when the Denar credits roused with smaller intensity of 1.6%. Observed from maturity aspect, the increase in the long-term credits equaled around zero (0.3%), while the short-term credits mounted by 2.5%. The intensified short-term crediting of the enterprises in this stage of economic cycle, mirrors the need of working capital and short-term inflows aimed at payment of the due liabilities. The results obtained from the Survey⁶⁵ point to the enterprises' bigger needs for investments in fixed assets, but regarding the poor capacity utilization and the reserves accumulation during crisis, bigger financing needs on this basis are expected after overcoming these conditions with the enterprises.

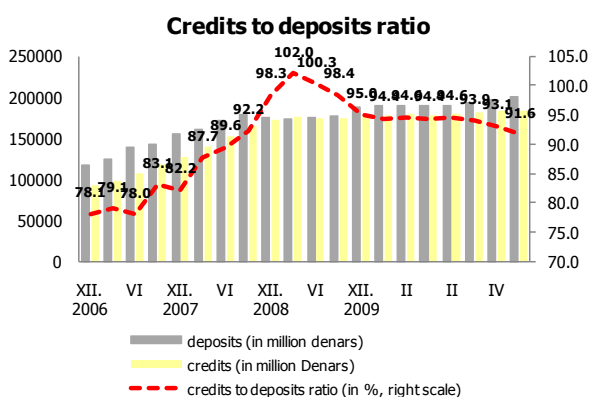
Annually, the credit growth of the corporate credits intensified up to 5.9% in May. The foreign currency credits, with an annual growth rate of 10.3%, were the main driving force also for the annual growth. The Denar credits augmented by 3.8%, thus pointing to the slower growth dynamics since the beginning of the year (in January, the annual growth equaled 7.3%). Observed from maturity aspect, the short-term credits remained on the downward track, although their decrease (of 2%) is smaller than that registered at the end of 2009. The long-term credits, after the minor deceleration of the growth in the first three months, in April and May returned to the level registered in December 2009 (of 7%).

Summarized, the data on the crediting flows in the analyzed period point to positive trends also with the supply and the demand for credits. According to the credit activity surveys, the tightening of the crediting terms lasted until the last quarter of 2009, since when signs for their relaxation have occurred. One of the main factors for the banks restraint in the

⁶⁵ Lending Survey of the banks for the first quarter of 2010.



Source: NBRM



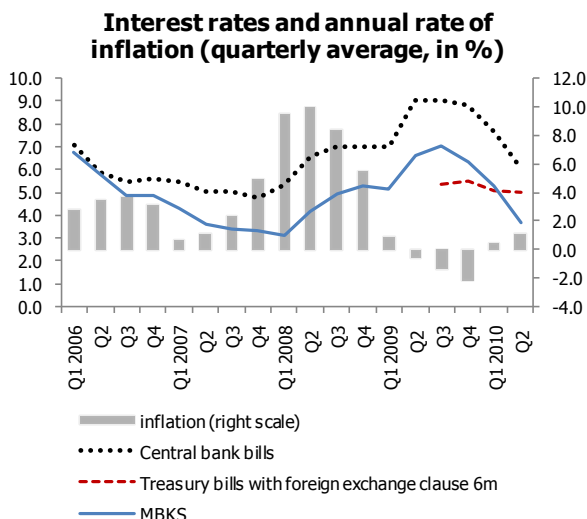
Source: NBRM

previous period was the vague macroeconomic environment, but having in mind the relatively improved current movements, as well as the smaller uncertainty for the future, the pressure of this factor lessened. Additionally, according to the Lending Survey for the first quarter of 2010, the competitiveness pressure helped towards partial relaxation of the crediting terms, thus pointing that the banks, after a period of large uncertainty already stabilize the risks perceptions and redirect them once again towards larger activity and strengthening of the market share of the credit segment. The constant deposit growth from the beginning of 2010 improved the banks' financial capacity, which creates room for more active crediting (the correlation between the credits and deposits, on average in the first five months of 2010 equals 93.5%, while in the same period of the previous year, it equaled 101%). **In such conditions, the expectations for the following period move towards stronger support to the economic activity through the credit channel, having in mind also the late effect expected from the undertaken monetary measures.** However, the still present perceptions for high riskiness of the private sector and the constant, although, moderate growth of the non-performing credit portfolio of the banks, continues to put the quality of the credit demand and the financial capacity of the clients as main limiting factors for more intensive crediting. The degree to which the downward risks will influence on the credit movements certainly depend on the current recovery of the global and domestic economy and its sustainability.

2.3. Interest rates

The first quarter of 2010 was marked by a decrease in the interest rates on the financial markets and the banks' credit and deposit market, as a reaction to the monetary policy changes and the more stable expectations of the domestic financial institutions for the trends in the domestic economy in the following period. Such movements were present also in the second quarter. Thus the decrease in the NBRM basic interest rate by several times (by total of 3.5 percentage points in the first eight months of the year) has transmitted on the interest rate on the financial markets with the highest intensity, as a first ring in the process of monetary signals transmission. On the other hand, further maintenance of the credit risk relatively higher than usual, in accordance with the uncertain recovery pace of the real sector, limited, to certain extent, the monetary transmission to the banks interest rates. Thus despite the stabilized macroeconomic environment and the constant broadening of the deposit base, as the main source of financing, the decrease in the banks' lending interest rates in this period was more moderate, in comparison with the change in the basic interest rate of NBRM. However, it is significant that the credit price in this period

has been registering almost constant decrease, pointing to easier access to the private sector credits. Parallel to the decrease in the lending interest rates, downward adjustments also with the interest rates on the deposits market were registered. Further relaxation of the banks' interest rate in the following period is expected, although this assessment is still accompanied with risks, which primarily relate to the recovery pace of the domestic economy, as the key determinant of the development of the banking portfolios and the financial capacity of the banks and credit users.



Source: NBRM, Ministry of finance and Statistic state office

The monetary policy relaxation, which began at the end of 2009, continued also in the first half of 2010. Thus in conditions of further maintenance of mostly stable movements on the foreign exchange market and estimates for lower risks on the monetary policy in the following period, in the first three-month period of 2010, NBRM reduced the basic interest rate in three occasions, by totally 2 percentage points. In the second quarter, the basic interest rate was additionally reduced in another two occasions, by a total of 1.5 percentage points, and in June it was reduced to 5%, which is close to its the historically lowest level (of 4.66% in November 2007). In accordance with the changes in the basic interest rate, the interest rate on Lombard Credits⁶⁶ was also decreased in five occasions, and from 10%, as it equaled in December 2009, it reduced to 6.5% in June 2010. The decrease in the basic interest rate transmitted on the interest rate dynamics on the deposits market and the effects, although with smaller intensity, were visible also on the dynamics of the banks' lending interest rates. However, more significant decrease was registered with the interest rates on the households' credits, which can be partially explained with the need of adjustment by the banks to the Law on amendments to the Law on contractual relations⁶⁷, the implementation of which began in February 01, 2010. This law amends the manner of determining the penalty interest rate, also setting the requirement for the contractual interest rates on the bank credits not to exceed the penalty interest rate⁶⁸. Having in

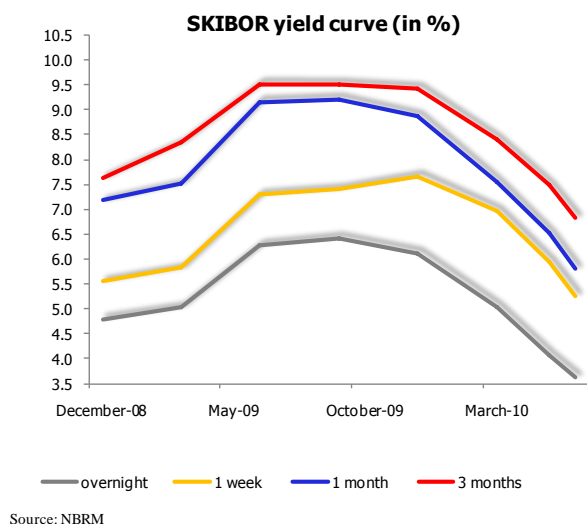
⁶⁶ According to the Decision on the interest rates of NBRM effective from August 2009, the interest rate on the Lombard Credits is obtained by adding 1.5 percentage points to the interest rate on the CB bills.

⁶⁷ "Official Gazette of RM" no. 161/2009.

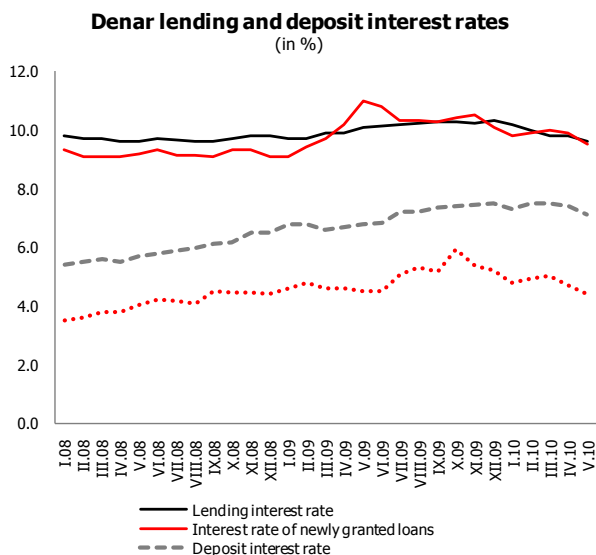
⁶⁸ NBRM (reference rate) valid on the last day of the half that precedes the current half of the year, incremented by 10 percentage points in the trade agreements and the agreements between traders and the persons from the public law, i.e. increased by 8 percentage points in the agreements in which at least one person is not a trader (previously, this interest rate was determined according to the discount rate of the NBRM). NBRM is obliged to publish its reference rate on every January 2 and July 1 on its web site and it is applied for the current six months (until the end of the half). Also, the interest rates on



mind that part of the interest rates the banks charged on the households' credits in this period were higher than the penalty interest rate, they were forced to adjust them in accordance with the new regulations.



The decrease in the basic interest rate of NBRM performed in several occasions contributed to the cut of the other interest rates on the financial market. Thus, **the interbank interest rate (MBKS)⁶⁹** of 6.15% in December 2009, reduced to 3.27% in June 2010, which is the lowest rate registered in the last two years. In such conditions, in the first half of 2010 the turnover on the interbank deposits market increased by 8.9% relative to the turnover realized in the same period of the previous year. **The interbank interest rate for concluded overnight transactions (MKDONIA)** has been registering a downward trend since the beginning of the year, and in June it recorded its historically lowest level of 3.23% (compared to 4.45% in March and 6.05% in December 2009).

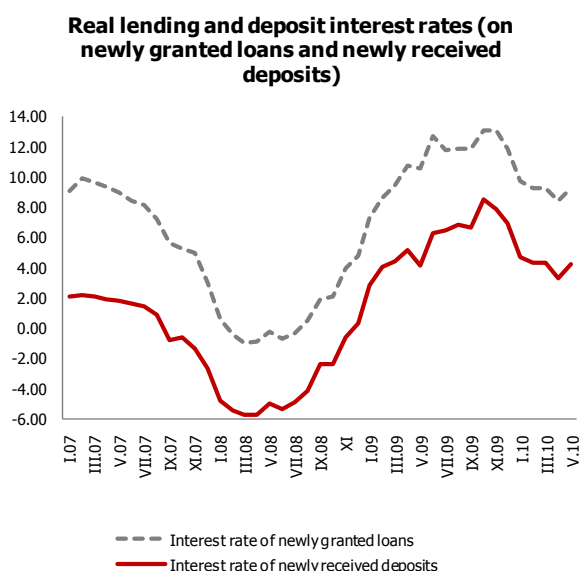


In the first half of 2010, trend of almost constant decrease in the listed interbank interest rate on the deposits market (SKIBOR) was registered. Thus in the first quarter the interbank interest rate (SKIBOR) fell, within the interval of 0.7-1.3 percentage points, depending on the maturity. Such downward trend of SKIBOR continued also in the second quarter of 2010, although more intensively, when decrease in the interbank interest rate on the deposits market SKIBOR within the interval of 1.4-1.7 percentage points was registered (depending on the maturity), with the severest decrease referring to the maturities from one week to one month.

In the first half of 2010, only six-month Treasury bills with FX clause on the Treasury bills primary market were issued, opposite to 2009 when Treasury bills of all maturities with and without FX clause were offered. However, the Ministry of Finance continued to organize the auctions according to the "volume tender principle and fixed interest rate", reducing the interest rate in three occasions since the beginning of the year up to 4.99% in

the banks credits are also restricted, which should not be higher than the penalty interest rate. When the credit obligation is presented or determined in foreign currency, the rate of the penalty interest is set for each half of the year, for the amount of the one-month Euribor rate valid on the last day of the half preceding the current half, augmented by 10, i.e. 8 percentage points, respectively, as aforementioned.

⁶⁹ MBKS - average interest rate on the interbank money market.

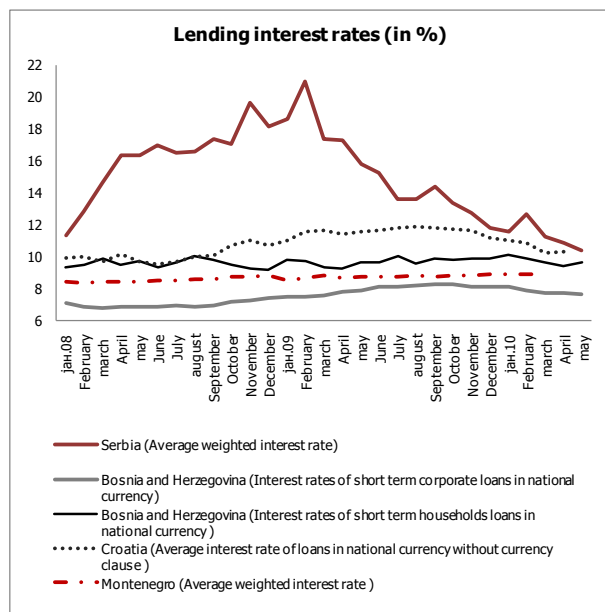


Source: NBRM

March, level that remained unchanged until the end of the second quarter (at the end of 2009 the interest rate on the six-month Treasury bills with FX clause equaled 5.5%). The interest for these financial instruments is still high, with realization degree of the offered amounts of 97%, on average, having in mind that they are non-risk securities, simultaneously offering protection from currency risk.

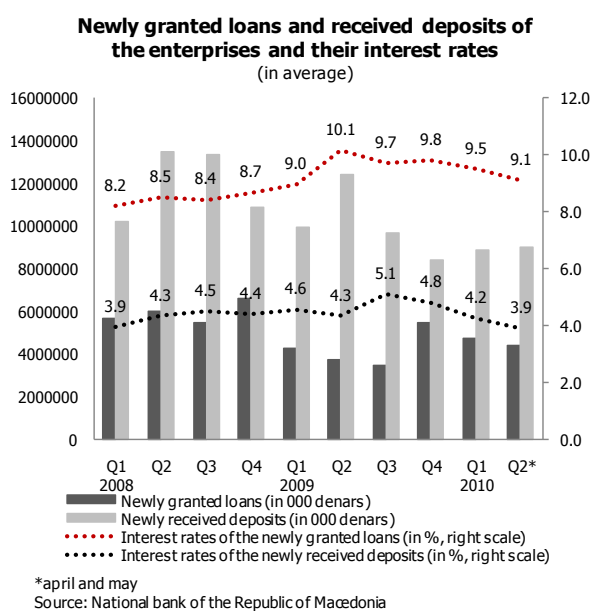
After the initial signs of a decrease in the interest rates at the end of 2009, the banks continued to lower them slightly also in the first five months of 2010, following the monetary policy signals. Although moderate, such decrease is in favor of gradual facilitation of the accessibility to credits. The analysis of the **interest rate on the newly extended credits** shows that in the first months of 2010, the banks were mainly directed towards decrease in the credit price, given simultaneous rise in the volume of the placed bank credits (cumulative growth of 3.1% for the January - May period). The interest rate on the newly extended Denar credits of 10.1% in December 2009, went down by 10% in March 2010, and in the following two months it retained the same pace so in May it equaled 9.5%. Such movements of the lending interest rate are in line with the results of the Lending Survey⁷⁰, which show bigger inclination of the banks towards facilitation of the crediting terms in the first quarter. Also, the movements of the interest rates in April and May comply with the banks expectations for further relaxation of the crediting terms in the second quarter. **The interest rate on the newly accepted Denar deposits** fell by 0.2 percentage points in the first quarter of 2010, and in March it equaled 5%, while in the following two months it continued to reduce and reached the level of 4.4% in May. From the aspect of the interest rates on the total credits and deposits, in the first months of 2010 they registered a downward trend. **Thus the interest rate on the total Denar credits** moved downwards, from 10.3% in December 2009 to 9.8% in March 2010, and in the following two months it continued to decrease and reached 9.6% in May. Changes in the same direction were registered also with the **total interest rates on the Denar deposits, although with slower pace.** The deposit interest rate remained unchanged on a quarterly basis and in March it equaled 7.5%, while in May it declined to 7.1%.

⁷⁰ Lending Survey, NBRM, May 2010.



Similar dynamics of the lending and deposit interest rates in this period also in the regional countries has been registered.

In *Serbia*, downward trend of the lending and deposit interest rate was registered, in conditions of several decreases of the basic interest rate, as a result of the positive economic movements in the country (first time after the escalation of the crisis, and in the first quarter of 2010 annual GDP growth was registered)⁷¹. In *Bosnia and Herzegovina* and in *Croatia*, selective decrease in the lending and deposit interest rate was registered, while some categories registered an increase. In Croatia, in conditions of improved liquidity of the financial system, the decrease in the lending interest rate, which began in the middle of 2009, continued also in the first half of 2010, mostly with the interest rate on the short-term credits.⁷² On the other hand, in *Montenegro*, the banks' attention is focused on the increase in the deposit interest rates, especially with the households, in order to stimulate the saving, while the decrease in the interest rates on the international financial market failed result in a decrease in the lending interest rate because of the still present stringency to the sources of financing and high risk premium.⁷³



With the corporate sector, in the first quarter of 2010, moderate decrease in the average aggregate interest rate on the newly extended credits from 9.8% to 9.5%, on average, on a quarterly basis, was registered. Decrease in this period is primarily registered with the interest rates on the short-term credits without FX clause and with the long-term credits with FX clause. According to the Lending Survey, the banks liquidity position, as factors related to the risk perceptions (expectations for the total economic activity and expectations for the perspectives of the branch the enterprise belongs to) contributed to partial facilitation of the crediting terms in this period. The movements of the interest rate on the newly extended credits in the first two months of the second quarter point to materialization of the banks' expectations for further relaxation of the crediting terms for the corporate sector. Thus the interest rate on the newly extended credits continued to decrease also in the first two months of the second quarter, and it equaled 9.1%, on average. **From the aspect of the deposit interest rates, downward trend of the interest rate on the newly accepted**

⁷¹ Current monetary and macroeconomic movements, presentation, May 2010, NBS.

⁷² Bulletin 159, May 2010, National Bank of Croatia.

⁷³ Report of the Chief Economist, first quarter 2010, Quarterly Report, Central Bank of Montenegro.

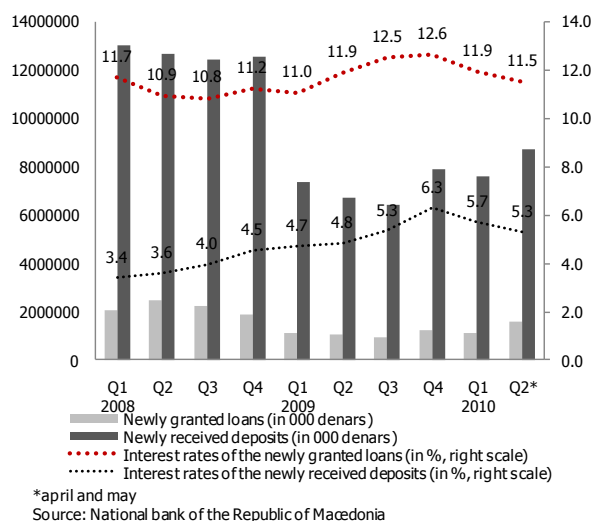


deposits (from 4.8% in the last quarter of 2009 to 4.2% in the first quarter of 2010 and additionally to 3.9% in the first two months of the second quarter) was witnessed.

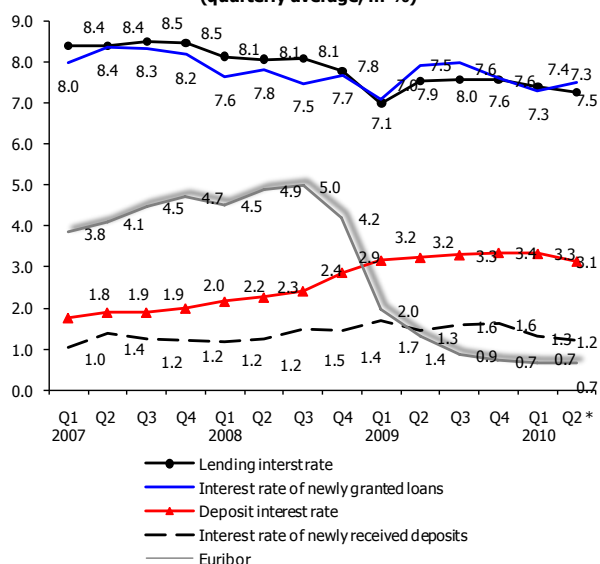
Regarding the interest rates for households, downward trend with the interest rate on the newly extended credits and newly accepted deposits was registered.

Thus in the first quarter, moderate quarterly increase of 0.7 percentage points of the average aggregate interest rate on the newly extended credits was recorded, which, on average, equals 11.9%. Quarterly decrease in the interest rates with all credit categories aimed at households was registered. According to the Lending Survey, the decrease in the interest rate is mainly concentrated in the consumer loans segment, while no bigger changes in the crediting terms with the housing credits were registered. The fact for the increase in the consumer credits since the beginning of 2010 also supports these movements. The competition from other banks, as well as the expectations for the total economic activity, are factors that contribute to more relaxed interest rate policy of the banks. For the second quarter, the banks expressed their expectations for further relaxation of the crediting terms, which corresponds to the lower level of the average aggregate interest rate on the new credits in the first two months of the second quarter of 11.5%, on average. **The aggregated interest rate on the newly accepted deposits** in 2010, registers a decrease by one percentage point (from 6.3% in the last quarter of 2009, to 5.3% in the first two months of 2010).

Newly granted loans and received deposits of the households and their interest rates
(in average)

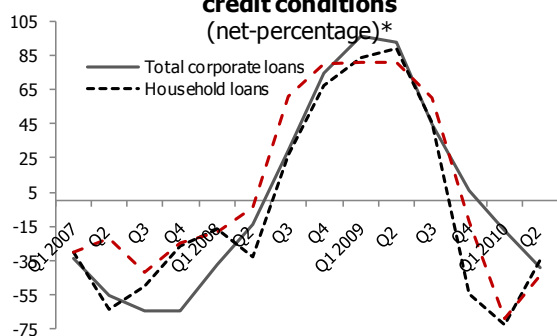


Interest rates of foreign currency loans and deposits and three month international interest rate Euribor
(quarterly average, in %)



Regarding the interest rate on the newly extended foreign exchange credits, quarterly increase in the first quarter was registered, while the interest rate on the **newly accepted foreign currency deposits** registered minimal fall. In the following period, downward movement of the interest rates on the newly extended foreign exchange credits and newly accepted foreign currency deposits is evidenced, and in May they equaled 7.7% and 1.1%, respectively. **With the interest rates on the total foreign exchange credits and deposits,** downwards trend on a quarterly basis was registered. Thus, with the foreign currency credits, the interest rate of 7.6% as it equaled in December 2009, declined to 7.3% in March 2010, and in the following two months it preserved the same level. Concerning the foreign currency deposits, the interest rate in the first quarter fell by 0.2 percentage points, to 3.2% in March, while

Bank's expectations for the changes in the credit conditions (net-percentage)*



*Net-percentage is a difference between the share of banks reporting that credit standards have been tightened and the share of banks reporting that they have been eased. A negative net-percentage indicates that a larger proportion of banks have eased credit standard, while the positive net-percentage that the banks tightened credit standards.
Source: National bank of the Republic of Macedonia

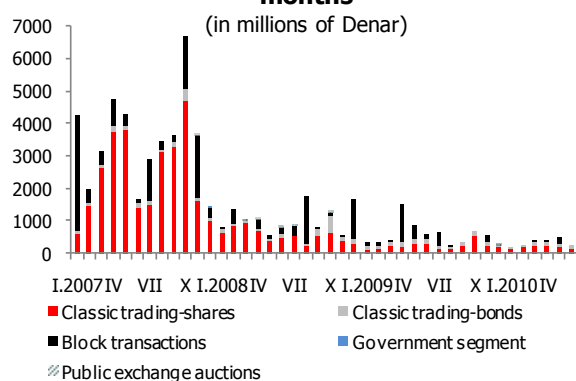
it continued to decrease in the following period, to 3.1% in May.

Further relaxation of the banks' interest rate policy for the following period is expected. These expectations are partially supported with the constant deposit base broadening as the main source of financing and the bigger interest of the banks for restructuring of their portfolio towards more active crediting of the private sector. However, the movements of the interest rates mostly depend on the improvement dynamics of the credit users' financial standing and the credit portfolios quality evolution.

III. Capital market

In the first quarter of 2010, the signs of the Macedonian Stock Exchange activation were absent. Both the domestic and the foreign investors showed significantly smaller interest for trading. Simultaneously, the gains from the lower risk aversion and the improved international liquidity during the first quarter were mainly distributed to countries from Central and Easter Europe, which showed signs of stabilization of their economies. Such a situation, although less intensive, was translated on Zagreb and Belgrade stock exchanges, which were perceived, on regional level, as stock exchanges with growth potential.

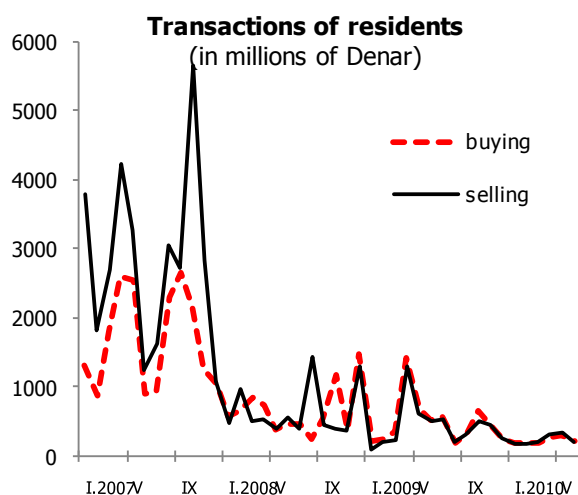
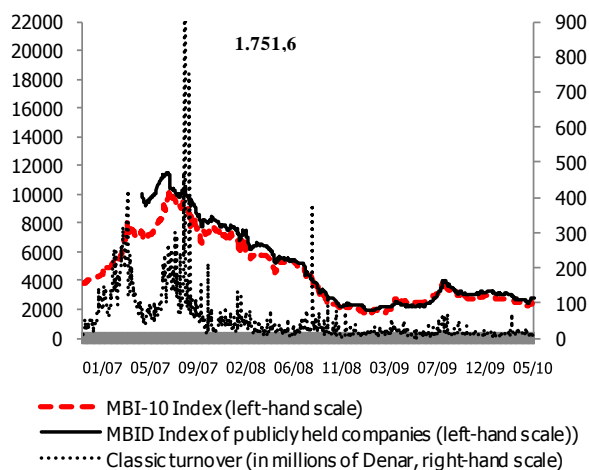
Stock exchange turnover structure per months



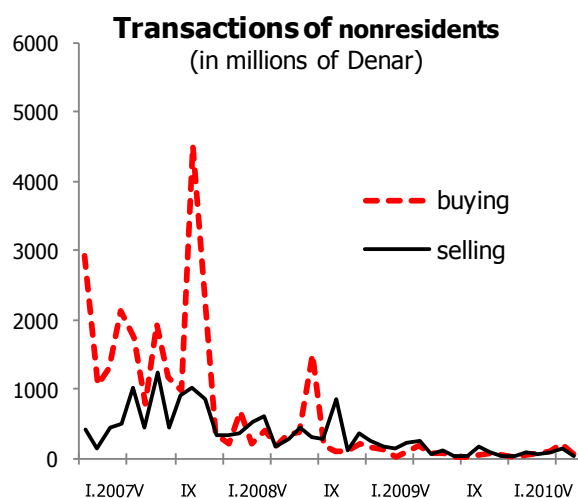
Source: Macedonian stock exchange.

The first quarter of the year characterize with higher stock exchange inertness. The negative performances with the domestic industrial output, as well as the worsening of the labor market influenced towards further risk aversion and consequently, towards negative market movements on the Macedonian Stock Exchange. The Stock Exchange was also influenced by the information for losses and smaller profits of the Macedonian companies on the Stock Exchange. Consequently, the upward path of MBI-10 in the first half of the quarter was translated in almost symmetric downward path until the end of the quarter, when the index positioned at the level that is lower by 1.5% than the level registered at the end of 2009. The publically held companies index (MBID) registered minimal increase (0.3%).

During the first quarter, the positive atmosphere of the world capital markets triggered by the expectations for faster recovery of the global economy, spilled over especially in the Central and Eastern European countries. The Romanian index BET preserved its position as a growth leader (27.2%), which continued its high growth from 2009. Also the Hungarian BUX registered two-digit growth



Source: Macedonian stock exchange and NBRM.



Source: Macedonian stock exchange and NBRM.

(14.2%). Namely, the relatively low levels of the public debt (which is significantly smaller or equal to the Euro area average) enabled these banks to avoid the burden of the general concern for the stability of the European financial system, which aroused from the fiscal policies of the South European member states of the Euro area. Thanks to such conditions, inflow of institutional investors and strengthening of the investor's positions to these stock exchanges was registered. Such a situation, although less intensive (primarily as a result of the lower liquidity levels), translated on Zagreb and Belgrade stock exchanges (growth of CROBEX and BELEX-15 of 6.9% and 3.2%, respectively), which were perceived, on regional level, as stock exchanges with growth potential. Among indices registering quarterly downward correction of the value, Podgorica MOSTE (decrease of 5.4%), Sarajevo SASX-10 (2.9%) and Ljubljana SBITOP (decrease of 1.7%) especially emphasize.

In the first quarter, the total turnover on the Macedonian Stock Exchange (including the Government segment) equals Denar 706.6 million, which is a decrease of 52.5% on a quarterly basis. Namely, decrease in comparison with the preceding quarter registers not only the turnover based on classical trading (drop of 46.2%), but the turnover realized through block transactions (decrease of 87.1%), as well. Thus the slight recovery of the Stock Exchange from the end of the 2009 lasted for a short period (primarily because it mostly aroused from small investments of domestic natural persons).

The largest portion of the trading on the stock exchange originates from the domestic investors, for account of the foreign ones, whose investments are small and heading for exit from the domestic capital market. During the first quarter, the non-residents were selling, on net basis, securities on the Macedonian Stock Exchange in the amount of Denar 45.3 million. On March 31, 2010 the foreign investors participated with 26.86% in the total principal of the companies and 3.54% in the total nominal value of the bonds (26.91% and 3.57%, respectively at the end of the end of the preceding quarter)⁷⁴.

In the first quarter, the realized bonds turnover⁷⁵ on the official stock exchange market equaled Denar 168 million,

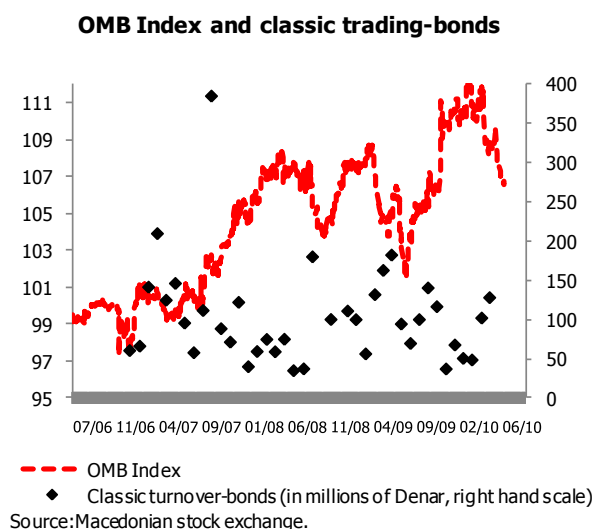
⁷⁴ Source: CSD.

⁷⁵ In April 2010, new ninth issue of denationalization bonds was realized.



which is a decrease of 43% relative to the preceding quarter. Within the analyzed quarter, OMB failed to register fluctuations of higher importance, with exception to March, when upward correction to the index value reached during the first decade of the month was fully neutralized in the last two decades. At the end of the quarter, OMB reduced to the level registered at the end of the previous year.

During the first quarter, total of five transactions with Treasury bills in nominal value of Denar 133.7 million and four transactions with CB bills in nominal amount of Denar 250 million were realized on the Over the Counter Market, while no transactions with Treasury bonds were registered. The total secondary trading of the stated securities on this market segment augmented by 60.4% in comparison with the previous quarter.

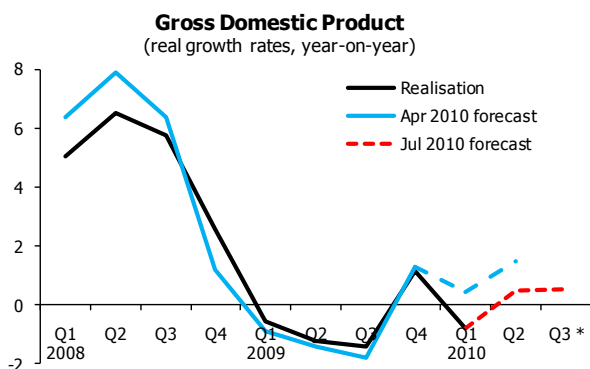


In the second quarter, the dynamics on the domestic capital market is directed towards further decrease in the Macedonian stock exchange index, with certain recovery of the turnover. Thus at the end of June, the Macedonian stock exchange index MBI-10 was set at the level which is lower by 10.5% in comparison with March 31, 2010. During the analyzed period, the stock exchange turnover based on classical trading incremented by 26.6% compared to the previous quarter (as a result of the low comparison base), while OMB lost additional 3.1% of the value it registered on March 31, 2010. Simultaneously, during the second quarter, the foreign investors, for the first time after six quarters of constant disinvestment, invested Denar 89.1 million, on net basis. Although after the adoption of the set of measures for stabilization of the financial situation in the Euro area, the market tensions on the Central and Eastern Europe significantly declined, however all analyzed regional stock exchange indices at the end of the second quarter were set on lower levels than on March 31, 2010.

It is expected that the impulses for activity stimulation of the domestic capital market would be conditioned, to great extent, by the decisions of the foreign investors. For the time being, their activity on the Macedonian Stock Exchange is relatively poor, which points to the necessary time for improving the perceptions and increasing the liquidity. The developments on the regional stock exchanges showed that the foreign investors still fail to percept the Macedonian Stock Exchange as stock exchange with growth potential on short-run.

IV. Macroeconomic projections

The considerable revisions of the data for the key components of the economic growth in 2009, together with the negative performances in the first quarter and the assessments for downward revision of the growth in the second quarter of 2010, indicated slow recovery of the economy in the second half of the year. The anticipated more negative developments on the domestic labor market will cause restraining of the households and prolonged recovery of the consumption. Also, the exquisitely negative performances with the investments and the anticipated slow and uncertain recovery of the domestic and foreign demand will result in lower investment activity of the enterprises. Considering the performances and anticipations for these factors, downward revision of the projected economic growth for 2010 was performed, and it is expected to amount to maximum 0.6% (1% in the previous projection). For the second quarter, moderate growth in the economic activity of 0.5% on annual basis is estimated, maintaining the same annual rate in the third quarter as well. The risks for the projection, according to the current assumptions, were generally downward and they mostly pertain to the risks that concern the recovery of the global economy and the developments on the labor market. Despite the moderate growth in the first half of the year, as a result of the administrated prices, based on the current assumptions, the inflation is anticipated to remain within the projections for 2010, i.e. to amount to 1.5% on annual basis.



Source: State Statistical Office and NBRM estimates
* NBRM forecast

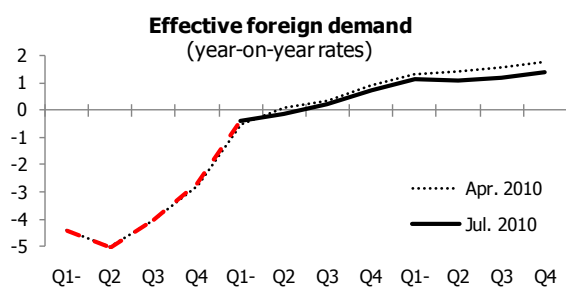
Opposite to the April assessments for gradual recovery of the domestic economy (rise of 0.4%), in the first quarter of 2010 the activity in the real sector registered annual fall of 0.9%, i.e. quarterly drop of -2.1%. The realized negative economic performances, relative to the previous anticipations, were due to the still depreciated domestic demand, with more negative performances with all its components, as well as more considerable drop in the investments being registered. The uncertain economic ambient in the country, accompanied with the lower inflow of foreign direct investments and lower Government capital expenditures determined more evident fall in the investment activity. Simultaneously, this ambient, the negative changes on the labor market, the slower growth in the available income of the households and the lower credit support, resulted in an additional restraining of the households from consumption. In the first quarter of 2010, the personal consumption additionally dropped by 1.3%, opposite to the previous assessments for its gradual recovery. In addition, the lower domestic demand resulted in additional fall in the import relative to the previous assessments. On the other hand, as a result of the positive global ambient at the beginning of the year and the development on the markets of our most important export products, considerably higher growth in the export was registered relative to the previous assessments. In accordance with

this, the contribution of the net export remained positive in the first quarter as well, opposite to the more negative contribution of the domestic demand.

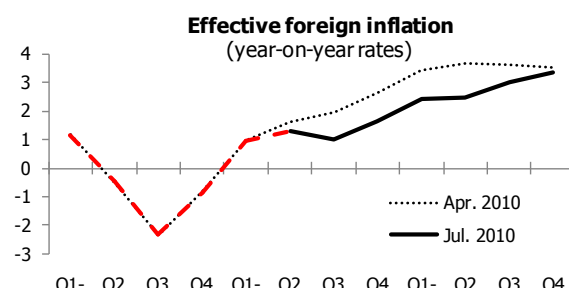
Annex 4

Assumptions for the exogenous variables ⁷⁶

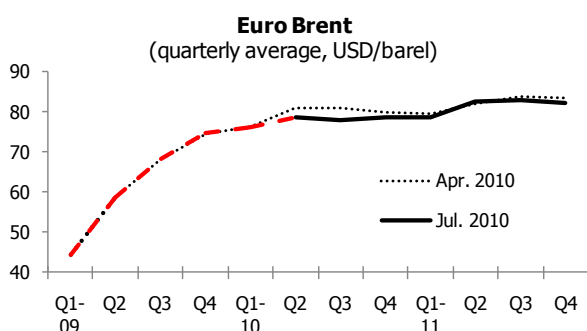
According to the latest expectations for the **foreign effective demand**⁷⁷, in 2010 and 2011 the economic developments with the most important export markets for Macedonia will be minimally negative, than in the previous projections. Namely, the foreign effective demand was expected to go up by 0.1% in 2010, opposite to the previously anticipated rise of 0.2%, if the quarterly dynamics changes. Opposite to the previous assessments, the rise in the foreign demand remained negative in the second quarter of 2010 as well (-0.1%) and it was anticipated to become positive in the third quarter (annual rise of 0.2%). In addition, more considerable downward revision was made for the foreign demand in 2011, and now it is anticipated to register growth rate of 1.2%, opposite to the previous 1.5%. The changed anticipations were mostly due to the further downward revisions of the projected economic growth of Greece, whereas the expectations for most of the other countries were generally same as in the April projection.



Source: Statistical agencies and Consensus Forecast (April 2010 and July 2010)



Source: Statistical agencies and Consensus Forecast (March 2010 and July 2010)



Source: Energy Information Agency

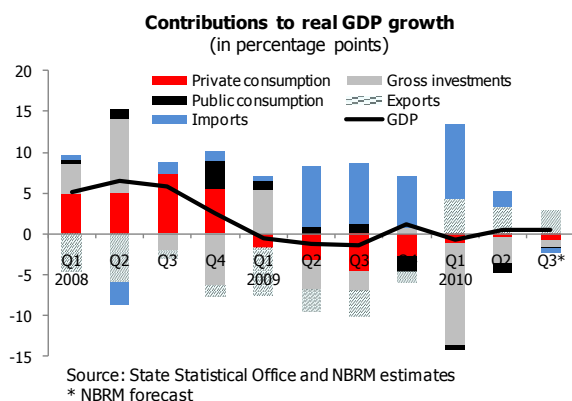
⁷⁶ In the figures for exogenous factors, the red color denotes the realized developments as of the second quarter of 2010 (the first quarter for the demand). Eurostat and the state statistical offices of the countries are used as sources for the historical data on the foreign demand, foreign inflation and the USA Dollar/Euro exchange rate, while the data for the oil price are from the US Energy Information Agency (EIA). The projections for the foreign demand, foreign inflation and the US exchange rate are based on Consensus Forecast, while the projections for the oil price are based on EIA.

⁷⁷ This indicator is calculated as a sum of the weighted GDP indices of the most significant importing countries from the Republic of Macedonia, through the normalized participation of these countries in the export in the period 2006-2009. The calculation of this indicator includes the following countries: Germany, Greece, Italy, Nederland, Belgium, Spain, Serbia, Croatia and Bulgaria. Source: "Consensus Forecast", April and July 2010.

In the second quarter, the average **oil price** was lower than the one projected in April (USA Dollar 78.5 opposite to USA Dollar 81 per barrel). Moderate downward revisions were performed to the projections for the rest of 2010. The oil price was anticipated to remain at a level which is similar with the one registered so far, so the average price for the whole year would amount to USA Dollar 77.9 per barrel. However, considering the assessments for Dollar appreciation in 2010 (on average), the oil prices denominated in Euros are anticipated to be higher, on average, in 2010.

The anticipations for the development of **the foreign effective inflation**⁷⁸ in 2010 were revised in downward direction, as a result to the lower performances in the second quarter and the downward revisions of the foreign demand. Namely, in the second quarter of 2010, rise in the foreign prices of 1.3% was registered, opposite to the projected growth of 1.6%. According to the latest projections, the foreign prices are anticipated to grow with considerably lower dynamics in 2010, i.e. the rise will amount to 1.2%, opposite to the previously projected 1.8%. The slower increase in the prices in 2010 and the anticipations for slower recovery of the foreign demand determined downward revision of the anticipated rise in the prices for 2011 as well (from 3.6% to 2.8%). However, in accordance with the latest developments of the food prices (wheat⁷⁹) and the anticipations for their rise in the future as well, an upward correction of the anticipated total foreign effective inflation was anticipated.

In the second quarter, same as in the April projection, better performances in the real economy were expected. However, considering the lower performances in the first quarter, the intensity of recovery was anticipated to be lower and the rise was expected to amount to 0.5%, opposite to the April projections of 1.5%. The structure analysis indicated considerable change in the assessments for the domestic demand and the trends in the external sector. Opposite to the previous assessments for considerable positive income of the domestic demand, the current expectations were towards its future maintenance within the negative zone, considering the annual dynamics. Downward revision was made in all components of the domestic demand. The large fall in the investment activity in the previous quarter determined **considerable downward revision with the investments, which determined most of the fall in the domestic demand.** This, together with the negative trends in the real economy, the lower level of public investments, the relatively low credit support by the banks and the partially stabilized global financial market influenced negatively on the new investments in the second quarter. In accordance with the latest assessments, drop in the investment activity of 15.2% was anticipated, opposite to the expected rise of 10.5% according to the April assessments. **Considerable downward revision was performed with the**

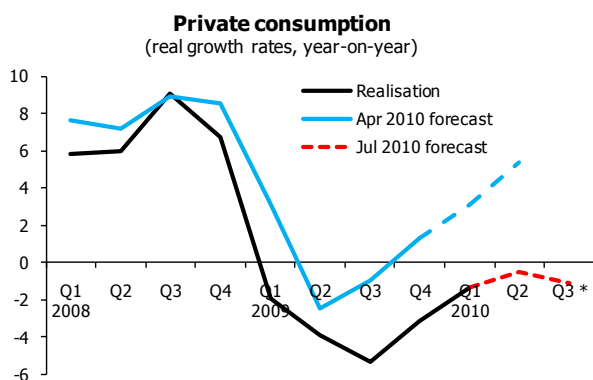


⁷⁸This indicator is calculated as a sum of the weighted price indices of the most significant exporting countries of consumer goods of the Republic of Macedonia, through the normalized participation of these countries in the import in the period 2006-2009. The calculation of this indicator includes the following countries: Bulgaria, Germany, Greece, France, Italy, Austria, Slovenia, Croatia, USA and Serbia. Source: "Consensus Forecast", April and July 2010.

⁷⁹According to Bloomberg, the projected prices for the wheat for the third quarter amounted to USA Dollar 233 per tone, opposite to the performances in June, when the price was USA Dollar 158 per tone.



personal consumption as well. According to the latest assessments, its fall of 0.5% on annual basis was expected, opposite to the April anticipations for more intensive revival and projected increment of 5.4%. Such revisions of the personal consumption were fully in line with the trends at the labor market, which with respect to the demand for labor, were worse relative to our previous anticipations. In such conditions, the slower rise in the available income, the current position on the labor market and the negative anticipations gave negative transmission effects on the consumption. The lower absorption in the domestic economy resulted in considerable downward revision of the import. Opposite to the previous anticipations for growth of 9.4%, additional drop in the import of 3.5% is currently anticipated. In conditions of downward import revision and upward revision of the export activity (projected annual rise of 9% opposite to 2.9 in April), opposite to the previous assessments, the contribution of the net export to the annual GDP rise was anticipated to be positive in the second quarter. **On quarterly basis, economy recovery was anticipated also in the second quarter, with quarterly growth rate of 1.2%. With stable personal consumption being registered, this was due to the assessments for moderate quarterly growth of the investment demand (after the continuous fall in four quarters).** The recovery of the investments resulted mainly from the positive impulses from the export demand. Hence, the contribution of the domestic demand is expected to be the main generator of the quarterly GDP rise.



Source: State Statistical Office and NBRM estimates
* NBRM forecast

In the third quarter, GDP growth of 0.5%, on annual basis, was anticipated, thus continuing the moderate recovery of the economic activity. The rise will result from the net import, more precisely from the relatively high positive contribution of the export. On the other hand, the contribution of the components of the domestic demand, especially the personal and investment demand, are expected to stay negative.

The negative trend of the **personal consumption** is expected to continue in the third quarter as well, but with more moderate fall rates relative to the previous year. The developments on the labor market, as well as the household expectations were the main factors which determined the behavior of the households. **In the third quarter of 2010, the personal consumption will register real annual fall of 1.1%, thus having negative effect on the rise.** It



will register fall on quarterly basis (rate of -0.3%), mainly as a result of the constant negative developments in the employment on quarterly basis. Different from the previous quarters, when the anticipations of the households for the future income were the main generator of the fall, it is estimated that now the negative performances on the labor market have the main role. Namely, although with relatively big time lag, at the end of 2009, the labor market started adjusting to the economic cycle, through slowing down its growth and through decrease in the wages and especially in the employment. This adjustment was anticipated to be the main generator of the personal consumption in the future as well. It is assumed that the negative developments on the labor market will continue with similar dynamics in the second half of 2010 as well, mostly through drop in the employment. Additionally, the uncertainty of the positions and the possible stagnation or fall in the wages would cause further worsening in the expectations, which will have negative effect on the personal consumption in the following period. Also, the other sources of finances are expected to inhibit the behavior of the households. Namely, from the third quarter, it is supposed that the positive effects from the developments of the private transfers will deplete (as a result of the comparison basis), i.e. that they will register annual fall as well, and the credits to the households, as an additional source of funding, will still have small positive effect. Namely, despite the lower interests, in conditions of unstable financial markets and pessimistic expectations for the employment and wages, the banks will be still prudent when crediting the households. **The risks for the personal consumption were still mainly negative and they pertain to further adjustment of the wages and the employment and slower revival of the credit support of the households.**

Annex 5

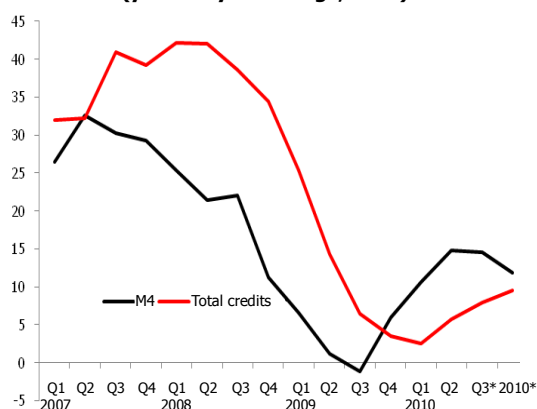
Projections for the monetary and credit aggregates in the third quarter of 2010

In conditions of stable macroeconomic ambient, more positive developments in the external sector and moderate revival of the credit activity, the total money supply in the economy in the second quarter of 2010 continued increasing. In June 2010, the annual rise in the broadest money supply M4 amounted to 14.8% which indicated exceeding of the April projection, which envisaged annual rise of 12.7%. Assessing that these factors will continue to affect positively on the money supply in the following period as well, the rise in the money supply is anticipated to continue in the second half of the year too. In the third quarter, the annual growth rate of the money supply M4 is expected to amount to 14.5%, opposite to 12.8% as assumed with the April projection. For the end of 2010 the

annual rate of the monetary growth is anticipated to equal 11.9%⁸⁰ (10.1% according to the April projection). However, the dynamics of the further broadening of the money supply was largely due to the dynamics of recovery of the domestic economy, i.e. to the capacity of the economy for creating additional income. The downward risks in this direction were located in the possible intensification of the negative adjustments on the labor market, as a result of the late influence of the crisis on the employment and wages. This would cause drop in the household capacities for saving, considering the high contribution of the wages to the total available financial assets of the households. Also, the slower recovery of the domestic economy would result in slower recovery in the cash flows with the enterprises as well, which represents an additional risk for the anticipated monetary growth. However, considering the anticipations for positive transmission effects from the positive tendencies in the external sector on the money supply, we assess that the positive risks from further intensification of the monetary growth prevail over the possibility for slowing down at the end of the year.

The continuous broadening of the deposit portfolio of banks, as well as the more positive anticipation for the banking and private sector enabled further positive developments of the total credits in the second quarter of the year as well. At the end of the second quarter, the annual rate of credit growth amounted to 5.8% and it was slightly higher than the level projected with the April projection of 5.3%. Such credit growth was realized in conditions of prudent behavior of banks, as a result of the still present uncertainty for the intensity of recovery of the global and domestic economy and the risk of worsening of the financial capacity of the clients, which was expected according to the April projection. Considering the still frail and uncertain recovery of the domestic economic activity and the uncertain evolution of the future developments on the labor market, it can be expected that the prudent determination of the size of the credit offer, in order to satisfy the quality credit demand by the private sector, will characterize the credit policy of banks in the following period as well. The risks related with the capacity of the private sector for regular servicing of the liabilities based on credits and potential further worsening of the quality of the credit portfolio of banks will probably be still exquisitely important when making credit decisions. The Survey on the credit activity (July 2010) is in favor of such expectations, according to which the banks restrained in their expectations for further relaxation of the credit terms and increase in the credit demand in the following period. In such conditions, it is anticipated that the credit growth will reach up to 8% at the end of the third quarter, on annual basis, and that the annual growth rate will intensify moderately to 9.5% till the end of the year (10.1% in the April projection).

**Money supply M4 and Total credits
(year-on-year change, in %)**

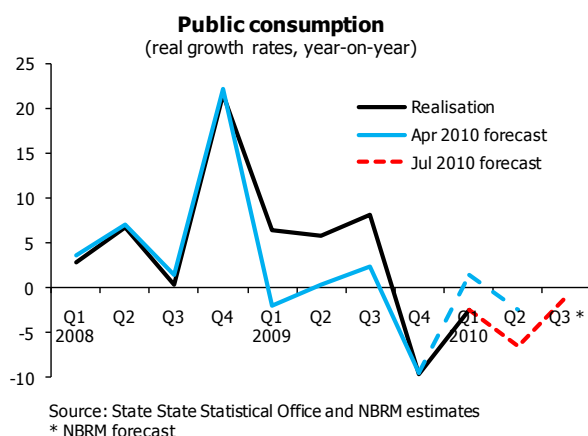
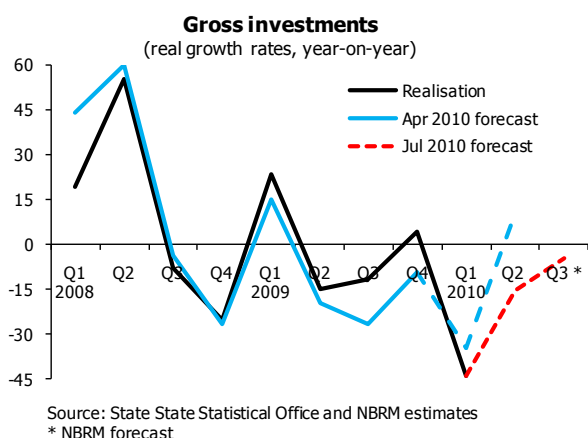


Source: NBRM

*Projection.

The gross investments will register real annual drop of 4.6% in the third quarter, which is a significant impediment of the annual rate of decrease. The gradual recovery of the investment demand is proven also through the expected quarterly growth rate of 3.3% in the third quarter. To certain extent, the moderate recovery of the investments mirrors the beginning of the stabilization of the global economy and the export

⁸⁰ Namely, in the last quarter of 2009, the broadest money supply M4 registered high quarterly rise of 5.9% (opposite to 0.8% and 2%, in the second and third quarter, respectively) which resulted in higher comparison basis for the end of 2010. Consequently, the slower annual rise in the money supply at the end of 2010 relative to the third quarter of 2010 fully reflected this base effect.



demand. Namely, the relatively fast growth in the export in the first half of the year and the expectations that this trend will continue until the end of this year, have positive influence on the enterprises' investment decisions. It is also expected that the growth in the foreign direct investments will have positive effect on the gross investments in the second half of 2010. In addition, it is expected that significant support to the corporate investments will be created by the growth in the banks crediting in the third quarter, which will persist until the end of the year. On the other hand, it is estimated that the so-far realization of the Government capital investments and the latest information on the movement of this category in the second half of 2010 will contribute to the enterprises' restraint to invest. **The investment risks are mainly negative and they match with the risks for the global economy, which are significantly emphasized in the second half of 2010 and 2011 (especially for part of our main trading partners from EU and Euro area).** The realization of these risks can mean return of the instability on the financial markets, bigger uncertainty and severer drop in the demand, which would surely have strong effect on our export and inflows of FDI, and consequently on gross investments.

It is expected that the public consumption will have a relatively moderate negative contribution to the rise in the third quarter. According to the performances in the first six months of the year and the data from the Budget rebalance, **real annual decrease of 0.9% in the third quarter is expected.** Observed on a quarterly basis, the public consumption in the third quarter is expected to register real annual growth of 4.6%.

The anticipated positive rate of economic growth in the third quarter is fully due to the positive contribution to the net export demand, given the expectations for relatively strong rise in the export and moderate rise in the imports. **It is expected that the real growth in the exports in the third quarter would equal 7.7%, annually.** The largest portion of the increase in the exports is due to the bigger export of metals, ore and chemical products. The risks related to the export recovery are mostly negative and they are related to the uncertainty about the recovery of the global economy. The realization of these risks would cause stagnation of the foreign demand and impediment in the rise of the metal and ore prices. On the other hand, **the imports in the third**



quarter are expected to register an annual growth of 0.8%, which is fully due to the increase in the exports. These expectations for slower recovery of the imports are influenced also by the last reported data for the first quarter and the estimations for the second quarter, which point to extended trend of real decrease in the imports. The risks for the imports are also mostly negative (i.e. there is possibility for smaller imports) and they are mostly related to the possibility for extended and deeper negative movements of the personal consumption and enterprises' investments, as well as to the possibility for recovery of the exports due to the risks related to the global economy.

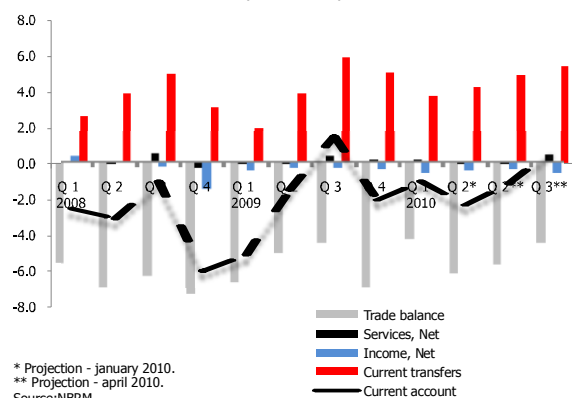
Annex 6

Projections of the movements of the external sector

In the second half of 2010, the balance of payments' current account is expected to register a deficit of 1.2% of the GDP, which is negative gap contraction almost by twice in comparison with the April projection (2.4% of GDP). Mostly, the revision of the balance on the current transactions originate from the higher inflows based on current transfers, which are projected to equal 4.9% of the GDP (higher by 0.6 p.p. of GDP compared to April projection). Namely, the net purchase on the currency exchange market in the second quarter registered positive annual growth rate of 46.3%, in comparison with the anticipated annual growth of 17.3%, according to the April projection, reflecting the low base effect and the stabilized expectations of the economic entities. The downward correction of the negative balance on the current account also had significant contribution to the realized foreign trade of goods, according to which in the second quarter of the year, the trade deficit registered broadening of 16.2%, annually (opposite to the expected severer deepening by 23.6%, according to the April projection). Such movements with the trade balance are conditioned by the positive divergence with the export of goods whereas the divergence with the import of goods. The export of goods in the analyzed period registered an annual growth rate of 23.2% (in comparison with the projected increase of 10%, annually). This is due to the better performances with the export segment guided by the recovery of the global economic activity, i.e. bigger export of ore and iron, steel and products thereof. Simultaneously, in the second quarter of 2010, the import of goods augmented by 20.2% (in comparison with the planned increase of 15.9%, annually). The higher realized import is mainly due to the bigger import of iron and steel and products thereof (as a result of the higher export) and the bigger import of vehicles (effect of the undertaken administrative measure of the Government).

Figures

Current account and its main components
(as % of GDP)



Export and import of goods
(annual changes, in %)



In the third quarter of 2010, the balance of payments' current account is expected to register positive balance of 0.8% of GDP, opposite to the realized surplus of 1.5% of GDP in the same period of 2009. Such a projection is mainly based on the projected annual decrease in the inflows based on current transfers, as well as the anticipated high net outflows with the income sub-balance (payment of the interest for the second Euro bond). Annual decrease of 5.8% with the current transfers is expected, as a result of the high comparison base of the last year and simultaneous preserving of the conservative assumption for this uncertain surplus item of the current account. Within the frames of the foreign trade, annual growth of 19.7% with the export of goods is projected, which is expected to be conditioned by the relatively stable high level of world metal prices (mainly nickel) and the recovery of the foreign effective demand, which would lead to bigger export of ore and chemical products. Regarding the import of goods, an upward trend is anticipated, or increase of 13.5%, annually, which is based on the expectations for gradual recovery of the domestic demand and higher import of energy sources, specifically, oil and oil derivatives (higher prices of crude oil on the world prices).

In conformity with the latest revisions to the balance of payments projections, it is expected that the current account deficit would equal 3.9% of GDP in 2010 (opposite to 2009). It is expected that the narrowing of the current account deficit would be caused by the narrowing of the deficit on the trade account (decrease in the non-energy balance from 15.8% to 13.5% of GDP) and widening of the surplus with the private transfers. It is expected that the negative balance would equal 20.7% of GDP in 2010 (compared to 22.4% of GDP according to the April projection), which is contraction by 2.3 p.p. of GDP on annual basis.

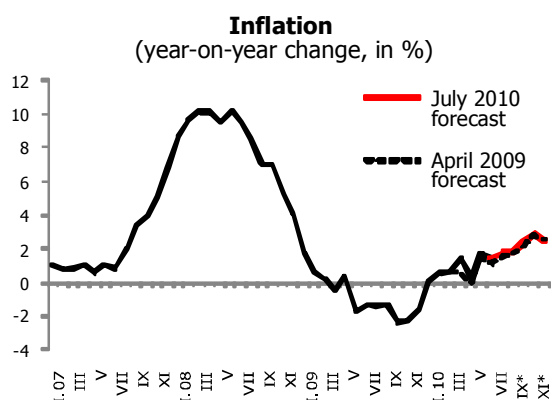
From the aspect of the foreign reserves, as key variable of the monetary policy, in conditions of expectations for better performances on the current account and poorer inflows with the capital and financial account, it is expected that they will remain on adequate level, providing coverage of the import of about four months in the following year.

On the basis of the last available data and the latest projections, economic growth in 2010 was revised downwards, expecting that it will equal maximum 0.6% (compared to 1% in the preceding year). It is estimated that the net export will be the main factor for the growth, which will have relatively high contribution, opposite to the negative contribution of the domestic demand. This means changed growth structure relative to the preceding projection, when positive contribution was



expected. Analyzed by components, it is expected that the negative movements on the labour market, which seems to continue also in future, and mostly the unfavorable expectations of the households, will lead to further negative movements in the **personal consumption**. The exclusively severe decrease in the investments in the first quarter and the estimations for the decrease also in the second quarter, together with the downward revisions to the foreign direct investments and government capital investments, point to poorer **investment activity** of the enterprises during the entire year. The downward correction of the domestic absorption conditions expectations for **annual real decrease in the imports**, whereas the anticipated **bigger real growth in the exports**. Also, the risks of the projections remain mostly downwards (see table) and arise mainly from the adjustment on the labor market and the movements in the global economy.

	Upward risks for the economic growth	Downward risks for the economic growth
Personal consumption	- Higher increase in the private transfers	- Severer decrease in the employment and wages - Larger deceleration in the private transfers; - Larger impact of the decrease in the available income on the expectations of the households.
Investments	- Higher credit support by the banks.	- Slowing down or decrease in the global economic activity, that would cause smaller export demand and smaller inflows of foreign capital; - Instability on the global financial markets, which would influence on the foreign investments and the credit support by the domestic banks; - Poorer recovery of the domestic demand; - Incomplete realization of the planned public investments.
Export	- Larger increase in the export demand and the metal prices, caused by the faster growth of the emerging economies and the developing countries.	- More negative movements of the foreign demand, as a result of the combined effect of the households and the enterprises' restraint from consumption and investments and the tightened fiscal policy (especially in the developed countries); - Smaller growth in the metal prices, as a reflection of the more negative movements of the global economy.
Import	- Smaller recovery of the domestic and export demand, which would cause smaller growth, or even decrease in the imports.	- Larger increase in the export demand caused mainly by the faster growth of both the emerging economies and the developing countries.



Source: State Statistical Office
*NBRM forecast

The administrative increase in the price of electricity and heating energy from the beginning of the year and the high annual rise in the price of oil on the international stock exchanges conditioned moderate intensification of the inflation on annual basis. The annual inflation rate of 1.1%, realized in the second quarter of 2010, deviates by 0.4 p.p. from the projection (growth of 0.7%). Analyzed by components, the divergence mostly arises from the higher deviation with the prices of the non-food products, as well as for the smaller decrease with the food prices, relative to the projections.

The projection of the inflation rate for the third quarter of 2010, points to annual increase in the general price level of 1.7%. The intensification arises primarily from the effect of the upward corrections of the administrative prices, effective from the beginning of 2010 and the additional increase in the prices of central heating services (valid since the beginning of August 2010). In addition, the level of the price of crude oil which is still high, relative to the same period of the preceding year, as well as the expectations for higher prices of food, contribute to additional rise in the general level of consumer prices.

It is expected that the average annual inflation for the entire 2010 will vary about 1.5%, a rate that represented an upper limit according to the April projection, in accordance with the realization of the anticipated upper risks in the previous projection. However, the risks for the inflation perception in the third quarter also for the entire 2010 are once again upwards. The risks mainly arise from the expectations for the inflationary pressures on the food prices related to the low yield of agricultural products (mostly with the wheat) in the country and in the region, as well as the increase in the world prices of food and energy sources, which conditioned higher import prices. Additional source of upward risks are the possible transmission effect of the increase in the administrative prices on the prices of other products and services.

Annex 7

The problem with the uncertainty and the revisions to the data in context of the projections

According to the modern economic theory, the monetary policy decisions are made on the basis of the projections for future economic movements, which, by definition, are uncertain. The projections are

conditioned by the data on the movements in the past, which are frequently a subject to a revision by the statistical offices, which is mainly due to the collection of new more detailed and more accurate information, as well the improvement in the statistical methods⁸¹.

As a result of this uncertainty, the policy makers face with the need to identify the fundamental situation in the economy, cleaned from the so-called noise⁸² in the data that can cause high variability of the data and consequently, some times significant divergence from the path conditioned only by fundamentals. The fundamental economic movements are those that should move the projection for the future that the monetary policy should react to. If data that contain "noise" and high variability⁸³ are used, the projections will inevitably be non-precise, that can influence also on the quality of the monetary decisions. This effect is especially apparent in the utilization of unrevised data for the latest past, which are mostly subjected to future revisions, i.e. they contain the largest portion of "noise". The last available official data have the largest impact on the projection, thus being also the largest risk factor for the movement of the projection in wrong direction.

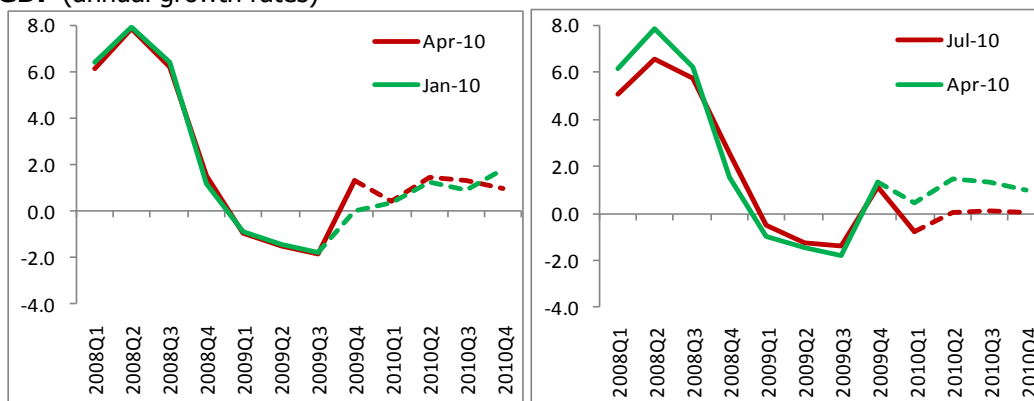
The existence of this "data uncertainty" imposes the need for the central banks to use different approaches in order to reduce the risks of utilization of data with uncertainty, thus improving the quality of the projections, and consequently the monetary decisions. The practical methods of data correction for the past used in the central banks are different, but they are mainly a combination of three basis. First, schemes from the past revisions by the statistical offices are given, such as the general tendency for upward and downward revisions or neutralization of the revisions in consecutive quarters. Second, other activity measures are used, such as the surveys and other high frequent data (for trade, industrial output, etc.). Third, statistical features of the data are used, such as the fact that the extreme values are rare, or the common bigger stability of certain factors. However, more developed central banks use models that are created for elimination of the data uncertainty (for example the model of the Bank of England for extraction of the signals from the uncertain data), or eliminate the uncertainty with projection models (for example the Central Bank of the Czech Republic).

The revisions to the official data pertaining to GDP, the personal consumption and investments for the Republic of Macedonia, between two consecutive periods (in April, relative to January and in July relative to April), as well as the effects from the revisions of the projections are given in the figures below. The effects are especially apparent with the personal consumption and investments in July, relative to April. The same figures show also the significance of the last available data for the projections, which is especially apparent with the GDP in July relative to April, as well as with the personal consumption in April, relative to January.

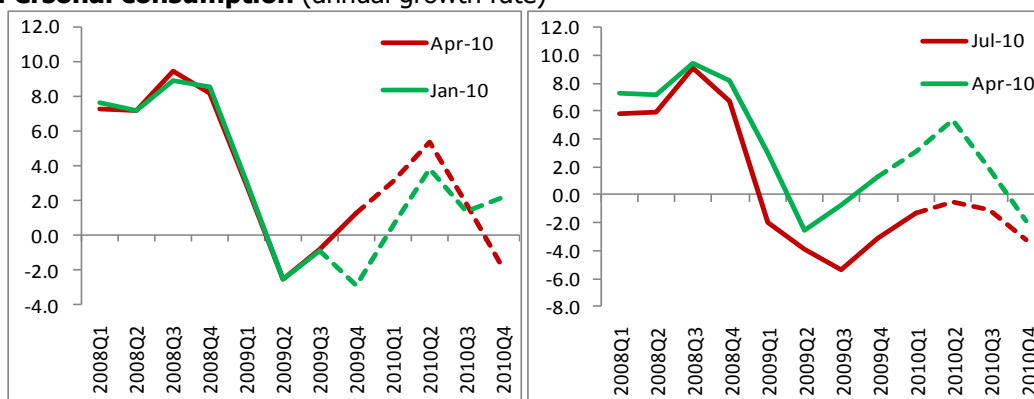
⁸¹ Cunningham, A. и Jeffery, C., „Extracting a better signal from uncertain data“, Bank of England Quarterly Bulletin, Vol. 47, No. 3, pp: 364-75.

⁸² Noise represents difference between published statistical data and their fundamental value. They are mostly due to several factors: late collection of more precise information on certain categories, changes in the scope, single factors that led to excessive movements, methodological changes and errors in the measurement and processing of data.

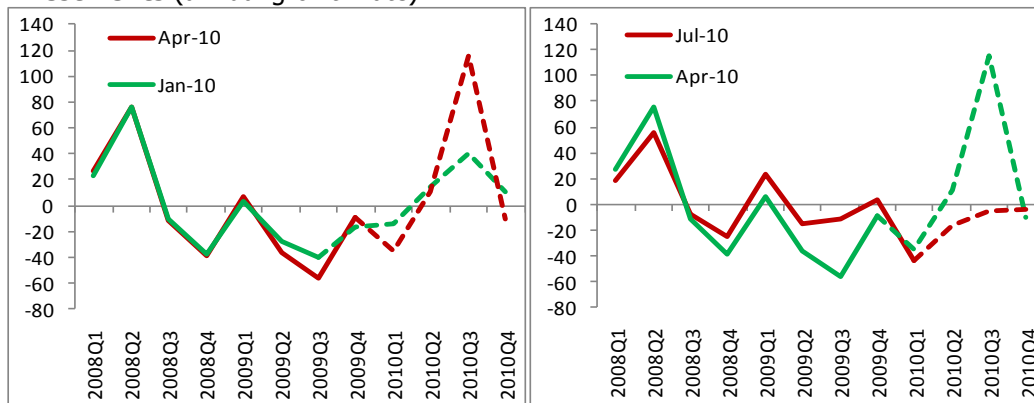
⁸³ The variability is especially present in the statistical data for Macedonia. For more information, see annex 2 in the Quarterly Report of NBRM from April 2010.

**GDP (annual growth rates)**

the full lines refer to the performances, while the dashed line refers to the projections

Personal consumption (annual growth rate)

the full lines refer to the performances, while the dashed line refers to the projections

Investments (annual growth rate)

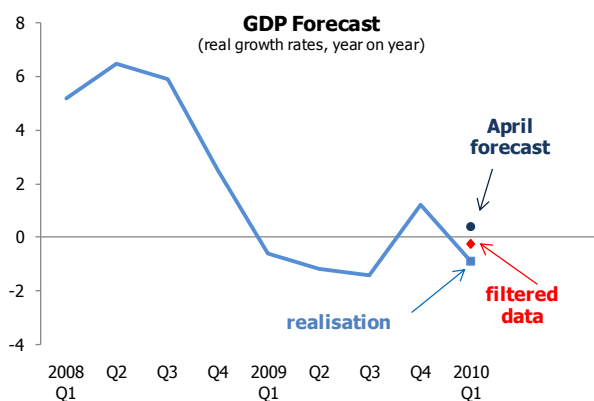
*the full lines refer to the performances, while the dashed line refers to the projections

Because of these reasons, similar to other central banks, NBRM, as well, began to "filtrate" the initial estimates of the SSO pertaining to GDP and the individual GDP components. The filtering of the official data is made for the period for which SSO publishes estimates for the GDP (2009 - quarter 1-2010 - quarter1). However, Czech experience is applied, i.e. the filtering was made on the basis of the model used in NBRM for GDP projection.

The model used for the projections is small structural model which presents each expenditure component of GDP as a function of economic determinants, which arise from the economic theory. For illustration, the personal consumption is determined by the wages, the number of employees, the private current transfers and interest rates on credits, while the investments depend on the foreign direct investments, government capital investments, industrial output and the exports. **The filtrated**



values, hence, represent estimates for the GDP components which are in conformity with the economic theory and with the realized values for the macroeconomic variables included in the model (wages, employees, transfers, interest rates, FDI, government investments, industrial output, foreign effective demand and export prices). The filtered data are much less variable than the official ones, thus representing better projection basis, which can be proven by the example for the projections for the first quarter of 2010 (see figure).





STATISTICAL APPENDIX

Tables from the real sector

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Table 1
Gross domestic product
in millions of denars (1997=100) and annual real growth rates (in%)

National classification of activities ^{/1}	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	186018	1.4	20411		45317		9867		21297		2819		11372		26002		27067	
1998	192308	3.4	21083	3.3	45969	1.4	10626	7.7	21377	0.4	3025	7.3	14385	26.5	26002	0.0	27395	1.2
1999	200669	4.3	21273	0.9	46750	1.7	11732	10.4	22025	3.0	3771	24.7	16854	17.2	26499	1.9	28519	4.1
2000	209777	4.5	21489	1.0	51122	9.4	12037	2.6	22695	3.0	3345	-11.3	18282	8.5	27215	2.7	28546	0.1
2001	200284	-4.5	19169	-10.8	48786	-4.6	10300	-14.4	22505	-0.8	3195	-4.5	16761	-8.3	27783	2.1	27876	-2.3
2002	201993	0.9	18779	-2.0	48390	-0.8	10364	0.6	23725	5.4	3726	16.6	16467	-1.8	26758	-3.7	28843	3.5
2003	207690	2.8	19686	4.8	50845	5.1	11741	13.3	24146	1.8	4085	9.6	16539	0.4	25787	-3.6	30262	4.9
2004	216164	4.1	20908	6.2	50439	-0.8	12610	7.4	27933	15.7	3623	-11.3	15745	-4.8	28817	11.8	30068	-0.6
2005	225035	4.1	20941	0.2	51803	2.7	12725	0.9	29243	4.7	3675	1.4	17387	10.4	28283	-1.9	31476	4.7
2006 ^{/2}	233819	3.9	21994	5.0	53033	2.4	14369	12.9	31378	7.3	3951	7.5	19222	10.6	30947	9.4	32185	2.3
2007	248143	6.1	21663	-2.9	59750	12.6	14786	3.3	33363	6.6	4290	8.5	21233	10.5	32211	4.1	32951	2.4
2008	260533	5.0	22941	5.7	61202	2.4	13934	-5.5	35556	6.5	4544	5.9	23824	12.2	34324	6.6	34435	4.5
2009 ^{/3}	259240	-0.5	23815	3.8	56516	-7.6	15222	9.2	35971	1.2	4198	-7.7	23405	-1.8	36788	7.2	35691	3.7
2005 Q1	51487	3.0	5064	1.2	11358	0.6	2003	-4.1	6500	2.7	783	-1.3	3988	10.7	7010	-2.9	7847	3.7
Q2	56655	5.1	5251	0.7	13210	8.7	3337	-3.3	7328	5.0	905	3.2	4343	11.8	7042	-2.4	7834	3.4
Q3	57353	4.2	5341	-0.1	13112	1.8	3684	3.0	7225	5.4	1056	3.2	4517	12.4	7058	-1.9	7847	5.1
Q4	59540	4.0	5285	-1.0	14123	0.0	3701	6.0	8190	5.4	931	0.1	4539	7.1	7173	-0.3	7948	6.5
2006 Q1	54937	6.7	5186	2.4	11267	-0.8	2728	36.2	8054	23.9	832.3	6.3	4734	18.7	7346	4.8	8035.3	2.4
Q2	58581	3.4	5697	8.5	13302	0.7	4331	29.8	7277	-0.7	984.6	8.8	4712	8.5	7711	9.5	7935.8	1.3
Q3	60106	4.8	5699	6.7	13846	5.6	3990	8.3	7948	10.0	1136	7.6	4793	6.1	7848	11.2	8004	2.0
Q4	60195	1.1	5412	2.4	14617	3.5	3320	-10.3	8100	-1.1	998	7.2	4984	9.8	8041	12.1	8210	3.3
2007 Q1	58508	6.5	5559	7.2	13498	19.8	2633	-3.5	7788	-3.3	855	2.7	5008	5.8	7596	3.4	8156	1.5
Q2	61393	4.8	5760	1.1	14659	10.2	4305	-0.6	7895	8.5	1119	13.6	5089	8.0	7842	1.7	8134	2.5
Q3	63292	5.3	5408	-5.1	15397	11.2	4189	5.0	8559	7.7	1264	11.2	5214	8.8	8241	5.0	8212	2.6
Q4	64950	7.9	4936	-8.8	16196	10.8	3658	10.2	9120	12.6	1053	5.5	5921	18.8	8531	6.1	8448	2.9
2008 ^{/4} Q1	61550	5.2	5637	1.4	14699	8.9	2443	-7.2	8450	8.5	970	13.5	5750	14.8	8196	7.9	8474	3.9
Q2	65384	6.5	6163	7.0	15568	6.2	4043	-6.1	8629	9.3	1153	3.1	5985	17.6	8611	9.8	8468	4.1
Q3	67026	5.9	6111	13.0	15921	3.4	3720	-11.2	9064	5.9	1325	4.9	5861	12.4	8669	5.2	8614	4.9
Q4	66574	2.5	5029	1.9	15014	-7.3	3728	1.9	9412	3.2	1095	4.0	6229	5.2	8847	3.7	8879	5.1
2009 ^{/3} Q1	61181	-0.6	5789	2.7	13171	-10.4	2634	7.8	8450	0.0	929	-4.2	5715	-0.6	8901	8.6	8754	3.3
Q2	64599	-1.2	6416	4.1	14058	-9.7	4597	13.7	8664	0.4	1081	-6.3	5811	-2.9	9067	5.3	8849	4.5
Q3	66087	-1.4	6405	4.8	14153	-11.1	3988	7.2	9219	1.7	1239	-6.5	5849	-0.2	9415	8.6	8916	3.5
Q4	67373	1.2	5205	3.5	15134	0.8	4004	7.4	9638	2.4	948	-13.4	6029	-3.2	9404	6.3	9172	3.3
2010 ^{/3} Q1	60630	-0.9	6078	5.0	12565	-4.6	2836	7.7	8543	1.1	806	-13.3	5646	-1.2	9231	3.7	9104	4.0

^{/1} National classification of activities.

^{/2} Real value of GDP and added value by sectors from 2006 are calculated on the basis of annual rates of growth.

^{/3} Estimated data.

Source: State Statistical Office.



Table 2
Prices
annual rates (in %)

Annual rates (in %)		Consumer price index (growth rates)														Producer price index (growth rates)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
		Total		Goods	Services	By categories																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
						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	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2006 Q1 ^{2/}	Q2	Q3	Q4	2007 Q1	Q2	Q3	Q4	2008 Q1	Q2	Q3	Q4	2009 Q1	Q2	Q3	Q4	January	February	March	April	May	June	July	August	September	October	November	December	2010 Q1	Q2	January	February	March	April	May	June																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
2.6	-0.1	-0.7	5.8	5.5	1.8	1.2	-0.4	0.5	3.2	2.3	8.3	-0.8	2.7	3.4	3.6	3.1	0.7	1.1	2.4	4.9	9.5	9.9	8.4	5.5	0.9	-0.6	-1.4	-2.1	1.7	0.7	0.2	-0.5	0.4	-1.7	-1.3	-1.4	-2.4	-2.3	-1.6	0.5	1.1	0.1	0.6	0.7	1.4	0.2	1.8	2.0																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
2.2	0	-1.1	5.2	4.5	1.2	0.3	-1.1	0.3	3.7	3	9.2	-0.8	3.2	3.8	4	3.7	1.3	1.6	3	6.2	11	11.4	9	5.4	0.8	-0.7	-1.3	-2	1.5	0.6	0.2	-0.5	0.4	0.4	-1.5	-1.5	-1.2	-1.5	-2.2	-1.5	0.6	1.4	0.9	0.8	0.9	1.8	2.0																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
3.8	-0.4	0.5	8.9	10.9	5	5.9	3.3	1.3	1.3	-0.3	5.1	-0.8	1.9	2	1.3	0.4	-1.1	-0.5	0.2	4	3.9	4.5	6.1	5.8	1.2	0.8	-1.8	-2	2.7	4.9	19	17.9	17.9	17.9	19.5	14.7	8.6	0.9	-1	2.2	3.5	4.2	5.8	1.2	0.6	-0.2	1.4	-0.2	0.1	0.8	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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/} 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.



Table 3
Industrial production index
annual growth rates (in %)

	Total	By sectors			By group of products				
		Mining and quarrying	Manufacturing industry	Electricity, gas and water	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	2.5	28.0	2.4	-0.6	1.5	7.3	8.2	-5.0	-2.2
2007	3.7	9.8	5.2	-9.5	-6.9	12.9	19.7	8.8	-2.0
2008	5.5	9.9	6.3	-3.1	-0.1	7.7	-1.3	64.2	4.0
2009	-7.7	-12.3	-9.3	8.8	2.5	-14.3	-24.5	-20.7	-1.4
2005 Q1 ^{1/}	5.2	-18.9	6.4	3.8	2.3	14.8	-0.9	-18.2	1.8
Q2	13.5	17.0	16.3	-0.5	6.5	24.6	-1.2	4.8	8.9
Q3	6.0	62.9	5.5	2.0	4.0	9.8	-2.5	-11.1	5.4
Q4	4.2	97.1	2.5	4.3	7.4	9.5	-5.3	-24.8	-0.1
2006 Q1	0.5	111.6	-0.9	-0.9	3.0	5.6	-2.5	10.5	-6.1
Q2	1.7	53.2	1.3	-2.0	-3.0	5.1	17.0	-6.5	-0.3
Q3	4.3	13.1	4.9	0.1	0.7	12.0	0.1	2.1	-0.7
Q4	3.5	4.8	4.0	1.9	5.7	6.3	26.3	-12.5	-1.1
2007 Q1	11.6	13.9	16.0	-9.1	-2.1	25.0	39.0	10.3	6.2
Q2	-2.8	16.2	-1.5	-20.8	-16.6	7.9	-4.4	25.3	-7.8
Q3	1.1	15.4	1.5	-8.7	-4.5	7.5	27.3	-3.0	-5.8
Q4	6.2	-3.3	7.8	-1.1	-6.2	15.3	24.7	6.5	1.8
2008 Q1	5.8	11.9	6.6	-0.8	1.7	8.8	26.6	77.3	-1.3
Q2	12.0	13.6	12.8	1.9	15.8	13.1	28.0	77.0	3.9
Q3	13.0	3.4	14.6	1.9	3.4	28.0	-15.9	55.1	4.3
Q4	-7.7	11.2	-8.0	-12.2	-15.3	-18.7	-31.3	51.5	7.9
2009 Q1	-10.8	-12.6	-12.1	-1.6	-0.1	-29.8	-24.9	-16.3	6.2
Q2	-13.2	-19.2	-15.4	15.6	-0.9	-25.9	-40.1	-32.4	2.8
Q3	-13.1	-11.3	-15.1	10.4	-5.2	-21.1	-19.3	-15.3	-4.9
Q4	7.5	-6.5	7.4	14.2	16.2	27.8	-6.8	-17.3	-7.6
January	-16.7	-23.7	-18.7	-4.6	-1.6	-41.4	-20.8	-15.7	0.5
February	-11.3	-21.9	-11.4	-6.5	-6.2	-26.0	-44.8	-16.7	9.6
March	-4.8	8.7	-7.2	7.0	8.2	-23.0	-1.7	-16.6	7.8
April	-7.7	-8.2	-8.5	-0.3	-3.9	-23.0	-30.8	-29.2	14.9
May	-15.3	-18.1	-18.7	26.1	-8.1	-26.3	-42.1	-25.8	0.0
June	-16.2	-30.8	-18.4	25.5	10.0	-28.3	-46.0	-41.1	-4.4
July	-19.8	-24.0	-21.6	5.7	-0.2	-39.2	-38.2	-29.2	-1.6
August	-9.9	-6.2	-12.7	21.2	0.4	-13.4	-27.8	-2.3	-7.5
September	-9.8	-2.5	-11.4	4.6	-16.4	-12.9	11.7	-12.6	-5.8
October	-1.0	-6.5	-2.3	13.8	5.5	13.3	-12.8	-7.7	-14.1
November	4.3	-4.0	3.6	14.8	15.9	14.2	-9.9	-15.0	-4.4
December	20.0	-8.9	22.7	14.0	28.9	62.7	3.0	-27.9	-4.8
2010 Q1	-9.4	-5.8	-14.6	19.0	-3.2	-7.7	-34.1	-13.8	-10.2
January	-2.9	11.4	-8.2	16.7	5.6	0.8	-40.0	-9.7	-5.3
February	-13.1	0.9	-20.7	31.2	6.4	-15.7	-33.5	-19.0	-18.3
March	-11.2	-23.2	-13.9	10.6	-21.1	-6.4	-30.3	-12.6	-6.2
April	-9.6	-14.2	-14.1	29.5	1.9	-6.7	-35.6	4.7	-14.3
May	-0.4	-1.1	-5.3	37.5	53.7	-5.8	-37.4	-5.2	-8.7

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

Source: State Statistical Office.



Table 4
Employment and productivity in total 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	-0.1
2006	1,618,482	891,679	570,404	321,274	114,777	186,085	268,117	-0.7
2007	1,628,635	907,138	590,234	316,905	107,717	184,928	294,305	2.2
2008	1,633,341	919,424	609,015	310,409	119,749	190,530	297,189	2.2
2009	1,638,869	928,775	629,901	298,873	116,668	187,077	324,410	-4.0
2005 Q1	1,603,675	827,428	507,397	320,030	76,546	181,450	251,307	4.5
	Q2	1,606,833	883,522	552,797	126,194	174,588	251,112	2.9
	Q3	1,609,071	889,725	564,880	135,712	170,157	257,804	-2.1
	Q4	1,612,410	876,074	555,938	87,921	180,089	286,837	-6.2
2006 Q1	1,615,584	877,798	559,702	318,096	103,319	190,355	264,550	-2.6
	Q2	1,617,423	885,609	566,293	128,519	189,630	246,842	0.6
	Q3	1,619,447	899,732	576,813	125,322	187,760	262,480	2.4
	Q4	1,621,475	903,576	578,810	101,948	176,592	298,599	-2.3
2007 Q1	1,624,611	902,588	579,301	323,287	95,384	186,975	293,629	2.8
	Q2	1,627,216	906,199	589,254	112,982	184,622	288,104	0.4
	Q3	1,630,010	909,466	598,327	117,531	181,993	294,863	1.3
	Q4	1,632,702	910,301	594,054	104,975	186,122	300,622	5.5
2008 Q1	1,635,058	920,512	600,593	319,919	121,238	178,848	298,110	1.5
	Q2	1,633,339	917,566	607,125	129,711	186,184	289,783	3.2
	Q3	1,631,646	925,073	619,802	119,149	198,499	301,415	2.2
	Q4	1,633,321	914,547	608,541	108,896	198,590	299,451	0.1
2009 Q1	1,634,986	919,026	618,189	300,837	120,186	181,567	314,199	-3.4
	Q2	1,637,828	933,878	636,156	122,958	188,433	322,983	-5.7
	Q3	1,640,302	940,661	642,541	119,474	189,239	333,028	-4.8
	Q4	1,642,360	921,534	622,720	104,055	189,069	327,428	-1.2
2010 Q1	1,644,423	925,613	615,962	309,651	109,821	182,562	321,505	-0.4

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

Source: State Statistical Office. Labour Force Survey.



Table 5
Wages
amount in denars, annual rate (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
2006 Q1	22,559	7.6	4.9	19,179	22,969	25,184	13,207	6.9	3.7	11,466	13,606	14,757
Q2	22,923	8.5	5.1	19,600	23,340	25,444	13,428	7.7	4.2	11,681	13,820	14,910
Q3	23,214	8.7	5.1	19,719	23,967	25,835	13,584	7.7	3.9	11,779	14,184	15,125
Q4	23,451	7.1	4.0	19,440	24,003	26,035	13,854	7.2	4.0	11,712	14,321	15,351
2007 Q1	23,139	2.6	1.9	17,809	23,414	25,635	13,962	5.7	5.0	10,802	14,230	15,516
Q2	23,651	3.2	2.1	18,396	23,569	26,020	14,287	6.4	5.3	11,161	14,335	15,746
Q3	24,193	4.2	1.8	17,524	24,043	26,510	14,604	7.5	5.1	10,652	14,608	16,086
Q4	25,574	9.1	4.2	17,291	24,836	27,917	15,490	11.8	6.9	10,451	15,167	16,971
2008 Q1	25,146	8.7	-0.8	16,983	24,571	27,429	15,430	10.5	0.9	10,315	15,220	16,934
Q2	25,566	8.1	-1.6	16,679	25,126	27,899	15,697	9.9	0.0	10,295	15,559	17,228
Q3	26,337	8.9	0.4	16,779	25,610	28,561	16,171	10.7	2.1	10,479	15,860	17,628
Q4	27,863	9.0	3.3	18,928	26,604	30,080	17,081	10.3	4.5	11,684	16,480	18,534
January	25,349	10.2	1.4	17,355	25,456	27,398	15,555	12.0	3.1	10,453	15,757	16,918
February	24,799	7.4	-2.0	16,599	24,265	27,165	15,207	9.1	-0.4	10,169	15,019	16,771
March	25,289	8.4	-1.6	16,994	23,993	27,724	15,529	10.4	0.2	10,325	14,884	17,114
April	25,412	7.5	-2.3	16,379	24,735	27,808	15,605	9.2	-0.8	10,042	15,315	17,176
May	25,612	7.9	-1.4	16,379	25,337	27,843	15,728	9.8	0.2	10,104	15,691	17,198
June	25,673	8.8	-1.1	17,279	25,307	28,047	15,759	10.7	0.5	10,741	15,672	17,311
July	25,739	8.6	-0.8	16,653	24,907	28,100	15,808	10.5	1.0	10,493	15,415	17,355
August	25,758	7.7	-0.8	16,811	25,413	28,078	15,820	9.5	0.8	10,438	15,739	17,333
September	27,513	10.2	2.9	16,873	26,510	29,505	16,884	12.1	4.6	10,505	16,425	18,196
October	27,758	7.2	0.1	20,034	26,800	29,855	17,020	9.0	1.8	12,364	16,621	18,404
November	27,507	8.3	3.0	17,223	25,889	29,603	16,859	10.0	4.6	10,687	16,029	18,238
December	28,323	11.4	7.0	19,527	27,125	30,784	17,363	11.7	7.3	12,001	16,791	18,960
2009 Q1*	29,540	12.5	11.5	19,127	28,496	32,764	19,653	12.7	11.8	12,973	18,774	21,885
Q2*	30,137	12.8	13.5	19,489	29,156	33,394	20,116	13.4	14.1	13,191	19,414	22,423
Q3*	29,833	8.4	9.9	19,453	29,248	32,861	19,891	8.9	10.4	13,171	19,496	21,973
Q4*	30,183	3.7	5.9	19,254	29,372	33,207	20,172	4.5	6.8	13,051	19,579	22,261
January*	29,586	11.7	9.9	19,610	28,815	32,608	19,616	11.6	9.8	13,241	18,752	21,767
February*	29,433	13.6	12.8	18,840	27,834	32,929	19,598	14.1	13.3	12,811	18,490	21,973
March*	29,602	12.1	11.8	18,930	28,841	32,753	19,746	12.6	12.3	12,869	19,081	21,913
April*	30,139	13.5	14.1	19,129	29,367	33,683	20,167	14.4	15.0	12,931	19,530	22,723
May*	30,100	12.5	12.1	19,831	28,249	33,603	20,112	13.2	12.7	13,431	18,810	22,561
June*	30,171	12.5	14.4	19,507	29,851	32,896	20,070	12.7	14.7	13,211	19,903	21,987
July*	29,730	10.6	12.0	18,930	29,137	32,725	19,763	10.7	12.1	12,879	19,420	21,806
August*	29,767	10.6	12.2	19,841	29,139	32,850	19,867	11.2	12.7	13,421	19,430	21,975
September*	30,002	4.4	5.9	19,589	29,469	33,009	20,044	5.1	6.6	13,213	19,636	22,137
October*	30,110	3.8	6.4	19,618	29,173	32,919	20,116	4.6	7.2	13,306	19,449	22,051
November*	29,829	3.8	6.3	19,434	29,644	32,640	19,918	4.6	7.0	13,173	19,732	21,855
December*	30,611	3.5	5.1	18,710	29,300	34,061	20,483	4.4	6.1	12,676	19,555	22,877
2010 Q1	29,879	1.1	0.6	19,358	29,223	32,467	20,303	3.3	2.8	13,234	19,774	22,136
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

*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.

Source: State Statistical Office.



Table 6
Budget of the Republic of Macedonia

	2008				Jan.-Dec. 2008	2009				Jan.-Dec. 2009	2010		
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	April	May
TOTAL BUDGET REVENUES	33,134	31,688	37,073	34,516	136,411	31,298	31,780	31,785	33,635	128,498	29,522	11,266	10,501
Revenues base on taxes and contributions	28,002	28,105	29,329	29,667	115,103	26,554	26,033	27,774	29,499	109,860	25,268	9,967	8,829
Tax revenues (SRA)*	135	31	66	63	295	37	58	63	111	269	177	59	49
Tax revenues	19,046	19,006	19,658	18,849	76,559	17,327	16,248	18,234	18,945	70,754	16,009	6,590	5,857
personal income tax	2,075	2,134	1,988	2,499	8,696	2,029	2,198	2,141	2,342	8,710	2,111	752	660
profit tax	2,823	2,075	1,747	1,934	8,579	1,996	614	997	827	4,434	879	41	316
value added tax	8,857	9,145	9,697	8,474	36,173	8,175	7,817	9,205	9,976	35,173	8,204	3,883	2,976
excises	3,291	3,389	3,870	3,726	14,276	3,124	3,662	3,991	3,756	14,533	3,140	1,097	1,145
custom duties	1,320	1,675	1,666	1,614	6,275	1,304	1,316	1,235	1,374	5,229	953	565	471
other	680	588	690	602	2,560	699	641	665	670	2,675	722	252	289
Contributions	8,821	9,068	9,605	10,755	38,249	9,190	9,727	9,477	10,443	38,837	9,082	3,318	2,923
Pension and Disability Insurance Fund of Republic of Macedonia	5,954	6,024	6,481	7,127	25,586	6,185	6,650	6,412	7,034	26,281	6,162	2,241	1,979
Employment Biro	416	425	436	513	1,790	439	450	457	502	1,848	400	141	124
Health Fund	2,451	2,619	2,688	3,115	10,873	2,566	2,627	2,608	2,907	10,708	2,520	936	820
Non-tax revenues	4,552	3,035	7,189	3,624	18,400	4,160	5,173	3,533	3,536	16,402	3,662	1,102	934
Non-tax revenues (SRA)*	1,882	1,543	1,764	1,971	7,160	1,832	1,436	1,740	1,851	6,859	1,864	559	416
Profit from public financial institutions	1,338	46	3,839	323	5,546	1,197	2,406	101	103	3,807	495	0	50
National Bank of the Republic of Macedonia	1,289	0	0	0	1,289	1,161	0	0	0	1,161	408	0	0
Asset Management Agency	0	0	0	260	260	0	0	60	72	132	40	0	28
Other property revenues	4	0	3	3	10	2	0	1	0	3	37	0	0
Interests from assets deposited in NBRM	44	44	44	50	182	34	23	24	30	111	8	0	22
Dividend	1	2	3,792	10	3,805	0	2,383	16	1	2,400	2	0	0
Administrative taxes	472	453	456	477	1,858	446	464	495	492	1,897	448	149	150
Participation for health services	121	119	83	67	390	76	77	74	85	312	85	27	25
Other administrative taxes	121	143	127	170	561	137	128	110	139	514	133	47	44
Other non-tax revenues	147	179	406	210	942	125	216	509	415	1,265	275	63	111
Compensations for the Road Fund	471	552	514	406	1,943	346	446	504	451	1,747	358	160	137
Capital revenues	336	282	373	399	1,390	414	238	194	321	1,167	336	50	189
Donations from abroad	191	237	162	737	1,327	114	268	204	247	833	201	52	496
Revenues of recovered loans	53	29	20	89	191	57	68	80	32	237	56	96	53
TOTAL BUDGET EXPENDITURES	28,874	31,945	30,710	48,693	140,222	33,231	35,357	33,008	37,797	139,393	33,619	11,924	11,413
Current expenditures	26,274	28,499	27,733	37,654	120,160	30,639	31,687	30,216	33,423	125,965	30,391	10,572	10,949
Wages and salaries	5,220	4,971	4,879	5,757	20,827	5,570	5,782	5,650	5,697	22,699	5,751	1,898	1,860
Goods and services	3,165	4,075	3,724	7,781	18,745	3,757	4,481	3,631	4,351	16,220	3,723	1,279	864
Transfers	17,469	18,771	18,743	22,959	77,942	20,809	20,699	20,593	22,500	84,601	20,694	7,170	8,057
Transfers (SRA)*	320	452	326	185	1,283	221	255	416	613	1,505	264	98	101
Social transfers	13,848	14,275	14,453	15,528	58,104	15,132	15,430	15,368	15,812	61,742	15,621	5,475	5,230
Pension and Disability Insurance Fund of Republic of Macedonia	7,792	8,163	8,513	8,898	33,366	8,932	9,047	9,147	9,329	36,455	9,232	3,140	3,096
Employment Agency	368	407	386	465	1,626	435	500	590	746	2,271	495	189	159
State benefit	1,004	1,022	986	978	3,990	957	1,114	1,144	1,090	4,305	1,267	453	456
Public health	4,684	4,683	4,568	5,187	19,122	4,808	4,769	4,487	4,647	18,711	4,627	1,693	1,519
Other transfers	3,284	4,030	3,953	7,221	18,488	5,446	4,997	4,793	6,060	21,296	4,800	1,589	2,722
Refugees	17	14	11	25	67	10	17	16	15	58	9	8	4
Interest payments	420	682	387	1,157	2,646	503	725	342	875	2,445	224	224	168
Interest on domestic debt	141	408	48	346	943	139	479	161	232	1,011	99	151	79
Interest on external debt	279	274	339	811	1,703	364	246	181	643	1,434	124	74	89
Guaranties	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures	2,600	3,446	2,977	11,039	20,062	2,592	3,670	2,792	4,374	13,428	3,229	1,352	464
Investments in fixed assets	2,136	1,872	1,881	7,579	13,468	2,286	2,049	2,125	2,993	9,453	2,387	829	344
Capital transfers	464	1,574	1,096	3,460	6,594	306	1,621	667	1,381	3,975	842	523	120
BUDGET DEFICIT / SURPLUS	4,260	-257	6,363	-14,177	-3,811	-1,933	-3,577	-1,223	-4,162	-10,895	-4,097	-658	-913
Financing	-4,260	257	-6,363	14,177	3,811	1,933	3,577	1,223	4,162	10,895	4,097	658	913
Inflow	-3,737	3,419	-5,662	16,767	10,787	2,908	6,891	2,049	7,091	18,939	4,641	2,648	1,284
Revenues based on privatisation	661	377	0	602	1,640	0	0	0	0	0	0	0	1
Foreign loans	355	678	136	1,497	2,666	185	1,038	11,088	729	13,040	175	117	1,262
Deposits	-5,151	2,769	-6,104	11,832	3,345	-2,751	9,059	-8,062	1,480	-274	4,544	2,324	-189
Treasury bills	379	-475	305	2,829	3,038	5,424	-3,206	-978	4,858	6,098	-78	208	209
Sale of shares	19	70	1	7	97	50	0	1	24	75	0	0	0
Outflow	523	3,162	701	2,590	6,976	975	3,314	826	2,929	8,044	545	1,990	371
Repayment of principal	523	3,162	701	2,590	6,976	975	3,314	826	2,929	8,044	545	1,990	371
External debt	392	317	701	468	1,878	593	554	695	514	2,356	545	250	211
Domestic debt	131	2,845	0	2,122	5,098	382	2,760	131	2,415	5,688	0	1,740	160

*Specific Revenue Accounts.
Source: Ministry of Finance.



Table 7
National bank of the Republic of Macedonia - balance sheet^{1,2,3,4}
in millions of denars

	2003	2004	2005	2006	2007	2008											
	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
A. ASSETS	52223	51352	75272	95647	99990	100006	100544	98510	97154	97441	99435	100296	102261	107770	107245	101893	96111
1. Foreign Assets	46078	44831	69588	88102	94979	94978	95488	93530	92181	92431	94492	95338	97898	103371	102821	97688	91908
1.1. Official Reserves Assets	44178	44423	68698	86664	93291	94332	94847	93085	91726	92357	94414	95263	97838	103314	102750	97584	91808
1.2 Other Foreign Assets	1900	408	890	1438	1688	646	641	445	455	73	78	75	60	57	71	104	100
2. Claims on Central Government	3890	3495	3549	2519	1271	1272	1272	1272	1272	1272	1272	1272	1272	1272	1272	1294	1304
2.1. In national currency	3815	3495	3549	2505	1264	1264	1264	1264	1264	1264	1264	1264	1264	1264	1264	1286	1296
2.2. In foreign currency	75	0	0	14	7	8	8	8	8	8	8	8	8	8	8	8	8
3. Other Assets	2254	3025	2135	5025	3740	3756	3784	3708	3701	3738	3671	3686	3090	3127	3152	2911	2898
B. TOTAL LIABILITIES	52223	51352	75272	95647	99990	100006	100544	98510	97154	97441	99435	100296	102261	107770	107245	101893	96111
1. Reserve money	22345	22683	28374	34018	41468	39386	40317	38826	40481	40310	44247	45792	45563	46424	48556	44403	48035
1.1. Currency in circulation	15010	15071	15813	17732	19894	18333	18124	17792	18508	18421	18454	19892	18776	18894	18963	18179	20799
1.2. Other Depository Corporations	6018	6043	10307	13769	17966	16939	17772	16718	17566	17396	20716	20542	19910	21740	23624	20185	21619
1.2.1. Transferable Deposits Excluded, NC	3248	2677	4984	7396	10689	9518	9343	8158	8865	8580	11700	11400	9447	10514	11931	8394	10288
1.2.2. Other Deposits Excluded from Broad money, NC						0	0	0	0	0	0	0	1149	1467	1773	2019	1528
1.2.3. Other Deposits Excluded from Broad money, FC	2770	3366	5323	6373	7277	7421	8429	8560	8701	8816	9016	9142	9314	9759	9920	9772	9803
1.3. State and Local Government	0	0	679	635	1602	1891	2038	1953	2033	2043	2569	2505	2668	2858	2940	2988	2823
1.3.1. Transferable Deposits - State and Local Government NC	0	0	679	635	1602	1891	2038	1953	2033	2043	2569	2505	2668	2858	2940	2988	2823
1.4. Other Financial Corporations	1317	1569	1575	1882	2006	2223	2383	2363	2374	2450	2508	2853	4209	2932	3029	3051	2794
2. Currency held by Other Depository Corporations	844	921	1389	1545	1986	1948	1916	2074	2191	2041	2303	3155	2426	2369	2381	2355	3198
3. Other Depository Corporations - Other Liabilities	4581	4713	8945	9480	21040	21616	22218	21738	20653	23252	21641	19979	20759	20096	18436	16879	17451
3.1. Transferable Deposits Excluded from Broad money, FC	193	147	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2. Other Deposits Excluded from Broad money, FC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3. Securities Excluded from Broad money, NC	4388	4566	8945	9480	21040	21616	22218	21738	20653	23252	21641	19979	20759	20096	18436	16879	17451
4. Restricted Deposits	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	3	11
5. Foreign liabilities	3982	3457	3863	3249	555	560	560	560	560	560	560	944	943	943	945	945	955
6. Central Government Deposits	12348	12865	24025	34648	20833	21431	20262	22929	21256	19287	18749	19193	21034	24584	23346	21679	12334
6.1. In national currency	3997	6584	8399	16962	15313	15928	14910	17830	16385	14645	13343	14005	15977	19936	19034	16393	9208
6.2. In foreign currency	8351	6281	15626	17686	5520	5503	5352	5099	4871	4642	5406	5188	5057	4648	4312	5286	3126
7. Other liabilities	8967	7634	10065	14252	16094	17013	17187	14458	14204	14031	14237	14387	13961	15722	15961	17984	17324

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 NBRM, according Decision of compulsory deposit at NBRM, 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.

Source: NBRM.



National bank of the Republic of Macedonia - balance sheet^{1,2,3,4}
in millions of denars

	2009												2010		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
A. ASSETS	93073	91373	82366	78467	76168	78057	89571	96341	97643	98975	#####	#####	#####	#####	#####
1. Foreign Assets	88888	87201	78197	74290	72012	73904	85428	92219	93538	94889	97499	97807	99515	99697	98935
1.1. Official Reserves Assets	88543	86814	77859	73928	71658	73618	85235	92066	93387	94760	97380	97725	99435	99595	98837
1.2 Other Foreign Assets	345	387	338	362	354	286	193	154	151	129	119	83	80	102	99
2. Claims on Central Government	1309	1305	1305	1306	1306	1305	1306	1306	1301	1294	1319	1327	1337	1347	1347
2.1. In national currency	1297	1297	1297	1297	1297	1297	1297	1297	1293	1286	1311	1318	1328	1338	1338
2.2. In foreign currency	12	8	8	9	9	9	9	9	8	8	8	9	9	9	9
3. Other Assets	2876	2867	2864	2872	2850	2847	2837	2815	2804	2792	2813	2876	2857	2838	2832
B. TOTAL LIABILITIES	93073	91373	82366	78467	76168	78057	89571	96341	97643	98975	#####	#####	#####	#####	#####
1. Reserve money	45654	45915	42550	42717	42016	44035	49041	49542	48875	52287	51188	51892	52672	51077	50046
1.1. Currency in circulation	18484	17856	17267	17388	17144	16822	18094	17599	17170	17243	17449	19482	18431	17949	17995
1.2. Other Depository Corporations	21246	22026	19686	19678	18742	20850	24377	25356	24860	28055	27171	26639	28044	27090	26001
1.2.1. Transferable Deposits Excluded, NC	10550	10787	8823	8444	7279	9281	12815	13470	12612	15759	14881	14245	15704	14919	13761
1.2.2. Other Deposits Excluded from Broad money, NC	895	847	240	331	275	324	310	281	269	239	186	169	150	0	0
1.2.3. Other Deposits Excluded from Broad money, FC	9801	10392	10623	10903	11189	11245	11252	11605	11978	12058	12104	12225	12189	12171	12240
1.3. State and Local Government	3080	3185	2655	2646	2992	3219	3157	3290	3467	3596	3241	2361	2896	2622	2592
1.3.1. Transferable Deposits - State and Local Government NC	3080	3185	2655	2646	2992	3219	3157	3290	3467	3596	3241	2361	2896	2622	2592
1.4. Other Financial Corporations	2844	2848	2942	3006	3137	3143	3414	3296	3379	3392	3327	3410	3300	3415	3459
2. Currency held by Other Depository Corporations	2569	2515	2621	2627	2700	2613	2795	2834	2714	2639	2979	3216	2906	2862	3151
3. Other Depository Corporations - Other Liabilities	13593	14103	7511	10502	9923	12489	8391	13054	15247	14830	17846	16676	18194	21033	23201
3.1. Transferable Deposits Excluded from Broad money, FC	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2. Other Deposits Excluded from Broad money, FC	0	418	602	663	1557	2835	2110	3781	2618	2496	2526	814	417	215	246
3.3. Securities Excluded from Broad money, NC	13593	13685	6909	9838	8366	9654	6280	9274	12629	12333	15319	15862	17776	20817	22954
4. Restricted Deposits	2	1	1	13	17	17	8	2	12	7	0	0	0	0	0
5. Foreign liabilities	949	950	949	949	734	733	733	4158	4542	4484	4505	4561	4638	4719	4722
6. Central Government Deposits	13738	11696	14900	8287	7600	5445	16149	14595	13536	12103	11903	12692	11385	9507	8242
6.1. In national currency	10876	9055	12445	5757	4808	3485	3812	2170	1539	1523	1674	2775	3110	3013	4206
6.2. In foreign currency	2862	2641	2455	2530	2793	1960	12337	12425	11997	10580	10229	9917	8274	6494	4035
7. Other liabilities	19137	18708	16455	15999	15878	15338	15249	14989	15431	15264	16189	16189	16820	17546	16904

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 NBRM, according Decision of compulsory deposit at NBRM, 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.

Source: NBRM.



Table 8
Report form for other depository corporations (banks and saving houses)^{1,2}
in millions of denars

	2003	2004	2005	2006	2007	2008											
	XI	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
A. ASSETS	128133	146283	171189	204745	254348	254344	260479	259638	266302	269256	275230	280768	286509	284799	284014	279281	283710
1. Currency and Deposits	40700	44136	49509	55860	59192	55552	55793	53142	55432	53979	56547	57250	60132	58007	54892	50692	50211
1.1. Currency	2368	2390	3332	3905	4791	3582	3491	3870	4298	4017	4782	5753	4819	4335	5309	4723	5667
1.1.1. Holdings of National Currency	844	921	1389	1545	1986	1948	1916	2074	2191	2041	2303	3155	2426	2369	2381	2355	3198
1.1.2. Holdings of Foreign Currency	1524	1469	1943	2360	2805	1634	1575	1796	2107	1976	2479	2598	2393	1966	2928	2368	2469
1.2. Deposits	38332	41746	46177	51955	54401	51970	52302	49272	51134	49962	51765	51497	55313	53672	49583	45969	44544
1.2.1. In National Currency	3583	2850	4814	7420	10848	9520	9522	8080	8765	8434	11713	11386	10556	11806	13671	10495	11977
1.2.1.1. Central Bank/Required Reserves and Clearing Balances, Compulsory deposit	3295	2767	4742	7329	10649	9495	9227	8063	8749	8420	11577	11250	10422	11794	13654	10173	11616
1.2.1.2. Other Depository Corporations	288	83	72	91	199	25	295	17	16	14	136	136	134	12	17	322	361
1.2.2. In Foreign Currency	34749	38896	41363	44535	43553	42450	42780	41192	42369	41528	40052	40111	44757	41866	35912	35474	32567
1.2.2.1. Other Depository Corporations	771	343	766	1347	1185	789	783	1276	1581	1438	1688	1958	2091	2039	1913	1564	1832
1.2.2.2. Central Bank	2951	3504	5323	6373	7277	7421	8429	8560	8701	8816	9016	9142	9314	9758	9892	9743	9769
1.2.2.3. Nonresidents	31027	35049	35274	36815	35091	34240	33568	31356	32087	31274	29348	29011	33352	30069	24107	24167	20966
2. Securities Other than Shares	10778	11656	16218	22912	34300	34323	33490	32436	30461	31902	29482	27623	28453	28024	26704	25875	27339
2.1. In National Currency	4829	6041	16140	22835	34217	34240	33408	32355	30379	31820	29401	27541	28370	27940	26616	25770	27240
2.1.1. Central Bank	4006	4465	8932	9457	21000	21594	22195	21660	20683	23226	21607	19958	20724	20058	18412	16851	17437
2.1.2. Other Depository Corporations	0	0	0	0	300	224	222	272	222	222	222	222	212	212	212	529	529
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	12342	10911	10343	9394	8292	7492	7281	7354	7590	7912	8310	9252
2.1.5. Other Nonfinancial Corporations	0	5	3	13	80	80	80	80	80	80	80	80	80	80	80	80	22
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	83	82	81	82	81	82	83	84	88	105	99	99
2.2.1. Central Government	5889	5502	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2.2. Nonresidents	60	113	78	77	83	83	82	81	82	81	82	83	84	88	105	99	99
3. Loans	49164	60126	72604	95069	131562	134501	140277	144039	149379	152467	157345	162214	164785	169638	171812	174121	176417
3.1. In National Currency	40735	47799	54148	70302	99521	101756	107169	110734	114704	117282	121319	124651	126447	130078	132009	134270	136665
3.1.1. Central Bank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.1.2. Other Depository Corporations	1342	743	796	1568	1966	1800	2903	2005	2247	2172	2676	2778	2984	3713	2765	2704	2849
3.1.3. Other Financial Corporations	46	0	3	4	52	47	45	50	44	50	64	59	62	58	91	30	30
3.1.4. Central Government	24	153	44	268	139	133	128	121	116	108	103	99	100	103	106	115	115
3.1.5. State and Local Government	2	20	13	0	0	0	0	0	0	0	25	25	25	24	24	24	24
3.1.6. Public Nonfinancial Corporations	458	677	517	363	315	331	294	295	290	285	278	274	264	248	246	217	133
3.1.7. Other Nonfinancial Corporations	28507	30065	30336	37026	48498	49509	52126	54714	56753	57791	59750	61199	61471	63141	64574	66113	68078
3.1.8. Other Resident Sectors	10355	16139	22428	31049	48487	49896	51655	53533	55231	56864	58443	60182	61492	62767	64208	64987	65414
3.1.9. Nonresidents	1	2	11	24	64	40	18	16	23	12	19	30	53	22	31	28	22
3.2. In Foreign Currency	8429	12327	18456	24767	32041	32745	33108	33305	34675	35185	36026	37563	38338	39560	39803	39851	39752
3.2.1. Other Depository Corporations	917	666	962	988	1151	1146	1142	1140	1135	1162	1161	1155	1156	1157	1159	1160	1175
3.2.2. Other Financial Corporations	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2.3. Central Government	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2.4. Public Nonfinancial Corporations	27	5	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0
3.2.5. Other Nonfinancial Corporations	7069	10934	16477	21864	28361	28948	29281	29324	30320	30467	30977	32206	32824	33904	34105	34152	34128
3.2.6. Other Resident Sectors	180	458	750	1709	2358	2461	2575	2729	2997	3332	3697	4039	4215	4351	4391	4389	4344
3.2.7. Nonresidents	234	263	267	204	171	190	110	112	223	224	189	163	143	148	148	150	105
4. Shares and Other Equity	1424	1349	1567	1622	1308	1319	1306	1295	1305	1320	1334	1333	1322	1279	1271	1540	1593
4.1. In National Currency	1275	1200	1415	1451	1117	1124	1114	1108	1116	1126	1145	1145	1136	1096	1093	1395	1402
4.2. In Foreign Currency	149	149	152	171	191	195	192	187	189	194	189	188	186	183	178	145	191
5. Financial Derivatives	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Other claims	15085	17498	20113	18538	17935	18557	19491	18572	19512	19296	20171	21881	21234	17231	18632	16375	17193
6.1. In National Currency	13686	15345	18946	17214	16141	16843	17737	16956	17744	17629	18462	20039	19562	16004	17428	15218	16024
6.2. In Foreign Currency	1399	2153	1167	1324	1794	1714	1754	1616	1768	1667	1709	1842	1672	1227	1204	1157	1169
7. Nonfinancial Assets	10982	11518	11178	10744	10051	10092	10122	10154	10213	10292	10351	10467	10583	10620	10703	10678	10957

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

Source: NBRM.



Report form for other depository corporations (banks and saving houses)^{1,2} in millions of denars

	2003	2004	2005	2006	2007	2008											
	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
B. Liabilities	128133	146283	171189	204745	254348	254344	260479	259638	266302	269256	275230	280768	286509	284799	284014	279281	283710
1. Deposit included in Broad money	65671	78831	92725	117838	155869	157534	160504	160448	164434	168327	171071	173138	176800	178437	175665	171303	175130
1.1. In National Currency	31159	36262	41617	57385	87613	87462	89079	87994	90119	92383	94414	94640	95235	95929	95125	89702	91298
1.1.1. Other Financial Corporations	398	285	338	492	1008	1094	1165	1217	1356	1578	1621	1545	1709	1792	1843	1898	1947
1.1.2. State and Local Government	308	193	16	10	33	33	31	30	32	31	32	31	31	30	31	47	42
1.1.3. Public Nonfinancial Corporations	457	659	609	674	2511	2432	2619	2281	2261	2309	2269	1592	1877	1610	2130	2207	3095
1.1.4. Other Nonfinancial Corporations	15491	18866	20571	27691	37280	37187	38410	38327	39865	41891	42975	43867	44837	44431	43065	37960	38913
1.1.5. Other Resident Sectors	14505	16259	20083	28518	46781	46716	46854	46139	46605	46574	47517	47605	46781	48066	48056	47590	47301
1.2. In Foreign Currency	34512	42569	51108	60453	68256	70072	71425	72454	74315	75944	76657	78498	81565	82508	80540	81601	83832
1.2.1. Other Financial Corporations	49	73	20	32	78	57	58	56	47	52	92	60	92	57	85	94	217
1.2.2. State and Local Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.2.3. Public Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.2.4. Other Nonfinancial Corporations	6834	9659	11522	15243	17417	17687	18307	18428	18795	19685	19345	19390	20578	20177	18745	19789	19883
1.2.5. Other Resident Sectors	27629	32837	39566	45178	50761	52328	53060	53970	55473	56207	57220	59048	60895	62274	61710	61718	63732
2. Deposit excluded from Broad money	7372	5849	8541	13869	18367	15760	16701	17489	18212	16955	18760	19821	21665	20501	21081	22034	23512
2.1. In National Currency	3166	2241	2985	3516	4398	4919	5272	4908	4828	4833	5189	6267	4965	4773	4701	4797	5721
2.1.1. Central Bank NC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1.2. Other Depository Corporations	1150	740	1273	1746	2954	2827	3208	2885	2859	2904	3001	3043	3070	3084	2984	3070	3420
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	1850	1177	1562	1672	1359	2013	1985	1875	1827	1787	2056	3092	1769	1633	1668	1669	2243
2.1.5. Local Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1.6. Public Nonfinancial Corporations	166	324	150	98	85	79	79	148	142	142	132	132	126	56	49	58	58
2.1.7. Other Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1.8. Other Resident Sectors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1.9. Nonresidents	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2. In Foreign Currency	4206	3608	5556	10353	13969	10841	11429	12581	13384	12122	13571	13554	16700	15728	16380	17237	17791
2.2.1. Other Depository Corporations	760	340	964	1657	1571	1065	1062	1562	1949	1759	2132	2307	2456	2226	2209	1868	2308
2.2.2. Other Financial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2.3. Central Government	25	27	1	1	2	2	2	1	1	1	1	1	1	1	1	2	2
2.2.4. Other Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2.5. Other Resident Sectors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2.6. Nonresidents	3421	3241	4591	8695	12397	9774	10365	11018	11434	10363	11438	11246	14243	13501	14170	15367	15481
3. Securities Other than Shares	0	0	0	0	300	300	300	300	300	300	300	300	300	300	300	300	954
4. Loans	8959	9691	13556	14646	17860	17411	18187	17092	17452	17511	17977	18395	18473	19162	18364	18339	16047
4.1. In National Currency	2532	1946	2218	3212	3575	3367	4521	3640	3968	4021	4610	4777	5030	5732	4887	4896	5089
4.2. In Foreign Currency	6427	7745	11338	11434	14285	14044	13666	13452	13484	13490	13367	13618	13443	13430	13477	13443	10958
5. Financial derivatives																	
5.1. In National Currency																	
5.2. In Foreign Currency																	
6. Other liabilities	14131	16931	18778	19115	18639	19213	20336	19949	20512	20339	20820	22269	21923	17556	19136	16685	18373
6.1. In National Currency	12791	14086	17542	17802	16684	17269	18341	18030	18307	18203	18856	19745	20083	16182	17768	15415	17090
6.2. In Foreign Currency	1340	2845	1236	1313	1955	1944	1995	1919	2205	2136	1964	2524	1840	1374	1368	1270	1283
7. Shares and Other Equity	32000	34981	37589	39277	43313	44126	44451	44360	45392	45824	46302	46845	47348	48843	49468	49966	49694

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

Source: NBRM.

Report form for other depository corporations (banks and saving houses) ^{1,2}
in millions of denars

	2009												2010		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
A. ASSETS	279841	283209	281636	284510	282706	284134	287565	293062	293358	298724	302720	306469	307928	309677	310961
1. Currency and Deposits	49414	50741	50913	53215	55682	54737	60173	62983	60786	63857	61073	60794	57956	55073	53849
1.1. Currency	5043	4812	4962	5203	5268	5025	6109	5512	5349	5200	5539	5912	5153	4932	5286
1.1.1. Holdings of National Currency	2569	2515	2621	2627	2700	2613	2795	2834	2714	2639	2979	3216	2906	2862	3151
1.1.2. Holdings of Foreign Currency	2474	2297	2341	2576	2568	2412	3315	2679	2635	2561	2560	2696	2247	2070	2135
1.2. Deposits	44370	45930	45952	48012	50414	49713	54064	57471	55437	58657	55535	54882	52802	50140	48563
1.2.1. In National Currency	11675	11737	9307	8942	7739	9812	13404	14055	13167	16135	15262	14614	15967	15031	13930
1.2.1.1. Central Bank/Required Reserves and Clearing Balances, Compulsory deposit	11208	11373	8856	8522	7289	9366	12958	13604	12730	15702	14824	14176	15528	14586	13484
1.2.1.2. Other Depository Corporations	467	365	452	420	450	447	447	451	438	433	438	438	439	445	446
1.2.2. In Foreign Currency	32696	34192	36644	39071	42675	39900	40659	43415	42270	42522	40273	40268	36835	35109	34633
1.2.2.1. Other Depository Corporations	1225	1375	1716	1888	2985	3063	2596	3666	2693	2106	2819	1686	1233	1123	1166
1.2.2.2. Central Bank	9801	10392	10623	10903	11189	12468	12231	13196	12835	13404	13083	12225	12189	12171	12240
1.2.2.3. Nonresidents	21669	22425	24305	26280	28501	24369	25833	26553	26742	27012	24371	26357	23412	21814	21227
2. Securities Other than Shares	23722	23509	21291	20610	17722	19528	16807	20231	22937	23633	28020	29782	32668	35877	36709
2.1. In National Currency	23663	23450	21233	20551	17664	19434	16590	19944	22637	23331	27500	29265	32145	35353	36336
2.1.1. Central Bank	13460	13281	6893	9824	8331	9594	6280	9572	12628	12331	15318	15861	17776	20814	22954
2.1.2. Other Depository Corporations	860	863	868	871	876	895	837	838	839	839	832	833	836	839	840
2.1.3. Other Financial Corporations	53	34	34	34	34	13	13	13	0	0	0	0	0	0	0
2.1.4. Central Government	9289	9272	13384	9823	8422	8932	9461	9521	9169	10161	11350	12571	13533	13701	12542
2.1.5. Other Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1.6. Nonresidents	0	0	53	0	0	0	0	0	0	0	0	0	0	0	0
2.2. In Foreign Currency	59	59	59	59	58	94	217	286	300	302	520	517	523	523	374
2.2.1. Central Government	0	0	0	0	0	91	215	284	300	302	363	359	362	361	374
2.2.2. Nonresidents	59	59	59	59	58	3	3	3	0	0	157	159	161	162	0
3. Loans	177028	179306	180406	180903	180305	179846	180324	180022	179793	180417	181923	184241	184395	185977	187083
3.1. In National Currency	136261	138503	139788	140089	140167	139659	140192	139829	139662	140081	141064	142289	142513	142846	143465
3.1.1. Central Bank	8	7	8	8	8	9	10	12	11	12	12	14	13	12	13
3.1.2. Other Depository Corporations	2223	2398	2771	2813	2714	2607	2618	2507	2439	2710	2683	2925	2690	2911	2905
3.1.3. Other Financial Corporations	118	141	87	95	50	57	44	24	33	35	35	31	41	41	42
3.1.4. Central Government	52	52	56	56	55	105	103	103	102	102	102	98	97	98	101
3.1.5. State and Local Government	24	24	24	23	23	22	22	22	21	21	20	20	20	20	19
3.1.6. Public Nonfinancial Corporations	92	91	90	94	87	37	34	32	31	29	30	33	33	32	31
3.1.7. Other Nonfinancial Corporations	66608	68693	69356	69471	69411	68790	69090	68821	68671	68759	69602	70993	71540	71734	72103
3.1.8. Other Resident Sectors	67083	67044	67344	67472	67764	67978	68216	68252	68296	68357	68526	68121	68025	67945	68196
3.1.9. Nonresidents	53	53	53	56	55	55	54	56	58	56	55	54	53	54	54
3.2. In Foreign Currency	40767	40803	40617	40815	40138	40187	40131	40192	40131	40337	40859	41952	41882	43131	43618
3.2.1. Other Depository Corporations	1076	1083	1068	1063	1044	1088	1093	1095	1088	1045	1071	1826	1817	2263	2265
3.2.2. Other Financial Corporations	13	126	131	130	130	104	72	71	71	68	41	41	46	46	46
3.2.3. Central Government	185	182	22	21	21	21	19	18	18	20	19	18	18	18	17
3.2.4. Public Nonfinancial Corporations	282	281	427	418	425	415	396	403	416	412	409	398	391	386	395
3.2.5. Other Nonfinancial Corporations	34700	34657	34557	34845	34200	33667	33808	33721	33601	33810	34382	34737	34798	35630	36057
3.2.6. Other Resident Sectors	4381	4341	4285	4210	4172	4094	4029	3980	3928	3893	3844	3823	3806	3778	3833
3.2.7. Nonresidents	130	132	129	128	146	798	715	905	1010	1089	1092	1109	1005	1009	1005
4. Shares and Other Equity	1224	1261	1259	1271	1278	1299	1300	1306	1316	1334	1332	1353	1337	1347	1351
4.1. In National Currency	1051	1086	1092	1092	1097	1121	1119	1122	1135	1147	1144	1154	1137	1144	1143
4.2. In Foreign Currency	173	176	167	179	181	179	181	184	181	187	189	198	199	203	207
5. Financial Derivatives	0	0	0	2	0	0	0	16	16	15	15	15	18	4	5
6. Other claims	17038	16571	16283	17019	16218	17028	17310	16661	16671	17684	18461	17861	19238	19079	19597
6.1. In National Currency	16060	15628	15126	15845	14985	16017	16326	15663	15394	16351	17071	16549	17971	17810	18316
6.2. In Foreign Currency	977	943	1157	1174	1233	1010	985	999	1276	1333	1390	1312	1267	1269	1282
7. Nonfinancial Assets	11417	11821	11483	11490	11501	11696	11651	11842	11840	11783	11895	12424	12317	12321	12367

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

Source: NBRM.



Report form for other depository corporations (banks and saving houses) ^{1,2}
in millions of denars

	2009												2010		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
B. Liabilities	279841	283210	281636	284510	282706	284134	287565	293062	293358	298724	302720	306469	307928	309677	310961
1. Deposit included in Borad money	173922	174586	172789	174714	173259	174596	172880	177642	177897	181947	183647	187587	189304	189768	192433
1.1. In National Currency	88487	88391	83493	82879	82375	82972	78099	80497	80773	83617	85023	87073	87556	88087	89897
1.1.1. Other Financial Corporations	5227	5232	4850	4859	5018	5495	5158	5387	5893	6244	6708	7005	7062	7266	7497
1.1.2. State and Local Government	61	60	61	52	52	59	37	32	29	42	39	34	33	33	33
1.1.3. Public Nonfinancial Corporations	5455	5220	5278	5073	4695	4330	3625	4260	3692	3487	3183	3067	2410	3127	2799
1.1.4. Other Nonfinancial Corporations	32860	34104	32240	31848	32275	33312	29409	31276	30733	31548	32111	31459	31777	29999	29881
1.1.5. Other Resident Sectors	44884	43774	41065	41047	40335	39776	39870	39543	40426	42295	42983	45508	46273	47663	49685
1.2. In Foreign Currency	85435	86195	89296	91834	90885	91624	94780	97145	97124	98330	98624	100513	101748	101681	102535
1.2.1. Other Financial Corporations	793	893	844	873	1017	994	935	941	933	971	1015	1108	1085	1044	1382
1.2.2. State and Local Government	7	8	8	8	8	8	8	8	8	8	8	9	9	9	9
1.2.3. Public Nonfinancial Corporations	1791	327	383	435	261	230	392	457	431	459	484	358	369	364	362
1.2.4. Other Nonfinancial Corporations	17668	17528	17746	17790	15904	15177	16361	17641	16829	17609	17131	17679	17732	16931	17370
1.2.5. Other Resident Sectors	65176	67440	70316	72729	73695	75215	77084	78096	78922	79283	79986	81360	82553	83333	83412
2. Deposit excluded from Broad money	21661	23950	24033	24248	25233	20024	24959	25539	25359	24009	24103	21332	19363	19154	19076
2.1. In National Currency	4087	4771	4713	5047	5373	5012	5971	6665	6737	6028	5937	6124	6438	5582	5743
2.1.1. Central Bank NC	35	35	0	0	0	3	3	4	6	7	8	9	10	12	12
2.1.2. Other Depository Corporations	510	504	593	530	561	562	593	621	628	542	554	552	565	551	582
2.1.3. Other Financial Corporations	0	4	88	19	4	4	34	34	37	37	37	37	38	33	34
2.1.4. Central Government	1230	1212	1217	1299	1182	1310	1330	1931	1948	1365	1168	1226	1256	1122	1175
2.1.5. Local Government	23	23	23	23	23	24	24	18	18	18	18	18	12	12	10
2.1.6. Public Nonfinancial Corporations	39	39	39	39	39	39	0	19	19	19	21	21	21	21	21
2.1.7. Other Nonfinancial Corporations	483	966	1077	1097	1072	1000	989	976	1007	930	956	912	1048	992	992
2.1.8. Other Resident Sectors	803	1020	828	810	1113	792	860	830	830	891	930	1136	1187	1128	1132
2.1.9. Nonresidents	964	970	846	1228	1377	1280	2138	2231	2245	2219	2247	2214	2302	1713	1786
2.2. In Foreign Currency	17573	19179	19320	19202	19861	15012	18988	18874	18622	17981	18165	15208	12926	13571	13333
2.2.1. Other Depository Corporations	1213	963	1170	1247	1382	1454	1493	1780	1350	921	1150	902	849	875	945
2.2.2. Other Financial Corporations	47	56	9	9	9	9	8	8	8	8	9	9	9	9	12
2.2.3. Central Government	49	16	5	8	8	6	5	7	6	4	5	5	6	7	6
2.2.4. Other Nonfinancial Corporations	244	1826	1910	1942	1935	1923	1861	1792	1797	1753	1757	1747	1764	1762	1652
2.2.5. Other Resident Sectors	1606	1633	1770	1742	1717	1797	1809	2058	2392	2344	2156	2243	2258	2353	2404
2.2.6. Nonresidents	14414	14686	14455	14253	14809	9822	13812	13229	13069	12951	13087	10303	8040	8567	8316
3. Securities Other than Shares	957	959	975	977	944	932	936	940	943	947	942	932	938	942	945
4. Loans	15599	15955	16088	16330	15912	20139	19923	19672	19695	20991	21801	25445	25125	26354	25004
4.1. In National Currency	4838	4999	5358	5360	5263	5209	5181	5074	5101	5412	5441	5779	5462	5713	5710
4.2. In Foreign Currency	10760	10956	10730	10971	10649	14929	14742	14598	14594	15578	16359	19666	19663	20641	19294
5. Financial derivatives												1	5	6	1
5.1. In National Currency												0	0	0	0
5.2. In Foreign Currency												1	5	6	1
6. Other liabilities	17133	17215	17787	18570	17326	18010	17996	17923	17516	18329	19228	18366	19854	19760	19810
6.1. In National Currency	15824	15924	16520	17287	16112	16664	16683	16655	15921	16763	17623	17036	18481	18356	18454
6.2. In Foreign Currency	1309	1290	1267	1282	1214	1346	1313	1268	1595	1567	1605	1330	1373	1404	1356
7. Shares and Other Equity	50569	50544	49964	49672	50031	50432	50871	51347	51948	52501	53000	52806	53340	53693	53692

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

Source: NBRM.



Table 9
 Depository corporations survey - NBRM, other depository corporations (ODI-banks and saving houses)^{1,2}
 in millions of denars

	2003	2004	2005	2006	2007	2008											
	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
A. FOREIGN ASSETS (NET)	65371	67722	88937	107524	109068	109870	109285	104779	104025	104424	104162	104093	108162	111029	104329	97548	90980
1. Foreign Assets, Net	42096	41374	65725	84853	94424	94418	94928	92970	91621	91871	93932	94394	96955	102428	101876	96743	90953
1.1. Foreign Assets	46078	44831	69588	88102	94979	94978	95488	93530	92181	92431	94492	95338	97898	103371	102821	97688	91908
1.2. Foreign Liabilities	-3982	-3457	-3863	-3249	-555	-560	-560	-560	-560	-560	-560	-944	-943	-943	-945	-945	-955
2. Foreign Assets, Net	23275	26348	23212	22671	14644	15452	14357	11809	12404	12553	10230	9699	11207	8601	2453	805	27
2.1. Foreign Assets	33080	37106	37797	39732	38478	36468	35609	33598	34802	33808	32421	32134	36258	32517	27524	26999	23904
2.2. Foreign Liabilities	-9805	-10758	-14585	-17061	-23834	-21016	-21252	-21789	-22398	-21255	-22191	-22435	-25051	-23916	-25071	-26194	-23877
B. DOMESTIC CREDIT	43317	55212	57232	72912	121814	123439	127900	129284	135034	139083	142983	146070	147978	148996	153632	158519	169749
1. Claims on Central Government, Net	-4392	-4132	-15271	-21263	-8922	-10468	-10837	-14107	-13353	-12498	-13044	-14752	-15233	-18389	-16837	-14763	-5530
1.1. Claims on Central Government	3890	3495	3549	2519	1271	1272	1272	1272	1272	1272	1272	1272	1272	1272	1272	1294	1304
1.2. Central Government Deposits	-12348	-12865	-24025	-34648	-20833	-21431	-20262	-22929	-21256	-19287	-18749	-19193	-21034	-24584	-23346	-21679	-12334
1.3. Claims on Central Government	6833	7333	7542	13646	12995	12616	11099	10539	9621	8548	7781	7602	7710	7984	8346	8784	9380
1.4. Central Government Deposits	-2767	-2095	-2338	-2781	-2355	-2925	-2946	-2989	-2990	-3031	-3348	-4433	-3181	-3061	-3109	-3163	-3880
2. Claims on State & Local Government	2	20	13	0	0	0	0	0	0	0	0	25	25	25	24	24	24
2.1. Claims on State & Local Government	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	0	0	0	0	0	0	25	25	25	24	24	24
3. Claims on Public Nonfinancial Corporations	485	682	517	363	315	331	294	295	290	285	280	274	264	248	246	217	133
3.1. Claims on Public Nonfinancial Corporations	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	331	294	295	290	285	280	274	264	248	246	217	133
4. Claims on Private Sector	47172	58639	71967	93803	130366	133526	138395	143042	148050	151243	155694	160456	162859	167047	170138	172640	174782
4.1. Claims on Private Sector	-1	44	1063	1092	1412	1408	1425	1421	1412	1406	1399	1393	1388	1473	1466	1514	1508
4.2. Claims on Private Sector	47173	58595	70904	92711	128954	132118	136970	141621	146638	149837	154295	159063	161471	165574	168672	171126	173274
5. Claims on Other Financial Corporations	49	3	6	9	55	50	48	53	47	53	53	67	62	65	61	401	340
5.1. Claims on Other Financial Corporations	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
5.2. Claims on Other Financial Corporations	46	0	3	6	52	47	45	50	44	50	50	64	59	62	58	398	337
C. MONEY	28265	28842	31354	36788	48858	46489	47705	46415	48299	50237	52003	51029	52699	53040	52147	52285	56942
1. Currency outside Other Depository Corporations	14166	14150	14424	16187	17908	16385	16208	15718	16317	16380	16151	16737	16350	16525	16582	15824	17601
2. Public Sector Liabilities	0	0	679	635	1602	1891	2038	1953	2033	2043	2569	2505	2668	2858	2940	2988	2823
3. Other Financial Corporations Liabilities	1317	1569	1575	1882	2006	2223	2383	2363	2374	2450	2508	2853	4209	2932	3029	3051	2794
4. Demand Money	12782	13123	14676	18084	27342	25990	27076	26381	27575	29364	30775	28934	29472	30725	29596	30422	33724
D. RESTRICTED DEPOSITS	166	324	150	98	85	79	79	148	142	143	133	133	127	57	50	61	69
1. Restricted Deposits	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	3	11
2. Restricted Deposits	166	324	150	98	85	79	79	148	142	142	132	132	126	56	49	58	58
E. OTHER DEPOSITS	52889	65708	78049	99754	128527	131544	133428	134067	136859	138963	140296	144204	147328	147712	146069	140881	141406
1. Time, Savings, & Foreign Currency Deposits	52889	65708	78049	99754	128527	131544	133428	134067	136859	138963	140296	144204	147328	147712	146069	140881	141406
F. LIABILITIES TO OTHER FINANCIAL CORPORATIONS	0	0	0	15	346	344	343	0	0	0	0	0	0	0	0	10	10
1. Liabilities to Other Financial Corporations	0	0	0	15	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Liabilities to Other Financial Corporations	0	0	0	0	346	344	343	0	0	0	0	0	0	0	0	10	10
G. CAPITAL ACCOUNTS	38327	40727	45756	47644	52570	54590	54879	53889	54668	54919	55595	56364	57160	59982	61321	63569	61474
H. OTHER ITEMS (NET)	-10959	-12667	-9140	-3863	496	263	751	-456	-909	-755	-883	-1566	-1175	-766	-1626	-739	828

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

Source: NBRM.



Depository corporations survey - NBRM, other depository corporations (ODI-banks and saving houses) ^{1,2}
in millions of denars

	2009												2010		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
A. FOREIGN ASSETS (NET)	88967	87428	80949	78762	78534	77493	86604	90895	92170	92974	92113	94764	95012	92917	92943
1. Foreign Assets, Net	87939	86251	77247	73340	71278	73172	84696	88061	88996	90405	92994	93246	94877	94978	94214
1.1. Foreign Assets	88888	87201	78197	74290	72012	73904	85428	92219	93538	94889	97499	97807	99515	99697	98935
1.2. Foreign Liabilities	-949	-950	-949	-949	-734	-733	-733	-4158	-4542	-4484	-4505	-4561	-4638	-4719	-4722
2. Foreign Assets, Net	1029	1177	3702	5421	7256	4322	1908	2834	3174	2569	-881	1518	135	-2061	-1271
2.1. Foreign Assets	24682	25244	27203	29365	31604	27899	30187	30465	30720	30978	28489	30643	27146	25372	24694
2.2. Foreign Liabilities	-23654	-24067	-23501	-23944	-24348	-23577	-28279	-27632	-27546	-28409	-29370	-29125	-27012	-27433	-25965
B. DOMESTIC CREDIT	170028	173783	174959	178445	177414	179028	169596	170240	170646	174054	177231	178825	181649	184830	186027
1. Claims on Central Government, Net	-6033	-4360	-4082	-1073	-1643	1028	-9009	-7941	-7308	-4287	-2648	-2408	-91	2070	2145
1.1. Claims on Central Government	1309	1305	1305	1306	1306	1305	1306	1306	1301	1294	1319	1327	1337	1347	1347
1.2. Central Government Deposits	-13738	-11696	-14900	-8287	-7601	-5446	-16149	-14595	-13536	-12103	-11903	-12692	-11385	-9507	-8242
1.3. Claims on Central Government	9800	9588	13529	9972	8576	9228	9884	10018	9687	10690	11945	13059	14021	14195	13056
1.4. Central Government Deposits	-3405	-3557	-4017	-4064	-3924	-4060	-4050	-4669	-4761	-4168	-4009	-4103	-4064	-3965	-4017
2. Claims on State & Local Government	24	24	24	23	23	22	22	22	21	21	20	20	20	20	19
2.1. Claims on State & Local Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2. Claims on State & Local Government	24	24	24	23	23	22	22	22	21	21	20	20	20	20	19
3. Claims on Public Nonfinancial Corporations	374	372	516	512	511	453	431	435	446	441	439	431	424	417	426
3.1. Claims on Public Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2. Claims on Public Nonfinancial Corporations	374	372	516	512	511	453	431	435	446	441	439	431	424	417	426
4. Claims on Private Sector	175068	177000	177802	178276	177861	176876	177546	177138	176893	177287	178846	180196	180710	181736	182852
4.1. Claims on Private Sector	1499	1490	1494	1506	1498	1491	1487	1480	1471	1464	1480	1512	1514	1493	1487
4.2. Claims on Private Sector	173569	175509	176307	176769	176363	175386	176059	175658	175422	175823	177366	178684	179196	180244	181364
5. Claims on Other Financial Corporations	595	747	699	708	661	649	607	586	593	592	573	587	586	587	586
5.1. Claims on Other Financial Corporations	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
5.2. Claims on Other Financial Corporations	594	746	698	707	660	648	606	585	592	591	572	586	585	585	585
C. MONEY	52702	52073	49446	49465	50319	50854	51471	52894	51376	52716	52301	54584	52872	53367	52866
1. Currency outside Other Depository Corporations	15915	15341	14646	14760	14443	14210	15299	14766	14456	14604	14470	16266	15525	15087	14844
2. Public Sector Liabilities	3080	3185	2655	2646	2992	3219	3157	3290	3467	3596	3241	2361	2896	2622	2592
3. Other Financial Corporations Liabilities	2844	2848	2942	3006	3137	3143	3414	3296	3379	3392	3327	3410	3300	3415	3459
4. Demand Money	30863	30700	29203	29053	29746	30281	29602	31542	30075	31123	31262	32547	31151	32242	31971
D. RESTRICTED DEPOSITS	3201	5509	5649	5667	5917	5592	5551	5695	6075	5962	5838	6077	6291	6268	6211
1. Restricted Deposits	2	1	1	13	17	17	8	2	12	7	0	0	0	0	0
2. Restricted Deposits	3199	5507	5648	5654	5900	5575	5543	5693	6062	5955	5837	6077	6290	6268	6211
E. OTHER DEPOSITS	143059	143887	143586	145660	143514	144315	143278	146100	147823	150824	152385	155040	158153	157526	160461
1. Time, Savings, & Foreign Currency Deposits	143059	143887	143586	145660	143514	144315	143278	146100	147823	150824	152385	155040	158153	157526	160461
F. LIABILITIES TO OTHER FINANCIAL CORPORATIONS	441	452	436	369	360	340	381	361	356	415	407	397	398	396	379
1. Liabilities to Other Financial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Liabilities to Other Financial Corporations	441	452	436	369	360	340	381	361	356	415	407	397	398	396	379
G. CAPITAL ACCOUNTS	64514	65062	63470	62687	62817	62648	62848	63140	63672	64130	65552	65554	66408	67627	67758
H. OTHER ITEMS (NET)	-4921	-5772	-6680	-6641	-6979	-7226	-7329	-7055	-6485	-7019	-7140	-8062	-7460	-7437	-8705

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

Source: NBRM.



Table 10
Banks and saving houses' loans ^{1,2}
in millions of denars

	2003	2004	2005	2006	2007	2008											
	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
TOTAL LOANS	46644	58298	70524	92017	128071	131192	135976	140645	145635	148789	153197	157989	160350	164498	167606	169973	172150
1. In National currency	39368	46901	53297	68442	97352	99783	104120	108592	112318	114990	118521	121744	123311	126243	129110	131432	133679
1.1. Short-term loans	15975	17200	17800	22121	32070	32902	34889	36638	38004	38594	39808	40767	41331	42634	43113	44516	44469
1.1.1. In National currency without a currency clause	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.1.2. In National currency with a currency clause	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2. Long-term loans	14347	20810	26065	36856	56324	57617	59857	62460	64789	66568	68774	70868	71702	73271	75458	76171	78193
1.2.1. In National currency without a currency clause	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2.2. In National currency with a currency clause	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.3. Accrued Interest	406	385	485	578	752	799	830	866	892	930	952	978	1079	1033	1066	1138	1027
1.4. Doubtful and contested claims	8640	8506	8947	8887	8206	8465	8544	8628	8633	8898	8987	9131	9199	9305	9473	9607	9990
2. In foreign currency	7276	11397	17227	23575	30719	31409	31856	32053	33317	33799	34676	36245	37039	38255	38496	38541	38471
2.1. Short-term loans	1863	3246	3360	4654	6734	7114	7369	7460	8014	8206	8394	8998	9176	10034	9889	9725	9829
2.2. Long-term loans	4016	6993	12684	17692	22695	22537	22662	23197	24018	24372	24813	25878	26491	26718	27058	27168	27064
2.3. Accrued Interest	33	45	44	76	88	93	89	93	118	105	107	101	105	133	120	111	96
2.4. Doubtful and contested claims	1364	1113	1139	1153	1202	1665	1736	1303	1167	1116	1362	1268	1267	1370	1429	1537	1482
annual growth rate																	
TOTAL LOANS	24.98	20.97	30.48	39.18	39.97	41.44	42.22	44.08	43.37	42.09	42.04	40.13	38.61	39.65	37.66	34.42	
1. In National currency	19.13	13.64	28.42	42.24	42.25	45.07	47.03	48.18	47.81	47.03	45.53	42.88	40.93	41.51	40.11	37.32	
1.1. Short-term loans	7.67	3.49	24.28	44.98	42.38	47.85	53.16	56.63	57.05	57.26	52.30	48.86	42.95	42.73	45.15	38.66	
1.1.1. In National currency without a currency clause																	
1.1.2. In National currency with a currency clause																	
1.2. Long-term loans	45.05	25.25	41.40	52.82	53.29	54.53	53.88	54.17	53.78	50.61	49.46	46.55	46.97	46.47	42.10	38.83	
1.2.1. In National currency without a currency clause																	
1.2.2. In National currency with a currency clause																	
1.3. Accrued Interest	-5.17	25.97	19.18	30.10	37.52	27.11	37.03	41.14	39.85	44.24	42.57	45.22	33.46	43.09	49.74	36.57	
1.4. Doubtful and contested claims	-1.55	5.18	-0.67	-7.66	-4.58	-2.79	-1.00	-2.75	-4.01	0.12	3.93	3.74	1.97	8.04	9.48	21.74	
2. In foreign currency	56.64	51.15	36.85	30.30	33.20	30.74	28.05	31.79	30.08	27.46	31.47	31.68	31.47	33.75	29.93	25.24	
2.1. Short-term loans	74.24	3.51	38.51	44.69	54.48	52.00	44.15	53.85	48.15	36.38	53.21	53.55	61.21	67.27	56.65	45.96	
2.2. Long-term loans	74.13	81.38	39.48	28.28	27.67	23.93	24.61	27.92	27.57	26.45	27.48	28.52	25.04	26.61	23.24	19.25	
2.3. Accrued Interest	36.36	-2.22	72.73	15.79	6.90	32.84	5.68	34.09	3.96	-4.46	8.60	10.53	66.25	29.03	29.07	9.09	
2.4. Doubtful and contested claims	-18.40	2.34	1.23	4.25	34.71	49.14	12.91	-3.31	-9.93	3.50	-2.76	-12.20	-3.93	1.71	16.00	23.29	

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

Source: NBRM.



Banks and saving houses' loans ^{1,2}
in millions of denars

	2009												2010		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
TOTAL LOANS	173301	175397	176298	176758	176261	175164	175711	175326	175066	175384	176889	178196	178702	179611	180722
1. In National currency	133925	135992	136900	137156	137334	136884	137406	137151	137052	137201	138212	139197	139660	139771	140391
1.1. Short-term loans	44943	45454	45691	46097	45789	45204	45330	44905	44496	42948	43485	44529	44518	44621	45084
1.1.1. In National currency without a currency clause	40204	40759	40424	39468	39004	38549	38424	37803	37339	35794	36187	36400	36099	35654	36159
1.1.2. In National currency with a currency clause	4738	4695	5267	6628	6785	6654	6906	7102	7157	7153	7298	8130	8419	8967	8925
1.2. Long-term loans	78631	80030	80332	80069	79653	79141	79123	78939	78834	79650	80109	81155	80273	80265	80545
1.2.1. In National currency without a currency clause	29856	30968	30948	28581	28297	28388	28144	27968	27865	28008	27969	28288	27841	27837	28200
1.2.2. In National currency with a currency clause	48775	49062	49384	51488	51357	50753	50979	50972	50969	51642	52141	52866	52433	52428	52345
1.3. Accrued Interest	1542	1552	1589	1615	1690	1681	1723	1824	1841	1849	1904	1788	1913	1880	1874
1.4. Doubtful and contested claims	8808	8956	9287	9375	10201	10858	11230	11483	11880	12753	12713	11725	12954	13004	12889
2. In foreign currency	39376	39405	39398	39602	38927	38280	38304	38175	38015	38183	38676	38998	39042	39840	40331
2.1. Short-term loans	9974	10173	9967	10428	9786	9516	9554	9342	8797	8873	9210	8558	8303	8441	8704
2.2. Long-term loans	26559	26323	26027	25563	25452	25034	25080	25059	25075	25171	25318	26226	26256	26899	26963
2.3. Accrued Interest	243	260	238	222	231	232	224	244	226	220	230	216	234	245	249
2.4. Doubtful and contested claims	2601	2649	3166	3389	3456	3499	3445	3530	3917	3919	3918	3999	4249	4255	4414
annual growth rate															
TOTAL LOANS	32.10	28.99	25.35	21.37	18.46	14.34	11.22	9.34	6.42	4.64	4.07	3.51	3.12	2.40	2.51
1. In National currency	34.22	30.61	26.07	22.11	19.43	15.49	12.87	11.22	8.56	6.27	5.16	4.13	4.28	2.78	2.55
1.1. Short-term loans	36.60	30.28	24.71	21.29	18.64	13.55	11.19	8.65	4.37	-0.38	-2.32	0.14	-0.94	-1.83	-1.33
1.1.1. In National currency without a currency clause															
1.1.2. In National currency with a currency clause															
1.2. Long-term loans	36.47	33.70	28.61	23.58	19.66	15.07	11.65	10.09	7.59	5.56	5.17	3.79	2.09	0.29	0.26
1.2.1. In National currency without a currency clause															
1.2.2. In National currency with a currency clause															
1.3. Accrued Interest	93.04	86.96	83.49	81.05	81.70	76.61	76.15	69.02	78.19	73.49	67.35	74.09	24.01	21.15	17.93
1.4. Doubtful and contested claims	4.05	4.82	7.63	8.60	14.65	20.82	22.99	24.82	27.67	34.63	32.33	17.37	47.07	45.20	38.79
2. In foreign currency	25.37	23.70	22.92	18.86	15.17	10.39	5.68	3.07	-0.63	-0.81	0.35	1.37	-0.85	1.10	2.37
2.1. Short-term loans	40.20	38.05	33.60	30.13	19.26	13.37	6.18	1.81	-12.33	-10.27	-5.30	-12.93	-16.75	-17.02	-12.67
2.2. Long-term loans	17.85	16.15	12.20	6.43	4.43	0.89	-3.08	-5.41	-6.15	-6.98	-6.81	-3.10	-1.14	2.19	3.60
2.3. Accrued Interest	160.88	192.62	156.36	88.13	120.30	116.41	122.26	132.42	69.77	83.37	107.57	124.79	-3.73	-6.08	4.53
2.4. Doubtful and contested claims	56.21	52.57	142.99	190.39	209.72	156.88	171.70	178.59	185.94	174.25	154.92	169.84	63.37	60.67	39.42

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
Source: NBRM.



Table 11
Monetary aggregates and components thereof (non-government sector) ^{1,2}
in millions of denars

	2003	2004	2005	2006	2007	2008											
	XII	XII	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
1. Currency in circulation	14166	14150	14424	16187	17908	16385	16208	15718	16317	16380	16151	16737	16350	16525	16582	15824	17601
2. Demand Deposits	14099	14692	16251	19966	29348	28213	29459	28744	29949	31814	33283	31787	33681	33657	32625	33473	36518
3. (1+2) Money supply M1	28265	28842	30675	36153	47256	44598	45667	44462	46266	48194	49434	48524	50031	50182	49207	49297	54119
4. Short-term deposits	48986	61593	73802	94187	119697	122689	123836	123847	126001	127350	128619	132004	134108	133842	130872	124744	124766
4.1. in denars	15752	20722	24677	36742	55599	56661	57017	56462	57141	57250	57585	59307	59146	58247	57902	51234	49584
4.2. in foreign currency	33234	40871	49125	57445	64098	66028	66819	67385	68860	70100	71034	72697	74962	75595	72970	73510	75182
5. (3+4.1.) Money supply M2 - Denar	44017	49564	55352	72895	102855	101259	102684	100924	103407	105444	107019	107831	109177	108429	107109	100531	103703
6. (5+4.2.) Money supply M2 - total	77251	90435	104477	130340	166953	167287	169503	168309	172267	175544	178053	180528	184139	184024	180079	174041	178885
7. Long-term deposits	3903	4115	4247	5567	8830	8855	9592	10220	10858	11613	11677	12200	13220	13870	15197	16137	16640
7.1. in denars	2625	2417	2264	2559	4672	4811	4986	5151	5403	5769	6054	6399	6617	6957	7627	8046	7990
7.2. in foreign currency	1278	1698	1983	3008	4158	4044	4606	5069	5455	5844	5623	5801	6603	6913	7570	8091	8650
8. (6+7) Money supply M4 - total	81154	94550	108724	135907	175783	176142	179095	178529	183125	187157	189730	192728	197359	197894	195276	190178	195525
annual growth rate																	
1. Currency in circulation		-0.11	1.94	12.22	10.63	12.96	8.32	4.71	5.22	6.81	2.10	0.53	-0.02	-1.15	0.21	-2.69	-1.71
2. Demand Deposits		4.21	10.61	22.86	46.99	44.13	47.19	38.44	37.56	43.17	50.18	38.38	37.90	38.18	37.15	32.48	24.43
3. Money supply M1		2.04	6.35	17.86	30.71	30.86	30.56	24.29	24.11	28.33	30.15	22.47	22.69	22.17	21.99	18.71	14.52
4. Short-term deposits		25.74	19.82	27.62	27.08	26.92	24.44	22.61	20.31	18.45	15.96	17.03	19.16	18.75	13.90	6.35	4.23
4.1. in denars		31.55	19.09	48.89	51.32	50.14	43.46	37.77	29.82	24.11	17.82	18.97	20.87	15.22	8.63	-6.15	-10.82
4.2. in foreign currency		22.98	20.20	16.94	11.58	12.05	11.79	12.27	13.42	14.19	14.50	15.49	17.84	21.62	18.46	17.22	17.29
5. Money supply M2 - denar		12.60	11.68	31.69	41.10	40.99	37.42	31.48	27.20	26.00	23.21	20.52	21.70	18.33	14.39	4.59	0.82
6. Money supply M2 - total		17.07	15.53	24.75	28.09	27.95	26.03	23.05	21.31	21.01	19.58	18.45	20.10	19.66	16.00	9.58	7.15
7. Long-term deposits		5.43	3.21	31.08	58.61	62.78	69.02	80.76	67.30	59.15	58.40	52.14	64.74	65.14	87.55	94.33	88.45
7.1. in denars		-7.92	-6.33	13.03	82.57	89.93	89.73	92.20	57.43	59.19	58.61	55.16	52.85	55.08	83.83	91.89	71.02
7.2. in foreign currency		32.86	16.78	51.69	38.23	39.11	51.17	70.44	78.38	59.11	58.17	48.93	78.65	76.67	91.45	96.81	108.03
8. Money supply M4 - total		16.51	14.99	25.00	29.34	29.34	27.77	25.34	23.32	22.83	21.41	20.13	22.32	22.02	19.55	13.79	11.23

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

Source: NBRM.



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

	2009												2010		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
1. Currency in circulation	15915	15341	14646	14760	14443	14210	15299	14766	14456	14604	14470	16266	15525	15087	14844
2. Demand Deposits	33707	33548	32145	32059	32883	33425	33016	34838	33453	34516	34590	35957	34451	35658	35430
3. (1+2) Money supply M1	49622	48888	46791	46819	47326	47635	48315	49603	47909	49119	49060	52223	49976	50745	50274
4. Short-term deposits	128446	128828	128168	130009	127606	128129	126819	129604	130687	132786	132869	133761	136124	135063	136879
4.1. in denars	50444	50453	46995	46580	45341	45530	41523	42133	43538	44957	45742	45735	47145	46229	47695
4.2. in foreign currency	78002	78376	81173	83429	82264	82598	85296	87471	87149	87829	87128	88025	88979	88835	89184
5. (3+4.1.) Money supply M2 - Denar	100065	99341	93786	93400	92668	93165	89837	91736	91447	94076	94801	97958	97121	96974	97969
6. (5+4.2.) Money supply M2 - total	178067	177717	174959	176829	174932	175763	175133	179208	178596	181905	181929	185984	186100	185808	187153
7. Long-term deposits	14613	15058	15418	15651	15908	16186	16460	16496	17136	18038	19516	21279	22029	22463	23582
7.1. in denars	7180	7239	7295	7246	7288	7160	6975	6823	7161	7537	8019	8791	9260	9617	10231
7.2. in foreign currency	7433	7820	8123	8405	8620	9026	9485	9673	9975	10501	11496	12488	12769	12846	13351
8. (6+7) Money supply M4 - total	192681	192775	190377	192480	190840	191949	191593	195704	195732	199943	201445	207262	208129	208271	210735
annual growth rate															
1. Currency in circulation	-2.87	-5.35	-6.82	-9.54	-11.82	-12.02	-8.59	-9.69	-12.52	-11.93	-8.55	-7.59	-2.45	-1.65	1.35
2. Demand Deposits	19.47	13.88	11.83	7.05	3.36	0.43	3.87	3.43	-0.60	5.79	3.34	-1.54	2.21	6.29	10.22
3. Money supply M1	11.26	7.05	5.24	1.20	-1.80	-3.64	-0.43	-0.85	-4.53	-0.18	-0.48	-3.50	0.71	3.80	7.44
4. Short-term deposits	4.69	4.03	3.49	3.18	0.20	-0.38	-3.93	-3.36	-2.36	1.46	6.51	7.21	5.98	4.84	6.80
4.1. in denars	-10.97	-11.51	-16.77	-18.48	-20.80	-20.93	-29.99	-28.76	-25.25	-22.36	-10.72	-7.76	-6.54	-8.37	1.49
4.2. in foreign currency	18.14	17.30	20.46	21.16	17.35	16.28	17.33	16.69	15.28	20.36	18.52	17.08	14.07	13.34	9.87
5. Money supply M2 - denar	-1.18	-3.26	-7.07	-9.68	-12.12	-12.95	-16.69	-15.97	-15.66	-12.17	-5.70	-5.54	-2.94	-2.38	4.46
6. Money supply M2 - total	6.44	4.85	3.95	2.65	-0.35	-1.29	-2.99	-2.68	-2.95	1.01	4.53	3.97	4.51	4.55	6.97
7. Long-term deposits	65.03	56.99	50.86	44.14	36.98	38.62	34.91	24.78	23.55	18.69	20.94	27.88	50.74	49.17	52.95
7.1. in denars	49.25	45.18	41.63	34.11	26.32	18.27	9.00	3.11	2.93	-1.18	-0.33	10.02	28.96	32.85	40.24
7.2. in foreign currency	83.80	69.77	60.25	54.08	47.51	60.52	63.50	46.50	44.29	38.72	42.09	44.37	71.78	64.28	64.36
8. Money supply M4 - total	9.39	7.64	6.64	5.11	1.97	1.17	-0.59	-0.84	-1.09	2.39	5.92	6.00	8.02	8.04	10.69

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

Source: NBRM.



Table 12
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
XII.03	20696	5717	15577	10836	313	33	7956	1346	0	0	596	0
XII.04	23010	9796	17499	15307	253	45	7479	1098	5	0	514	0
XII.05	23077	15318	17065	21330	280	44	7496	1115	3	0	446	0
2006 III	24710	16455	18491	22674	313	76	7470	1179	3	0	439	0
VI	26994	17952	20122	24824	351	62	7553	1353	3	0	452	0
IX	26844	19199	19431	26612	327	75	7214	1147	3	0	453	0
XII	29812	20668	20288	30192	334	76	7243	1120	13	0	446	0
2007 I	30579	20573	20504	30648	324	87	7206	1204	13	0	447	0
II	31619	21465	21099	31985	395	67	7089	1126	13	0	446	0
III	32448	22064	21338	33174	366	88	7123	1119	13	0	428	0
IV	32846	22185	21212	33819	360	88	7266	1172	13	0	414	0
V	32934	22804	21279	34459	382	101	7558	1204	13	0	402	0
VI	34500	23870	22261	36109	372	112	7280	1275	13	0	382	0
VII	35731	24235	22739	37227	383	93	6953	1264	64	0	382	0
VIII	36823	24664	23221	38266	425	95	6918	1361	64	0	382	0
IX	38493	25632	25166	38959	449	80	7039	1338	64	0	381	0
X	39167	25263	24718	39712	411	93	6656	1315	64	0	365	0
XI	40105	26125	25207	41023	426	86	6595	1239	75	0	373	0
XII	42409	27165	26611	42963	420	88	5984	1108	80	0	362	0
2008 I	43232	27338	27182	43388	429	93	6179	1517	80	0	372	0
II	45778	27581	28942	44417	460	89	6182	1611	80	0	361	0
III	48372	28052	30308	46116	473	93	6164	1179	80	0	356	0
IV	50391	29094	31768	47717	487	118	6165	1108	80	0	360	0
V	51282	29345	31998	48629	513	105	6281	1017	80	0	360	0
VI	53261	29736	32909	50088	524	107	6243	1136	80	0	346	0
VII	54752	31037	34092	51697	542	101	6179	1068	80	0	344	0
VIII	55018	31661	34269	52410	615	105	6102	1058	80	0	343	0
IX	56824	32637	36229	53232	572	133	5993	1134	80	0	342	0
X	58138	32802	36422	54518	590	120	6092	1183	80	0	341	0
XI	59463	32757	37390	54830	658	111	6209	1284	80	0	340	0
XII	61309	32796	37811	56294	567	96	6335	1235	22	0	341	0
2009 I	61364	32442	37678	56127	506	212	4830	2328	0	0	349	0
II	63338	32359	38455	57242	513	230	4933	2349	0	0	349	0
III	63690	31918	38221	57387	528	209	5227	2856	0	0	355	0
IV	63847	31998	39012	56833	531	193	5187	3071	0	0	354	0
V	63289	31297	37902	56684	564	201	5645	3127	0	0	358	0
VI	62440	30727	36971	56195	529	200	5858	3156	0	0	355	0
VII	62624	30921	37162	56383	538	193	5963	3091	0	0	354	0
VIII	62185	30751	36300	56636	596	211	6073	3161	0	0	356	0
IX	61796	30305	35238	56863	596	195	6309	3517	0	0	358	0
X	61178	30519	33811	57886	570	188	7040	3515	0	0	363	0
XI	62024	31073	34709	58388	602	200	7006	3518	0	0	353	6
XII	64196	31381	35418	60159	529	187	6300	3567	0	0	352	6
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

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

Source: NBRM.



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

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
XII.03	9569	3	2141	7431	93	0	680	18	-	-	1499	1175	6695	203
XII.04	14966	344	2902	12408	132	0	1023	15	-	-	2018	1490	11342	460
XII.05	20763	717	4079	17401	205	0	1416	24	-	-	2803	2350	15390	937
2006	21889	963	4543	18309	216	0	1530	24	-	-	2910	2723	16131	1088
III	23930	1323	4928	20325	227	0	1724	24	-	-	3177	3183	17504	1388
VI	26112	1496	5601	22007	243	0	1459	29	-	-	3512	3894	18694	1508
IX	29150	1675	6478	24347	244	0	1608	32	-	-	3901	4818	20325	1781
XII	30099	1682	7196	24585	257	0	1629	32	-	-	3978	5582	20407	1814
2007	30693	1667	7332	25028	258	0	1664	38	-	-	4065	5701	20699	1895
I	32040	1720	7745	26015	266	0	1556	34	-	-	4188	6140	21442	1990
II	33423	1794	8250	26967	272	0	1575	34	-	-	4315	6587	22250	2065
III	34892	1835	8819	27908	283	0	1676	34	-	-	4450	7117	23011	2149
IV	36444	1903	9195	29152	288	0	1660	39	-	-	4640	7523	23983	2201
V	38420	1929	9888	30461	303	0	1708	39	-	-	4848	8106	25158	2237
VI	39836	1916	10506	31246	318	0	1821	81	-	-	5010	8605	25833	2304
VII	41153	1951	10870	32234	325	0	1955	87	-	-	5211	8979	26562	2352
VIII	42504	2012	11368	33148	334	0	1945	89	-	-	5361	9346	27357	2452
IX	44094	2113	11634	34573	334	0	2010	85	-	-	5570	9643	28431	2563
X	45905	2249	12149	36005	332	0	2050	93	-	-	5772	10165	29548	2669
XI	47206	2297	12788	36715	370	0	2112	111	-	-	5897	10737	30133	2736
XII	48894	2435	13277	38052	370	0	2185	124	-	-	6041	11151	31290	2847
2008	50650	2589	13748	39491	393	0	2284	123	-	-	6220	11614	32455	2950
I	52333	2922	14214	41041	405	0	2285	58	-	-	6448	11985	33773	3049
II	53803	3217	14756	42264	417	0	2431	98	-	-	6740	12502	34652	3126
III	55243	3455	15246	43452	428	0	2556	225	-	-	7114	12949	35465	3170
IV	56761	3824	15599	44986	436	0	2761	199	-	-	7468	13317	36211	3589
V	57889	3991	16160	45720	464	0	2903	208	-	-	7767	13829	36740	3544
VI	58961	4100	16367	46694	461	0	3116	233	-	-	8110	14022	37424	3505
VII	60318	4130	16512	47936	476	0	3182	242	-	-	8487	14230	38103	3628
VIII	61020	4122	16693	48449	480	0	3198	251	-	-	8730	14409	38380	3623
IX	61222	4083	16392	48913	460	0	3450	245	-	-	8932	14263	38303	3807
X	61987	4064	17053	48998	1036	30	3977	273	23382	4252	13162	16664	4329	4262
XI	61895	3997	16973	48920	1038	30	4022	299	23238	4237	13273	16562	4352	4231
XII	62136	3932	17293	48776	1060	28	4058	310	23147	4213	13615	16758	4384	3953
2009	62112	3850	17360	48601	1083	28	4187	318	23029	4249	13722	16876	4329	3756
I	61996	3800	17577	48219	1125	29	4556	330	22697	4214	13732	17131	4256	3766
II	61752	3707	17668	47791	1151	30	4999	343	23553	4177	13730	17287	2909	3803
III	61669	3631	17652	47648	1184	30	5266	355	23357	4183	13834	17286	2892	3748
IV	61544	3567	17887	47224	1227	32	5409	368	23008	4138	13862	17550	2866	3686
V	61409	3485	17980	46914	1244	30	5570	400	22793	4102	13878	17666	2854	3602
VI	61278	3446	17932	46792	1278	31	5713	404	22620	4083	13953	17640	2838	3592
VII	61433	3402	17915	46921	1302	30	5706	400	22602	4061	14080	17633	2840	3619
VIII	61366	3351	17612	47105	1258	28	5424	432	22542	4074	14233	17375	2864	3629
IX	61003	3329	17663	46669	1316	29	5636	436	22220	4045	14211	17403	2850	3603
X	60925	3318	17518	46725	1283	24	5673	425	22197	4028	14367	17246	2837	3568
XI	61069	3363	17411	47021	1308	23	5736	436	22346	3983	14498	17177	2854	3574

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

Source: NBRM.



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

I. NON-GOVERNMENT SECTOR

- Other

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

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
XII.03	57	159	120	96	0	0	4	0	0		0	0
XII.04	34	99	45	88	0	0	4	0	0		0	0
XII.05	25	9	16	18	0	0	35	0	0		0	0
2006	III 38	7	31	14	0	0	35	0	0		0	0
	VI 31	3	22	12	0	0	36	0	0		0	0
	IX 24	2	17	9	0	0	36	0	0		0	0
	XII 15	3	9	9	0	0	36	1	0		0	0
2007	I 18	2	13	7	0	0	36	0	0		0	0
	II 20	2	15	7	0	0	36	0	0		0	0
	III 23	6	14	15	0	0	36	1	1		0	0
	IV 20	6	11	15	0	0	36	1	1		0	0
	V 35	5	15	25	0	0	36	1	1		0	0
	VI 32	5	12	25	0	0	36	2	1		0	0
	VII 34	9	14	29	0	0	125	1	1		0	0
	VIII 32	9	14	27	0	0	128	1	1		0	0
	IX 33	8	13	28	0	0	131	1	0		0	0
	X 52	8	33	27	0	0	167	1	0		0	0
	XI 71	15	35	51	0	0	170	1	0		0	0
	XII 80	15	44	51	0	0	172	1	0		0	0
2008	I 81	16	46	51	0	0	174	37	0		0	0
	II 74	15	39	50	0	0	177	1	0		0	0
	III 76	16	42	50	0	0	180	1	0		0	0
	IV 69	16	36	49	0	0	183	1	0		0	0
	V 77	16	46	47	0	0	186	1	0		0	0
	VI 78	16	47	47	0	0	188	1	0		0	0
	VII 122	15	74	63	0	0	191	1	0		0	0
	VIII 126	15	78	63	0	0	194	1	0		0	0
	IX 120	15	72	63	0	0	196	3	0		0	0
	X 115	15	68	62	0	0	199	4	0		0	0
	XI 204	14	158	60	0	0	200	2	0		307	0
	XII 131	14	95	50	0	0	205	2	0		307	0
2009	I 222	27	185	64	2	0	1	0	53		405	5
	II 250	140	199	191	2	0	1	0	34		441	5
	III 197	144	143	197	2	1	1	0	34		441	4
	IV 206	143	153	197	2	1	1	0	34		442	4
	V 157	142	97	202	2	1	1	0	34		442	4
	VI 152	116	80	188	2	1	1	0	13		470	4
	VII 160	83	70	173	2	1	1	0	13		473	4
	VIII 115	83	60	138	1	1	1	0	13		473	4
	IX 125	82	74	133	2	1	1	0	0		484	4
	X 142	79	78	142	1	1	1	0	0		484	4
	XI 137	53	71	119	2	0	1	0	0		493	4
	XII 122	52	57	117	2	0	1	0	0		510	4
2010	I 130	57	58	129	2	0	1	0	0		493	4
	II 122	57	58	122	2	0	1	0	0		493	4
	III 142	56	59	139	1	0	1	0	0		493	4

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

Source: NBRM.



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

II. GOVERNMENT

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
XII.03	14	2	14	2	10	0	0	0	823	5889	0	0
XII.04	151	1	151	1	2	0	0	0	1571	5502	0	0
XII.05	43	0	41	2	1	0	0	0	7205	0	0	0
2006 III	221	0	167	54	1	0	0	0	9831	0	0	0
VI	290	0	240	50	1	0	0	0	11136	0	0	0
IX	125	0	77	48	2	0	0	0	13044	0	0	0
XII	267	0	236	31	1	0	0	0	13365	0	0	0
2007 I	287	0	257	30	1	0	0	0	13045	0	0	0
II	313	0	283	30	1	0	0	0	13481	0	0	0
III	261	0	143	118	1	0	0	0	14307	0	0	0
IV	207	0	95	112	1	0	0	0	15173	0	0	0
V	181	0	76	105	1	0	0	0	16084	0	0	0
VI	160	0	59	101	1	0	0	0	16975	0	0	0
VII	198	0	42	156	1	0	0	0	16834	0	0	0
VIII	175	0	24	151	1	0	0	0	17667	0	0	0
IX	162	0	17	145	2	0	0	0	14141	0	0	0
X	150	0	11	139	1	0	0	0	12887	0	0	0
XI	144	0	4	140	1	0	0	0	12923	0	0	0
XII	138	0	4	134	1	0	0	0	12837	0	0	0
2008 I	132	0	4	128	1	0	0	0	12342	0	0	0
II	127	0	4	123	1	0	0	0	10911	0	0	0
III	120	0	4	116	1	0	0	0	10343	0	0	0
IV	115	0	4	111	1	0	0	0	9394	0	0	0
V	107	0	3	104	1	0	0	0	8292	0	0	0
VI	102	0	3	99	1	0	0	0	7492	0	0	0
VII	98	0	3	95	1	0	0	0	7281	0	0	0
VIII	98	0	3	95	1	0	0	0	7354	0	0	0
IX	99	0	3	96	1	0	0	0	7590	0	0	0
X	102	0	7	95	1	0	0	0	7912	0	0	0
XI	104	0	9	95	2	0	0	0	8310	0	0	0
XII	106	0	12	94	9	0	0	0	9252	0	0	0
2009 I	39	184	23	201	0	0	12	0	9289	0	0	0
II	40	182	23	198	0	0	12	0	9272	0	0	0
III	44	22	28	38	0	0	12	0	13384	0	0	0
IV	44	21	27	38	0	0	12	0	9823	0	0	0
V	43	21	27	37	0	0	12	0	8422	0	0	0
VI	92	20	14	98	1	0	12	0	8932	0	0	0
VII	91	19	14	96	0	0	12	0	9461	0	0	0
VIII	91	18	14	95	0	0	12	0	9521	0	0	0
IX	90	18	14	94	0	0	12	0	9169	0	0	0
X	89	20	15	94	1	0	12	0	10161	302	0	0
XI	90	19	15	93	0	0	12	0	11350	363	0	0
XII	89	18	15	92	1	0	9	0	12571	359	0	0
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

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

Source: NBRM.



Table 13
Liabilities of other depository corporations (banks and saving houses) ^{1,2}
in millions of denars

Period	Deposits										Securities		Other credit liabilities	
	In denars						In foreign currency							
	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)														
XII.03	8507	391	5830	899	231	90	4890	1481	0	463	0	0	0	0
XII.04	8988	259	7813	1905	449	111	5010	4088	0	561	0	0	0	0
XII.05	10143	218	7756	2294	662	107	4485	6502	0	535	0	0	0	0
2006 III	9226	132	9279	2621	737	104	5113	6221	6	542	0	0	0	0
VI	10515	147	8235	2071	761	114	5420	6766	7	675	0	0	0	0
IX	11550	207	10185	2241	633	114	5267	7871	7	625	0	0	0	0
XII	12851	309	12317	2316	495	77	5990	8490	7	756	0	0	0	0
2007 III	12849	435	13870	2059	473	72	9693	6327	7	522	0	0	0	0
VI	13798	386	16566	2232	1197	70	7830	9522	7	615	0	0	0	0
IX	15341	374	15358	2690	1393	71	7481	8676	7	659	0	0	0	0
XII	19786	536	12070	6508	830	61	7282	9437	44	654	0	0	0	0
2008 I	18482	550	12808	6876	838	65	7613	9588	42	444	0	0	0	0
II	19184	361	13527	6979	899	79	7999	9707	42	559	0	0	0	0
III	18441	383	15511	5279	928	66	7212	10423	38	755	0	0	0	0
IV	18777	447	19230	2525	1011	136	7184	10556	46	1009	0	0	0	0
V	20254	294	17734	4752	1029	137	7296	11038	62	1289	0	0	0	0
VI	21009	307	17424	5278	1097	129	7969	10563	62	751	0	0	0	0
VII	18849	333	19104	5764	1266	143	7460	11274	166	490	0	0	0	0
VIII	20004	422	19222	5573	1348	145	7515	11822	167	1074	0	0	0	0
IX	20427	331	18807	4897	1417	162	9033	9941	207	996	0	0	0	0
X	19202	333	18405	5645	1438	172	7552	10196	210	787	0	0	0	0
XI	20287	328	11132	6744	1495	181	8822	10109	245	613	30	0	0	0
XII	22574	331	10699	6751	1504	149	8464	10794	170	455	30	0	0	0
2009 I	19104	324	10724	6505	1282	375	8148	9949	251	1111	0	0	27	3
II	19140	332	11491	6078	1220	1063	6532	9933	257	1132	0	0	27	3
III	17644	261	12019	5709	1209	675	6598	9920	188	1423	0	0	27	2
IV	16796	615	13448	4241	1131	690	6574	10089	221	1341	0	0	27	2
V	17752	305	8226	8879	1134	674	7568	7177	219	1200	0	0	27	2
VI	18427	270	7180	10146	1050	569	6873	7209	236	1089	0	0	26	1
VII	17590	281	8636	4982	985	560	7494	7690	264	1305	0	0	26	1
VIII	19636	215	9044	5111	966	564	7523	9093	281	1202	0	0	26	3
IX	18135	289	8745	5773	927	557	7624	8303	237	1096	0	0	26	2
X	18211	215	8676	6453	948	533	7771	8974	233	1089	0	0	27	2
XI	18394	197	8585	6607	941	571	6860	9597	250	908	0	0	26	3
XII	18126	205	7499	7091	990	616	7718	9116	271	932	0	0	26	3
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
- Households (Individuals and Self-employed individuals)														
XII.03	2594	4504	2751	1004	2179	0	15774	10899	815	0	0	0	0	0
XII.04	2565	4902	3125	2379	1820	0	16890	14529	1137	0	0	0	0	0
XII.05	3004	5599	4020	4152	1461	0	19276	18581	1448	0	0	0	0	0
2006 III	2901	6038	4693	4910	1503	0	19561	19639	1634	0	0	0	0	0
VI	3219	6705	5108	5449	1554	0	20291	20103	1751	0	0	0	0	0
IX	3084	6183	5648	6053	1652	0	20777	20970	2042	0	0	0	0	0
XII	3457	6941	7370	6912	1813	0	20791	21870	2245	0	0	0	0	0
2007 III	3738	7263	8067	8712	1919	0	20758	22965	2445	0	0	0	0	0
VI	4084	8897	9369	10834	2240	0	21030	23374	2933	0	0	0	0	0
IX	4085	8935	9983	12605	2664	0	21550	24140	3247	0	0	0	0	0
XII	5302	8906	10666	15528	3151	0	21210	25872	3460	0	0	0	0	0
2008 I	5278	7916	10889	16245	3193	0	21811	26737	3558	0	0	0	0	0
II	5704	7345	10959	16453	3221	0	21358	27497	4005	0	0	0	0	0
III	5848	6798	10654	16441	3301	0	21190	28296	4276	0	0	0	0	0
IV	6646	7095	10539	16360	3308	0	21545	29347	4400	0	0	0	0	0
V	6888	6761	10528	16277	3442	0	21483	30055	4493	0	0	0	0	0
VI	7443	6641	10583	16449	3614	0	21623	30614	4810	0	0	0	0	0
VII	7925	6332	10510	16535	3777	0	21779	31927	5145	0	0	0	0	0
VIII	7187	5936	10593	16669	3841	0	21596	33689	5362	0	0	0	0	0
IX	8037	5958	10564	16900	4001	0	21448	34795	5710	0	0	0	0	0
X	8213	5990	10161	16608	4494	0	20423	34426	6573	0	0	0	0	0
XI	7792	5814	9967	16474	4829	0	19588	34631	7233	0	0	0	0	0
XII	8753	5475	9296	16243	4697	0	19572	35780	8025	0	0	0	0	0
2009 I	9830	3411	8995	15703	4799	185	18634	37572	7441	1167	0	0	8	0
II	9664	3169	8751	15084	4872	211	18578	39495	7857	1163	0	0	8	0
III	9549	2894	7571	13948	4845	199	18798	41870	8190	1133	0	0	10	0
IV	10477	3183	7017	13323	4860	234	19454	43330	8494	1142	0	0	10	0
V	10175	3034	6845	13073	4950	262	19492	44021	8745	1125	0	0	2	0
VI	9923	2987	7022	12563	4919	282	19770	44875	9163	1116	0	0	4	0
VII	10316	2897	7198	12387	4775	303	20177	45775	9623	1215	0	0	4	0
VIII	10101	2744	7281	12375	4692	349	20288	46327	9825	1337	0	0	4	0
IX	10179	2668	7662	12481	4809	335	20319	46811	10148	1373	0	0	6	0
X	11058	2868	7967	12680	5076	358	19871	47062	10696	1387	0	0	6	0
XI	10998	2790	8234	12825	5522	355	19528	47085	11692	1380	0	0	6	0
XII	12631	2708	8575	13006	6102	317	19518	47398	12679	1481	0	0	10	0
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

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

Source: NBRM.



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

Period	Deposits										Securities		Other credit liabilities	
	In denars						In foreign currency				In national currency		In foreign currency	
	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														
- Other (Non-Profit Institutions serving households, Other Financial Corporations, State and Local Government)														
XII.03	1681	0	202	171	125	0	190	0	0	0	0	0	18	0
XII.04	1570	0	172	167	37	0	354	0	0	0	0	0	28	0
XII.05	1529	0	446	192	34	0	281	0	0	0	0	0	38	0
2006	1535	0	345	206	32	0	239	0	0	0	0	0	38	0
III	1596	0	475	241	94	0	240	2	0	0	0	0	38	0
VI	1683	0	263	256	135	0	347	0	0	0	0	0	38	0
IX	1776	0	274	303	174	0	304	0	0	0	0	0	44	0
XII	1818	0	249	329	216	0	279	0	0	0	0	0	42	0
2007	2007	0	220	372	310	0	282	0	0	0	0	0	50	0
III	2275	0	211	398	358	0	310	0	0	0	0	0	49	0
VI	2254	0	966	419	630	0	297	0	0	0	0	0	47	346
IX	2230	0	979	398	715	0	279	0	0	0	0	0	47	344
XII	2188	0	965	428	787	0	258	0	0	0	0	0	47	343
2008	2092	0	961	435	856	0	264	0	0	0	0	0	61	0
I	2152	0	545	400	948	0	228	0	0	0	0	0	61	0
II	2222	0	519	385	1161	0	228	0	0	0	0	0	61	0
III	2323	0	504	399	1214	0	265	0	0	0	0	0	58	0
IV	2160	0	284	445	1213	0	257	0	0	0	0	0	58	0
V	2281	0	288	443	1283	0	340	0	0	0	0	0	58	0
VI	2261	0	345	445	1377	0	378	0	0	0	0	0	55	0
VII	2181	0	314	446	1523	0	373	0	0	0	0	0	64	0
VIII	2343	0	326	449	1541	0	360	0	0	0	10	0	64	0
IX	2397	0	309	480	1640	0	546	26	0	0	10	0	102	0
X	1929	145	1586	1990	1577	21	528	464	166	3	0	0	422	77
XI	1896	113	1743	1849	1662	54	523	476	168	81	0	0	420	78
XII	2010	116	1391	1648	1743	61	492	503	179	3	0	0	368	0
2009	1781	42	1421	1802	1747	70	470	529	180	10	0	0	370	1
I	1819	56	1534	1884	1725	49	616	529	182	10	0	0	376	1
II	1932	191	1790	1970	1706	46	452	638	181	21	0	0	357	0
III	1695	45	1736	1954	1714	45	414	622	183	21	0	0	369	0
IV	1806	58	1754	2062	1699	42	431	635	185	19	0	0	348	1
V	1760	57	1743	2641	1968	46	365	650	187	9	0	0	340	0
VI	1854	31	1821	2694	2116	57	339	701	194	13	0	0	399	0
VII	1870	144	2006	2750	2173	61	414	705	196	9	0	0	389	1
VIII	1791	24	1840	3158	2332	64	529	683	179	10	0	0	380	0
IX	1834	29	1753	3138	2452	65	486	698	174	13	0	0	380	0
X	1801	40	1784	3182	2590	69	479	707	176	11	0	0	383	1
XI	1836	132	1550	3336	2724	62	786	715	176	11	0	0	361	0
II. GOVERNMENT														
XII.03	1154	64	372	104	156	0	25	0	0	0	0	0	887	0
XII.04	551	128	379	15	104	0	27	0	0	0	0	0	889	0
XII.05	833	128	539	14	48	0	1	0	0	0	0	0	770	0
2006	786	129	502	21	48	0	0	0	0	0	0	0	725	0
III	1147	132	433	64	48	0	0	0	0	0	0	0	719	0
VI	1123	132	434	25	49	0	1	0	0	0	0	0	700	0
IX	1079	162	362	20	49	0	1	0	0	0	0	0	1029	0
XII	1366	164	351	35	50	0	1	0	0	0	0	0	1029	0
2007	878	166	444	32	50	0	0	0	0	0	0	0	1029	0
I	887	169	389	65	51	0	0	0	0	0	0	0	972	0
II	723	176	323	24	113	0	1	0	0	0	0	0	920	0
III	898	176	776	50	113	0	2	0	0	0	0	0	895	0
IV	888	177	773	34	113	0	2	0	0	0	0	0	909	0
V	856	178	686	42	113	0	1	0	0	0	0	0	1111	0
VI	758	178	764	24	103	0	1	0	0	0	0	0	1161	0
VII	735	179	739	30	104	0	0	0	0	0	0	0	1243	0
VIII	741	186	1009	23	97	0	1	0	0	0	0	0	1290	0
IX	1917	133	814	131	97	0	1	0	0	0	0	0	1339	0
X	843	8	796	25	97	0	1	0	0	0	0	0	1410	0
XI	656	8	851	21	97	0	1	0	0	0	0	0	1426	0
XII	771	8	771	29	89	0	1	0	0	0	0	0	1439	0
2008	668	8	879	25	89	0	2	0	0	0	0	0	1491	0
I	1251	8	854	40	90	0	2	0	0	0	0	0	1487	0
II	1018	1	93	12	61	45	8	0	41	0	0	0	1455	581
III	1018	1	94	11	61	26	8	0	8	0	0	0	1498	707
IV	959	1	88	82	61	26	5	0	0	0	0	0	1652	1108
V	1048	1	88	82	61	18	8	0	0	0	0	0	1624	1112
VI	903	2	89	117	61	11	8	0	0	0	0	0	1630	1081
VII	1034	1	90	117	61	6	6	0	0	0	0	0	1696	1024
VIII	1037	1	130	158	0	4	5	0	0	0	0	0	1652	1019
IX	1645	2	125	158	0	2	7	0	0	0	0	0	1676	1021
X	1669	2	118	158	0	1	6	0	0	0	0	0	1815	954
XI	1091	2	113	158	0	2	4	0	0	0	0	0	1801	955
XII	932	2	88	142	0	4	5	0	0	0	0	0	1863	928
2009	992	2	88	142	0	2	5	0	0	0	0	0	1958	870
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

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

Source: NBRM.



Table 14
Report on weighted interest rates on deposits and borrowings^{1,2}
in %, on annual level

	2005 XII	2006 XII	2007 XII	2008												2009													
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I.10	II.10	III.10		
A. DENAR INTEREST RATES																													
1. INTEREST RATES ON DENAR CREDITS	12.1	10.7	9.9	9.8	9.7	9.7	9.6	9.6	9.7	9.6	9.6	9.6	9.7	9.8	9.8	9.7	9.7	9.9	9.9	10.1	10.1	10.2	10.2	10.3	10.3	10.2	10.0	9.8	
1.1. Interest rates on credits without FX clause	12.6	10.9	10.2	10.2	10.1	10.1	10.1	10.0	10.2	10.2	10.3	10.3	10.4	10.5	10.5	10.5	10.4	10.7	10.7	11.1	11.4	11.5	11.5	11.6	11.6	11.6	11.5	11.5	11.3
Interest rates on short-term credits without FX clause	11.4	9.9	8.9	8.8	8.8	8.7	8.6	8.7	8.9	8.9	9.0	8.9	9.0	9.2	9.2	8.9	8.8	9.0	9.2	9.5	9.6	9.7	9.9	10.0	10.0	10.0	9.9	9.7	
- on short-term credits on enterprises	10.7	9.5	8.6	8.5	8.5	8.5	8.5	8.5	8.7	8.7	8.8	8.7	8.8	9.0	9.0	8.8	8.7	8.9	9.1	9.4	9.6	9.7	9.9	9.9	9.9	9.9	9.8	9.7	
- on short-term credits on households	19.4	16.9	13.4	13.2	13.1	12.3	12.2	12.3	12.2	12.3	12.5	12.6	13.4	13.3	13.5	13.6	13.0	13.2	13.6	13.4	13.4	13.5	13.5	14.1	14.3	14.3	14.4	14.0	
Interest rates on long-term credits without FX clause	13.5	11.7	11.3	11.3	11.2	11.2	11.3	11.2	11.3	11.4	11.4	11.5	11.7	11.7	11.6	11.7	11.6	11.8	11.8	12.2	12.6	12.6	12.6	12.6	12.5	12.5	12.5	12.3	
- on long-term credits on enterprises	10.0	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.6	8.6	8.6	8.6	8.7	8.8	8.8	9.0	9.0	9.3	9.4	9.7	9.8	9.7	9.8	9.8	9.8	9.7	9.7	9.5	
- on long-term credits on households	15.3	14.3	13.3	13.2	13.1	13.0	13.1	12.9	12.9	13.0	13.0	13.1	13.3	13.4	13.4	13.4	13.4	13.5	13.5	14.0	14.6	14.6	14.6	14.6	14.6	14.5	14.5	14.3	
1.2. Interest rates on credits with FX clause	11.1	10.3	9.5	9.4	9.3	9.2	9.1	9.1	9.0	9.0	8.9	8.9	9.0	9.1	9.1	9.0	9.1	9.1	9.2	9.3	9.1	9.1	9.2	9.2	9.3	9.2	9.3	8.7	
Interest rates on short-term credits with FX clause	9.0	8.1	7.2	7.3	7.2	7.2	7.2	7.2	7.4	7.3	7.3	7.7	7.7	7.5	7.4	7.4	7.5	7.9	8.4	8.6	8.8	8.8	8.9	9.0	9.0	8.9	8.8	8.7	
- on short-term credits on enterprises	9.1	8.3	7.2	7.4	7.2	7.2	7.2	7.2	7.4	7.4	7.4	7.4	7.8	7.5	7.4	7.4	7.5	7.9	8.4	8.6	8.8	8.9	8.9	9.1	9.0	9.0	8.9	8.7	
- on short-term credits on households	8.1	7.0	7.1	7.1	7.3	7.1	7.2	7.2	7.2	6.9	6.9	9.1	7.3	7.4	7.3	7.5	7.9	7.8	8.1	8.2	8.6	8.7	8.2	8.4	8.5	8.5	8.2	7.8	
Interest rates on long-term credits with FX clause	11.5	10.6	9.6	9.5	9.4	9.3	9.2	9.2	9.1	9.1	9.0	9.0	9.1	9.2	9.2	9.1	9.2	9.2	9.3	9.3	9.1	9.2	9.2	9.2	9.3	9.2	9.3	8.7	
- on long-term credits on enterprises	11.0	10.4	9.3	9.1	9.0	8.9	8.9	8.9	8.9	8.8	8.7	8.7	8.7	9.1	9.0	8.9	9.0	9.3	9.3	9.5	9.4	9.5	9.5	9.4	9.7	9.6	9.7	9.4	
- on long-term credits on households	11.9	10.8	9.8	9.8	9.7	9.6	9.5	9.4	9.4	9.3	9.2	9.2	9.4	9.4	9.4	9.3	9.3	9.1	9.2	9.2	8.8	8.9	8.9	9.0	9.0	8.9	8.4	8.0	
2. INTEREST RATES ON DENAR DEPOSITS	5.6	4.4	5.3	5.4	5.5	5.6	5.5	5.7	5.8	5.9	6.0	6.1	6.2	6.5	6.5	6.8	6.8	6.6	6.7	6.8	6.8	7.2	7.2	7.4	7.4	7.4	7.5	7.5	
2.1. Interest rates on Denar deposits without FX clause	5.7	4.5	5.6	5.7	5.9	5.9	5.9	6.0	6.1	6.2	6.3	6.4	6.5	6.7	6.8	7.1	7.1	7.2	7.3	7.7	7.8	7.9	8.1	8.2	8.2	8.3	8.4	8.0	
Interest rates on Denar deposits without FX clause on enterprises	7.2	3.4	5.4	5.3	5.4	5.5	5.5	5.6	5.8	6.0	6.0	6.0	6.1	6.2	6.2	6.4	6.4	6.4	6.5	6.6	6.8	7.0	7.0	7.2	7.2	7.1	6.2	6.5	
- on sight deposits	0.6	0.7	2.3	2.3	3.3	3.5	3.0	2.4	1.1	1.4	1.3	1.4	1.3	1.6	1.5	2.3	2.3	2.3	2.2	1.5	1.6	1.6	0.1	0.2	0.1	0.1	0.2	0.2	
- on short-term deposits	7.3	3.4	5.4	5.3	5.3	5.4	5.4	5.5	5.8	5.9	5.9	5.9	6.0	6.0	6.0	6.2	6.2	6.2	6.3	6.3	6.4	6.7	6.9	6.9	7.1	7.1	7.0	6.2	
- on long-term deposits	7.3	6.7	7.5	7.4	7.5	7.6	7.5	7.6	8.4	8.5	8.6	8.6	8.6	8.6	8.6	8.9	9.1	9.1	9.2	9.2	9.0	9.0	9.0	9.0	9.1	9.1	9.1	9.0	
Interest rates on Denar deposits without FX clause on households	4.8	5.0	5.7	5.9	6.0	6.1	6.0	6.1	6.2	6.2	6.4	6.5	6.6	6.9	7.0	7.4	7.4	7.5	7.6	8.0	8.2	8.3	8.4	8.5	8.5	8.6	8.7	8.4	
- on sight deposits	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.4	1.2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	0.8	0.9	
- on short-term deposits	7.0	6.7	6.9	7.1	7.1	7.2	7.1	7.1	7.2	7.2	7.3	7.4	7.4	7.8	7.9	7.9	7.9	8.0	8.2	8.7	8.8	8.9	9.0	9.1	9.1	9.1	8.9	8.6	
- on long-term deposits	8.0	8.0	8.3	8.2	8.2	8.2	8.1	8.3	8.4	8.4	8.5	8.6	8.9	9.0	9.1	9.2	9.2	9.2	9.7	9.8	10.1	10.2	10.3	10.3	10.5	10.6	10.7	10.8	
2.2. Interest rates on Denar credits with FX clause	4.4	3.4	3.9	3.8	3.8	3.9	4.1	4.2	4.5	4.5	4.4	5.1	5.1	5.1	5.0	4.8	4.8	4.4	4.3	4.1	3.8	3.2	3.3	3.5	3.5	3.5	3.6	3.7	
Interest rates on Denar deposits with FX clause on enterprises	4.4	3.3	3.9	3.7	3.8	3.9	4.0	4.2	4.5	4.4	4.4	5.1	5.1	5.1	5.0	4.8	4.8	4.4	4.3	4.1	3.8	3.1	3.3	3.5	3.5	3.5	3.0	3.7	
- on short-term deposits	4.5	3.2	3.9	3.7	3.8	3.9	4.0	4.2	4.5	4.5	4.4	5.1	5.1	5.1	5.0	4.8	4.8	4.4	4.2	4.1	3.7	3.0	3.2	3.4	3.5	3.5	3.0	3.7	
- on long-term deposits	3.7	5.8	4.0	4.0	4.0	3.9	3.9	3.9	3.9	3.9	3.9	3.9	4.0	4.4	4.3	4.8	4.5	5.6	5.5	5.5	5.5	5.5	6.0	7.1	7.1	7.1	7.1	7.1	
Interest rates on Denar deposits with FX clause on households		8.8	8.3	8.3	8.2	8.2	8.2	8.2	8.5	8.5	9.2	9.2	9.2	8.8	9.2	9.2	9.6	9.6	9.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	9.6	
- on short-term deposits		8.8	8.3	8.3	8.1	8.1	8.1	8.1	8.2	8.2	8.9	8.9	8.9	8.2	8.9	8.9	8.0	8.0	8.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	5.3	
- on long-term deposits			8.0	9.0	9.0	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	

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

Source: NBRM.



Report on weighted interest rates on deposits and borrowings^{1,2}
in %, on annual level

	2005 XII	2006 XII	2007 XII	2008												2009														
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I.10	II.10	III.10			
B. FOREIGN CURRENCY INTEREST RATES																														
1. INTEREST RATES ON FOREIGN CURRENCY CREDITS	7.8	8.5	8.5	8.2	8.1	8.1	8.0	8.1	8.1	8.1	8.0	8.1	8.3	7.8	7.2	6.6	7.0	7.4	7.4	7.5	7.7	7.6	7.6	7.5	7.6	7.5	7.3	7.3		
1.1. Interest rates on foreign currency short-term credits	8.1	8.4	8.1	7.6	7.4	7.4	7.4	7.5	7.5	7.4	7.3	7.4	7.8	7.0	6.2	5.7	6.2	7.0	7.2	7.2	7.3	7.3	7.3	7.2	7.2	7.4	7.4	7.4		
<i>Interest rates on foreign currency short-term credits on enterprises</i>	8.0	8.4	8.0	7.6	7.4	7.4	7.4	7.5	7.5	7.4	7.3	7.4	7.8	7.0	6.2	5.7	6.2	7.0	7.2	7.2	7.3	7.3	7.3	7.3	7.2	7.2	7.4	7.4	7.4	
- in Euros	8.1	8.4	8.1	7.7	7.6	7.7	7.7	7.7	7.7	7.6	7.7	7.8	8.3	7.5	6.8	6.3	6.8	7.2	7.4	7.4	7.6	7.5	7.5	7.5	7.5	7.7	7.7	7.8	7.8	
- in USA Dollars	7.4	8.0	6.8	5.7	4.9	4.5	4.8	4.7	4.7	4.7	4.6	4.9	5.8	4.5	3.1	2.5	2.7	6.0	6.1	6.2	5.9	5.9	6.1	6.2	6.0	6.0	6.0	5.9	5.9	
<i>Interest rates on foreign currency short-term credits on households</i>	16.2	13.3	12.4	12.1	12.0	12.0	12.1	11.8	11.7	11.5	11.5	11.9	11.9	11.8	12.8	10.0	9.3	12.5	12.0	11.1	11.1	10.5	10.1	9.4	9.7	9.4	9.6	9.6	9.2	9.1
- in Euros	16.2	13.3	12.4	12.1	12.0	12.0	12.1	11.8	11.7	11.5	11.6	11.9	12.0	11.8	12.8	10.0	9.3	12.5	12.1	11.5	11.8	11.1	10.5	10.2	10.2	9.9	10.0	9.6	9.2	9.1
- in USA Dollars								3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.1	3.0	3.0	3.0	2.4	2.0	2.0	2.0			
1.2. Interest rates on foreign currency long-term credits	7.8	8.5	8.7	8.4	8.3	8.4	8.2	8.3	8.4	8.3	8.3	8.4	8.5	8.0	7.5	6.9	7.3	7.5	7.5	7.5	7.8	7.7	7.6	7.6	7.7	7.6	7.5	7.2	7.3	
<i>Interest rates on foreign currency long-term credits on enterprises</i>	7.6	8.4	8.7	8.4	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.5	8.0	7.3	6.6	7.0	7.3	7.3	7.3	7.4	7.3	7.2	7.2	7.2	7.3	7.3	7.2	7.1	7.2
- in Euros	7.6	8.5	8.7	8.5	8.4	8.4	8.4	8.4	8.4	8.3	8.3	8.4	8.5	8.1	7.4	6.7	7.1	7.3	7.3	7.3	7.4	7.3	7.2	7.2	7.2	7.3	7.3	7.2	7.1	7.2
- in USA Dollars	6.9	7.6	7.1	6.6	5.6	5.3	5.3	5.1	5.0	4.9	5.2	5.3	6.4	4.2	3.7	2.9	3.0	6.3	6.3	6.3	6.1	6.3	6.4	6.4	6.4	6.4	6.5	6.5	6.4	6.5
<i>Interest rates on foreign currency long-term credits on households</i>	10.4	9.2	8.6	8.5	8.4	8.5	7.7	8.3	8.4	8.4	8.4	8.5	8.5	8.0	8.5	8.6	8.6	8.6	8.6	8.8	10.3	10.3	10.3	10.2	10.2	10.2	9.7	8.1	8.1	
- in Euros	10.4	9.2	8.6	8.5	8.4	8.5	7.7	8.3	8.4	8.4	8.4	8.5	8.5	8.0	8.5	8.6	8.6	8.6	8.6	8.8	10.3	10.3	10.3	10.3	10.3	10.2	10.2	9.7	8.1	8.1
- in USA Dollars	4.2	4.1	4.7	4.5	4.5	4.4	4.4	3.2	3.1	3.1	3.0	3.1	3.0	3.0	3.0	3.0	3.0	3.0	2.5	2.8	2.8	2.8	3.0	2.8	2.8	2.8	2.8	2.8	3.9	2.8
2. INTEREST RATES ON FOREIGN CURRENCY DEPOSITS	1.4	1.8	2.0	2.1	2.2	2.2	2.2	2.3	2.3	2.3	2.4	2.5	2.7	2.9	3.0	3.1	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.3	3.3	3.4	3.4	3.3	3.2	
2.1. Interest rates on foreign currency deposits on enterprises	1.7	2.1	2.3	2.3	2.3	2.3	2.3	2.5	2.4	2.5	2.5	2.6	2.8	2.7	2.7	2.7	2.8	2.6	2.6	2.1	2.3	2.2	2.2	2.1	2.1	2.3	2.2	2.0	2.1	
- on sight deposits	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.6	0.7	0.7	0.7	0.5	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.3
- in Euros	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.6	0.7	0.7	0.7	0.5	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.4	0.4	0.3	0.3
- in USA Dollars	0.5	0.6	0.6	0.6	0.5	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.4
- on short-term deposits	2.5	3.2	3.6	3.6	3.6	3.4	3.4	3.7	3.8	3.6	3.7	4.3	4.4	4.4	4.2	4.3	4.3	4.0	4.0	3.9	4.0	3.9	3.7	3.7	3.6	3.6	3.6	3.5	3.4	3.4
- in Euros	2.1	2.8	3.6	3.6	3.6	3.5	3.6	3.9	3.9	3.9	3.9	4.4	4.5	4.4	4.3	4.4	4.3	4.0	4.0	3.9	4.0	3.9	3.7	3.7	3.6	3.6	3.6	3.5	3.5	3.4
- in USA Dollars	3.3	4.3	3.8	3.6	3.6	2.6	2.4	2.1	2.2	2.3	2.3	2.4	3.2	3.1	3.1	3.1	2.3	2.2	2.2	2.2	2.2	2.0	2.5	2.4	2.4	2.4	2.4	2.4	2.3	1.9
- on long-term deposits		3.0	2.7	2.9	2.9	3.0	2.8	2.5	2.6	3.9	3.8	4.0	3.8	3.1	2.5	3.8	4.7	4.8	4.8	4.8	4.8	4.8	4.7	4.8	4.8	5.0	5.0	5.0	5.0	5.0
- in Euros		3.0	2.7	2.9	2.9	3.0	2.8	2.5	2.6	3.9	3.8	4.0	3.8	3.1	2.5	4.2	4.7	4.8	4.8	4.8	4.8	4.8	4.7	4.8	4.8	5.0	5.0	5.0	5.0	5.0
- in USA Dollars												2.5	2.5	2.5	1.5															
2.2. Interest rates on foreign currency deposits on households	1.3	1.7	1.9	2.0	2.1	2.2	2.2	2.2	2.2	2.3	2.4	2.5	2.7	3.0	3.1	3.2	3.3	3.3	3.4	3.4	3.5	3.6	3.5	3.5	3.6	3.6	3.6	3.6	3.5	
- on sight deposits	0.6	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.6	0.4
- in Euros	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.8	0.7	0.6	0.5
- in USA Dollars	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.2
- on short-term time deposits	1.8	2.3	2.6	2.8	2.9	2.9	2.9	2.9	2.9	3.0	3.1	3.2	3.4	3.8	3.9	3.9	4.0	4.1	4.1	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.2	4.1
- in Euros	1.8	2.3	2.6	2.9	3.0	3.0	2.9	3.0	3.0	3.1	3.2	3.3	3.6	4.0	4.1	4.1	4.2	4.3	4.3	4.4	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.4	4.3
- in USA Dollars	1.7	2.3	2.4	2.4	2.4	2.4	2.4	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.1	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.1
- on long-term time deposits	2.9	3.7	3.7	3.8	3.9	4.0	4.0	4.0	4.0	4.1	4.0	4.2	4.5	4.6	4.8	5.1	5.2	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.5	5.5	5.5	5.5	5.4
- in Euros	2.9	3.8	3.9	3.9	4.1	4.1	4.1	4.2	4.2	4.2	4.2	4.4	4.7	4.8	4.9	5.2	5.3	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
- in USA Dollars	2.5	3.1	3.0	2.9	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.7	2.8	2.8	2.8	3.8	4.0	3.8	3.9	3.9	3.8	3.8	3.7	3.7	3.7	3.6	3.6	3.6	3.7	3.7

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

Source: NBRM.



Table 15
Interest rates of the National Bank of the Republic of Macedonia
in %

Period	Discount 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.I	6.5	14.0			6.8
II	6.5	14.0		7.5	
III	6.5	14.0		8.0	
IV	6.5	14.0		8.0	
V	6.5	14.0		8.0	
VI	6.5	14.0		8.0	
VII	6.5	11.0		8.0	
VIII	6.5	11.0		8.3	
IX	6.5	11.0		8.6	
X	6.5	11.0		9.0	
XI	6.5	11.0		9.7	
XII	6.5	13.0		10.0	
2005.I	6.5	13.0		10.0	
II	6.5	13.0		10.0	
III	6.5	13.0		10.0	
IV	6.5	13.0		10.0	
V	6.5	13.0		10.0	
VI	6.5	13.0		10.0	
VII	6.5	13.0		10.0	
VIII	6.5	13.0		10.0	
IX	6.5	13.0		10.0	
X	6.5	13.0			10.0
XI	6.5	13.0			9.1
XII	6.5	13.0			8.5
2006.I	6.5	13.0			7.3
II	6.5	11.0			7.1
III	6.5	11.0			6.8
IV	6.5	11.0			6.2
V	6.5	11.0			5.7
VI	6.5	9.5			5.8
VII	6.5	9.5			5.6
VIII	6.5	9.5			5.5
IX	6.5	9.5			5.4
X	6.5	9.5			5.5
XI	6.5	9.5			5.7
XII	6.5	9.5			5.7
2007.I	6.5	9.5			5.7
II	6.5	9.5			5.4
III	6.5	9.5			5.3
IV	6.5	9.5			5.1
V	6.5	9.5			5.0
VI	6.5	7.5			4.9
VII	6.5	7.5			5.1
VIII	6.5	7.5			5.1
IX	6.5	7.5			4.8
X	6.5	7.5			4.8
XI	6.5	7.5			4.7
XII	6.5	7.5			4.77
2008.I	6.5	7.5			4.89
II	6.5	7.5		5.15	
III	6.5	7.5		5.85	
IV	6.5	7.5		6.00	
V	6.5	7.5		6.80	
VI	6.5	8.5		7.00	
VII	6.5	8.5		7.00	
VIII	6.5	8.5		7.00	
IX	6.5	8.5		7.00	
X	6.5	8.5		7.00	
XI	6.5	8.5		7.00	
XII	6.5	8.5		7.00	
2009.I	6.5	8.5		7.00	
II	6.5	8.5		7.00	
III	6.5	8.5		7.00	
IV	6.5	10.5		9.00	
V	6.5	10.5		9.00	
VI	6.5	10.5		9.00	
VII	6.5	10.5		9.00	
VIII	6.5	10.5		9.00	
IX	6.5	10.5		9.00	
X	6.5	10.5		9.00	
XI	6.5	10.5		9.00	
XII	6.5	10.0		8.50	
2010.I	6.5	9.5		8.00	
II		9.0		7.61	
III		8.0		7.26	

* 28 days

Source: NBRM.



Table 16
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.I	7.5		7.5	0.00	2,519	3,005	486	119.3	4.0		2,768	1.0	2.5	7	4.0
II	7.5		7.5	0.00	2,559	3,053	494	119.3	4.0		2,869	1.0	2.5	7	4.0
III	7.5		7.5	0.00	2,558	3,069	511	120.0	4.0		2,895	1.0	2.5	8	4.0
IV	7.5		7.5	0.00	2,574	2,961	387	115.1	4.0		2,934	1.0	2.5	8	4.0
V	7.5		7.5	0.00	2,610	3,150	540	120.7	4.0		2,970	1.0	2.5	8	4.0
VI	7.5		7.5	0.00	2,632	3,016	383	114.6	4.0		3,089	1.0	2.5	8	4.0
VII	7.5		7.5	0.00	2,729	3,102	373	113.7	4.0		3,137	1.0	2.5	8	4.0
VIII	7.5		7.5	0.00	2,741	3,052	312	111.4	2.0		3,149	1.0	2.5	8	2.0
IX	7.5		7.5	0.00	2,827	3,139	375	111.1	2.0		3,190	1.0	2.5	8	2.0
X	7.5		7.5	0.00	2,843	3,100	256	109.0	2.0		3,218	1.0	2.5	8	2.0
XI	7.5		7.5	0.00	2,854	3,126	265	109.5	2.0		3,279	1.0	2.5	8	2.0
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.I	10.0		10.0	0.00	3,844	4,214	370	109.6	2.0		4,492	0.0	2.5	9	2.0
II	10.0		10.0	0.00	3,837	4,212	375	109.8	2.0		4,670	0.0	2.5	9	2.0
III	10.0		10.0	0.00	3,926	4,288	362	109.2	2.0		4,721	0.0	2.5	9	2.0
IV	10.0		10.0	0.00	4,074	4,400	326	108.0	2.0		4,772	0.0	2.5	10	2.0
V	10.0		10.0	0.00	4,237	4,728	491	111.6	2.0		4,770	0.0	2.5	10	2.0
VI	10.0		10.0	0.00	4,311	4,574	263	106.1	2.0		4,845	0.0	2.5	10	2.0
VII	10.0		10.0	0.00	4,450	4,757	306	106.9	2.0		4,946	0.0	2.5	10	2.0
VIII	10.0		10.0	0.00	4,098	4,399	300	107.3	2.0		5,000	0.0	2.5	11	2.0
IX	10.0		10.0	0.00	3,877	4,184	307	107.9	2.0		5,214	0.0	2.5	11	2.0
X	10.0		10.0	0.00	3,931	4,335	404	110.3	2.0		5,294	0.0	2.5	10	2.0
XI	10.0		10.0	0.00	4,086	4,464	378	109.3	2.0		5,241	0.0	2.5	11	2.0
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.I	10.0		10.0	0.00	4,352	4,573	220	105.1	2.0		5,396	0.0	2.5	11	2.0
II	10.0		10.0	0.00	4,434	5,000	566	112.8	2.0		5,433	0.0	2.5	12	2.0
III	10.0		10.0	0.00	4,542	4,944	403	108.9	2.0		5,507	0.0	2.5	12	2.0
IV	10.0		10.0	0.00	4,674	5,162	488	110.4	2.0		5,572	0.0	2.5	12	2.0
V	10.0		10.0	0.00	4,934	5,550	616	112.5	2.0		5,655	0.0	2.5	13	2.0
VI	10.0		10.0	0.00	5,058	5,433	375	107.4	2.0		5,663	0.0	2.5	13	2.0
VII	10.0		10.0	0.00	4,931	5,263	332	106.7	2.0		5,768	0.0	2.5	13	2.0
VIII	10.0		10.0	0.00	5,030	5,435	405	108.1	2.0		5,874	0.0	2.5	14	2.0
IX	10.0		10.0	0.00	5,213	5,549	336	106.4	2.0		6,003	0.0	2.5	14	2.0
X	10.0		10.0	0.00	5,304	5,618	314	105.9	2.0		6,117	0.0	2.5	14	2.0
XI	10.0		10.0	0.00	5,460	6,674	1,214	122.2	2.0		6,243	0.0	2.5	14	2.0
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.I	10.0		10.0	0.00	5,883	6,219	336	105.7	2.0		6,458	0.0	2.5	15	2.0
II	10.0		10.0	0.00	6,057	6,479	422	107.0	2.0		6,513	0.0	2.5	15	2.0
III	10.0		10.0	0.00	6,194	6,688	494	108.0	2.0		6,596	0.0	2.5	16	2.0
IV	10.0		10.0	0.00	6,431	6,900	469	107.3	2.0		6,675	0.0	2.5	16	2.0
V	10.0		10.0	0.00	6,803	7,401	597	108.8	2.0		6,736	0.0	2.5	16	2.0
VI	10.0		10.0	0.00	7,082	7,343	261	103.7	2.0		6,952	0.0	2.5	16	2.0
VII	10.0		10.0	0.00	7,433	8,763	1,330	117.9	2.0		6,988	0.0	2.5	17	2.0
VIII	10.0		10.0	0.00	7,579	8,428	849	111.2	2.0		7,143	0.0	2.5	17	2.0
IX	10.0		10.0	0.00	7,553	7,933	380	105.0	2.0		7,225	0.0	2.5	17	2.0
X	10.0		10.0	0.00	7,722	8,425	703	109.1	2.0		7,303	0.0	2.5	17	2.0
XI	10.0		10.0	0.00	7,952	8,611	659	108.3	2.0		7,185	0.0	2.5	17	2.0
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.I	10.0		10.0	0.00	8,734	8,966	232	102.7	2.0		7,394	0.0	2.5	17	2.0
II	10.0		10.0	0.00	9,193	9,555	362	103.9	2.0		8,455	0.0	2.5	17	2.0
III	10.0		10.0	0.00	9,398	9,622	224	102.4	2.0		8,555	0.0	2.5	17	2.0
IV	10.0		10.0	0.00	9,468	9,714	246	102.6	2.0		8,684	0.0	2.5	17	2.0
V	10.0		10.0	0.00	9,600	9,800	200	102.1	2.0		8,847	0.0	2.5	17	2.0
VI	10.0		10.0	0.00	9,774	10,021	247	102.5	2.0		9,014	0.0	2.5	17	2.0
VII	10.0		10.0	0.00	10,003	10,369	366	103.7	2.0		9,139	0.0	2.5	18	2.0
VIII	10.0		10.0	0.00	9,998	10,644	646	106.5	2.0		9,317	0.0	2.5	18	2.0
IX	10.0		10.0	0.00	10,158	10,528	370	103.6	2.0		9,758	0.0	2.5	18	2.0
X	10.0		10.0	0.00	10,334	10,613	279	102.7	2.0		9,997	0.0	2.5	18	2.0
XI	10.0		10.0	0.00	10,234	10,646	412	104.0	2.0		9,773	0.0	2.5	18	2.0
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.I	10.0		10.0	0.00	9,695	9,915	220	102.3	2.0		9,801	0.0	2.5	17	2.0
II	10.0		10.0	0.00	9,645	9,827	182	101.9	2.0		10,392	0.0	2.5	17	2.0
III	10.0		10.0	0.00	9,310	9,482	172	101.9	2.0		10,623	0.0	2.5	17	2.0
IV	10.0		10.0	0.00	9,146	9,462	316	103.5	2.0		10,903	0.0	2.5	17	2.0
V	10.0		10.0	0.00	8,952	9,224	272	103.0	2.0		11,189	0.0	2.5	16	2.0
VI	10.0		10.0	0.00	8,867	9,365	498	105.6	2.0		11,291	0.0	2.5	16	2.0
VII	10.0	20.0 ***	11.5	13.00	11,957	12,161	204	101.7	2.0		11,251	0.0	2.5	16	2.0
VIII	10.0	20	13.0	23.00	13,239	13,375	136	101.0	2.0		11,604	0.0	2.5	15	2.0
IX	10.0	20	13.0	23.00	13,207	13,410	203	101.5	2.0		11,979	0.0	2.5	15	2.0
X	10.0	20	13.0	23.00	13,489	14,058	569	104.2	2.0		12,058	0.1	2.5	15	2.0
XI	10.0	20	13.0	23.00	13,653	14,029	376	102.8	2.0		12,104	0.1	2.5	14	2.0
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

* 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.

Source: NBRM.



Table 17
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.I		7.5										
II		7.4										
III		8.8										
IV		8.9										
V		8.3										
VI		8.4										
VII		8.4										
VIII		8.4										
IX		8.5										
X		8.9										
XI		9.2	9.5									
XII		9.2	10.4									
2005.I		9.3	10.8									
II		10.0	10.8									
III		10.5	11.2									
IV		10.4	9.8									
V		10.8	10.5									
VI		10.4	10.5	11.1								
VII		10.4	10.6									
VIII		10.5	10.9									
IX		10.3	11.2									
X		9.8	10.1									
XI		8.9	9.9		10.0							
XII		8.0	8.8	9.6								
2006.I		7.2	7.6									
II		7.0	7.1									
III		6.8	7.3	8.6								
IV		6.4	6.8		9.4							
V		6.1	7.1									
VI		6.5	6.9	8.7								
VII		6.2	6.7									
VIII		6.0	6.6									
IX		6.0	7.0	8.7								
X		6.2	6.9		9.3							
XI		6.1	6.8			9.6						
XII		6.3	7.0	8.9								
2007.I		6.5	6.8	8.8								
II		6.4	6.8		8.9							
III		6.4	7.0	8.4		8.0						
IV		6.4	6.8									
V		6.2	6.6		5.7							
VI		5.4	5.5	5.8								
VII		5.4	5.6									
VIII		5.4	5.5									
IX		3.7		5.1								
X		5.1	5.4									
XI		5.2	5.4		6.5							
XII		4.8										
2008.I		5.1	5.4	5.7								
II		5.1	5.3		6.3							
III		5.8	5.6	6.5		6.8						
IV		6.1	6.3		7.0							
V		6.7	6.3									
VI		7.1	7.2	7.3		8.0						
VII		7.31	7.30	7.92		8.0						
VIII		7.39	7.76		8.25							
IX		7.43	7.68	7.99		8.40						
X		7.55	7.86		8.25							
XI		7.58	7.69									
XII		7.48	7.84	7.00								
2009.I		7.43	7.26	7.00								
II		7.80	7.51									
III	8.57	8.74	7.69									
IV	8.81	8.97	9.10									
V		9.03	8.80									
VI		9.35	8.99					5.25		7.00		
VII		8.65							5.25	5.70		
VIII									5.50			
IX								5.40				
X									5.50			
XI									5.50			
XII								5.30				
2010.I									5.20			
II									5.00			
III									4.99			

Source: NBRM.



Table 18
Republic of Macedonia: balance of payments /1
in USD Million

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
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	-1,220.1	-645.6
GOODS, net	42.8	-184.9	-222.8	-314.7	-386.3	-515.6	-495.9	-690.8	-526.7	-805.6	-851.0	-1,139.0	-1,063.0	-1,260.5	-1,638.5	-2,572.5	-2,156.9
Exports, f.o.b.	1,055.3	1,086.3	1,204.0	1,147.4	1,236.8	1,291.5	1,190.0	1,320.7	1,155.4	1,112.1	1,362.7	1,674.9	2,040.6	2,410.7	3,391.5	3,970.9	2,685.5
Imports, f.o.b. /2	-1,012.5	-1,271.3	-1,426.8	-1,462.1	-1,623.1	-1,807.1	-1,685.9	-2,011.6	-1,682.2	-1,917.7	-2,213.7	-2,813.8	-3,103.6	-3,671.2	-5,030.0	-6,543.4	-4,842.3
SERVICES, net	-154.5	-155.1	-200.5	-156.2	-137.8	-59.8	38.9	48.7	-19.2	-22.1	-6.6	-54.4	-33.6	28.5	34.4	11.4	40.1
Inflow	84.0	172.0	185.2	154.3	138.1	149.3	272.8	316.7	244.6	253.1	380.3	452.5	515.5	601.3	818.4	1,011.7	862.7
Outflow	-238.5	-327.1	-385.7	-310.4	-275.8	-209.1	-234.0	-268.0	-263.8	-275.3	-386.9	-506.9	-549.1	-572.8	-784.0	-1,000.2	-822.6
INCOME, net	-56.7	-46.6	-39.6	-51.3	-54.4	-53.5	-72.1	-70.0	-27.2	-45.5	-63.8	-38.0	-114.8	-33.7	-385.0	-114.7	-128.0
Inflow	4.3	10.0	20.8	22.8	17.5	23.6	24.2	41.6	52.6	50.8	60.4	84.6	97.5	134.9	213.1	272.7	178.1
Outflow	-61.0	-56.6	-60.4	-74.2	-71.9	-77.1	-96.4	-111.7	-79.8	-96.3	-124.2	-122.6	-212.4	-168.6	-598.1	-387.4	-306.2
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	1,052.2	1,237.1	1,383.4	1,455.7	1,599.2
Inflow	115.0	197.0	293.5	341.3	433.3	541.4	618.4	782.1	720.6	655.0	910.4	1,028.8	1,237.7	1,437.2	1,744.8	1,989.9	1,672.4
Outflow	-29.2	-73.3	-129.5	-158.9	-141.3	-192.5	-154.8	-173.1	-382.8	-160.6	-174.5	-249.1	-185.5	-200.0	-361.4	-534.2	-73.2
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	23.0	647.8	1,215.4	619.1
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	28.4
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	24.1	642.9	1,232.9	590.8
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	234.8
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	247.9
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	-13.1
Portfolio investment, net	0.0	0.0	2.7	0.3	1.3	0.0	0.0	-0.1	0.4	0.3	5.5	12.5	237.9	92.9	155.6	-72.6	147.6
Assets	0.0	0.0	1.4	-0.5	1.7	0.3	0.0	0.0	0.0	0.3	0.1	0.2	0.1	0.1	-2.3	-1.2	-51.2
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	198.8
Other investment, net	44.0	150.2	367.4	300.8	294.1	200.9	-36.2	88.8	-134.4	134.2	153.0	123.7	250.5	-116.9	-69.9	657.8	344.8
Assets	32.0	34.7	39.9	77.7	-66.1	-59.1	-184.0	-63.7	-109.0	227.7	18.4	7.4	-46.3	-149.1	-81.3	303.1	-143.6
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	354.7	488.4
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	-375.8	-143.0	47.2	-136.5
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	5.6	-42.0	4.7	26.5

Source: National Bank of the Republic of Macedonia

1/ Preliminary data.

a. Revision of data has been done in November 2009 in the following categories:

- for 2008 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;
- goods and services - a new c.i.f.-f.o.b. factor has been calculated and applied for 2008
- goods, services and trade credits data for 2006 and 2007 due to the final data on foreign trade for 2006 and 2007.

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/ Excluding monetary gold and exchange rate differences



Table 19
Republic of Macedonia: balance of payments /1,3
in EUR Million

	2003	2004	2005	2006	2007	Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	1	2	3	2010
I. Current Account	-169.8	-361.8	-122.5	-23.4	-421.2	-173.1	-210.7	-68.3	-401.2	-853.3	-345.6	-100.1	102.5	-140.0	-483.3	-41.9	-18.2	-13.9	-74.0
GOODS, net	-753.0	-914.3	-858.5	-1,001.5	-1,181.0	-374.2	-464.0	-419.9	-492.6	-1,750.7	-446.6	-339.1	-301.0	-464.3	-1,551.0	-87.2	-92.3	-117.3	-296.7
Exports, f.o.b.	1,203.2	1,345.0	1,642.9	1,914.0	2,472.2	611.6	735.8	745.2	591.6	2,684.2	400.3	491.3	532.4	497.0	1,920.9	133.8	158.5	189.8	482.1
Imports, f.o.b. /2	-1,956.2	-2,259.3	-2,501.4	-2,915.5	-3,653.2	-985.8	-1,199.9	-1,165.1	-1,084.2	-4,434.9	-846.8	-830.3	-833.4	-961.3	-3,471.9	-221.0	-250.7	-307.1	-778.8
SERVICES, net	-6.0	-43.4	-24.7	22.4	25.1	0.5	-7.6	29.6	-18.1	4.3	-1.0	-1.2	23.3	6.9	28.0	1.4	0.8	3.7	6.0
Inflow	335.3	363.7	416.2	477.3	594.5	144.0	158.3	196.9	187.0	686.3	141.7	148.3	163.4	164.8	618.3	39.6	44.2	50.4	134.2
Outflow	-341.4	-407.1	-440.8	-455.0	-569.4	-143.6	-166.0	-167.3	-205.1	-681.9	-142.7	-149.6	-140.2	-157.9	-590.3	-38.2	-43.3	-46.7	-128.3
INCOME, net	-56.9	-32.3	-92.6	-26.1	-277.7	23.8	0.7	-14.4	-101.0	-90.9	-27.4	-20.4	-17.6	-26.3	-91.7	-29.0	-8.2	-5.0	-42.1
Inflow	53.2	67.9	79.0	107.2	155.2	51.4	43.2	45.7	44.9	185.2	31.0	31.4	33.7	32.0	128.0	9.1	10.2	13.5	32.7
Outflow	-110.1	-100.2	-171.6	-133.4	-432.9	-27.6	-42.6	-60.2	-145.8	-276.1	-58.4	-51.8	-51.3	-58.2	-219.7	-38.0	-18.4	-18.5	-74.8
CURRENT TRANSFERS, net	646.1	628.2	853.3	981.9	1,012.4	176.8	260.3	336.4	210.5	984.0	129.4	260.6	397.8	343.6	1,131.4	72.8	81.4	104.7	258.9
Inflow	679.5	664.2	887.5	1,015.3	1,081.3	191.3	270.3	347.4	222.6	1,031.7	140.9	273.3	408.6	360.9	1,183.8	75.9	84.2	108.9	268.9
Outflow	-33.4	-36.0	-34.2	-33.4	-68.9	-14.5	-10.0	-11.0	-12.2	-47.7	-11.5	-12.7	-10.8	-17.3	-52.3	-3.1	-2.7	-4.2	-10.0
II. Capital and Financial Account	193.9	347.1	127.7	18.3	454.0	184.3	221.3	56.4	389.2	851.2	327.4	115.9	-111.5	134.4	466.1	35.9	17.1	14.1	67.2
CAPITAL ACCOUNT, net	-5.8	-3.8	-1.7	-0.8	3.7	-0.8	-2.6	-0.5	-8.3	-12.2	0.8	1.7	15.2	2.3	20.0	0.1	0.3	0.4	0.9
FINANCIAL ACCOUNT, net	199.7	350.9	129.4	19.1	450.3	185.1	223.9	56.9	397.6	863.5	326.6	114.2	-126.7	132.1	446.2	35.8	16.7	13.7	66.2
Direct investment, net	100.1	259.7	74.9	344.7	506.9	142.5	111.5	74.8	80.5	409.4	56.5	60.3	-5.8	60.9	171.9	36.9	-23.0	34.8	48.7
Inward direct investment	100.4	260.7	77.2	344.8	506.0	130.0	113.6	76.1	80.1	399.9	56.7	60.8	-4.8	68.2	181.0	37.1	-22.5	34.9	49.5
Outward direct investment	-0.3	-0.9	-2.3	-0.1	0.9	12.5	-2.1	-1.3	0.4	9.5	-0.2	-0.5	-1.0	-7.3	-9.1	-0.2	-0.5	-0.1	-0.8
Portfolio investment, net	5.1	8.6	200.8	72.7	114.1	-8.2	-10.8	-8.2	-23.4	-50.6	-19.1	-12.4	148.7	-12.8	104.3	-1.6	-3.0	3.6	-1.0
Assets	0.3	-0.8	0.7	-0.4	-2.0	-0.2	-0.6	-0.6	0.8	-0.5	-14.1	-4.5	-15.5	-3.4	-37.6	0.0	-0.3	-0.2	-0.5
Liabilities	4.8	9.3	200.1	73.1	116.1	-8.0	-10.2	-7.6	-24.2	-50.1	-4.9	-7.8	164.1	-9.4	141.9	-1.6	-2.7	3.9	-0.5
Other investment, net	133.1	98.5	201.6	-100.7	-68.9	42.8	146.7	117.9	145.7	453.1	36.4	14.0	53.4	135.4	239.3	18.6	27.8	-38.9	7.4
Assets	14.1	7.3	-39.8	-117.6	-61.5	81.0	17.3	19.2	90.1	207.4	-17.0	-6.4	-65.5	-17.3	-106.3	53.3	20.1	-1.7	71.7
Liabilities	119.1	91.2	241.4	17.0	-7.5	-38.2	129.5	98.7	55.6	245.7	53.4	20.5	118.9	152.8	345.6	-34.8	7.7	-37.2	-64.3
Gross official reserves (- = increase) /3	-38.6	-15.9	-347.9	-297.6	-101.8	8.0	-23.5	-127.6	194.8	51.6	252.8	52.2	-323.0	-51.4	-69.4	-18.1	14.9	14.2	11.0
III. Errors and Omissions	-24.1	14.7	-5.3	5.1	-32.8	-11.2	-10.6	11.9	12.0	2.1	18.2	-15.8	9.1	5.6	17.1	6.0	1.1	-0.3	6.8

Source: National Bank of the Republic of Macedonia

1/ Preliminary data.

a. Revision of data has been done in November 2009 in the following categories:

- for 2008 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;
- goods and services - a new c.i.f.-f.o.b. factor has been calculated and applied for 2008
- goods, services and trade credits data for 2006 and 2007 due to the final data on foreign trade for 2006 and 2007.

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/ Excluding monetary gold and exchange rate differences



Table 20
Republic of Macedonia: balance of payments - services
in EUR Million

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	1	2	3	2010
Services, net	-6.0	-43.4	-24.7	22.4	25.1	4.3	-1.0	-1.2	23.3	6.9	28.0	1.4	0.8	3.7	6.0
- Credit	335.3	363.7	416.2	477.3	594.5	686.3	141.7	148.3	163.4	164.8	618.3	39.6	44.2	50.4	134.2
- Debit	-341.4	-407.1	-440.8	-455.0	-569.4	-681.9	-142.7	-149.6	-140.2	-157.9	-590.3	-38.2	-43.3	-46.7	-128.3
1. Transportation	-32.8	-52.8	-45.3	-33.9	-43.3	-47.2	-6.7	-14.2	-3.0	-14.2	-38.1	-3.0	-2.1	-1.9	-7.0
- Credit	110.9	115.2	129.3	148.1	183.9	222.8	41.5	42.1	46.7	50.1	180.4	13.2	13.6	16.0	42.8
- Debit	-143.7	-168.0	-174.6	-182.0	-227.2	-270.1	-48.2	-56.3	-49.7	-64.3	-218.5	-16.2	-15.6	-18.0	-49.8
2. Travel	7.6	14.0	22.4	46.3	61.0	62.7	17.6	17.1	28.9	20.4	84.0	4.8	4.2	5.2	14.2
- Credit	49.9	57.9	72.3	102.4	134.9	155.2	36.9	35.1	48.4	35.7	156.2	8.7	7.8	10.1	26.7
- Debit	-42.3	-43.9	-49.9	-56.2	-73.9	-92.4	-19.3	-18.0	-19.6	-15.3	-72.2	-3.9	-3.6	-5.0	-12.5
3. Other services	19.1	-4.6	-1.8	10.0	7.4	-11.2	-11.9	-4.2	-2.6	0.7	-17.9	-0.4	-1.3	0.5	-1.2
- Credit	174.5	190.7	214.5	226.8	275.7	308.3	63.3	71.1	68.3	79.0	281.7	17.8	22.8	24.3	64.8
- Debit	-155.4	-195.2	-216.3	-216.8	-268.3	-319.4	-75.1	-75.3	-70.9	-78.3	-299.6	-18.1	-24.1	-23.8	-66.0
3.1. Communications services	31.1	21.8	19.6	26.5	27.8	21.9	4.9	5.1	6.4	3.2	19.6	2.1	0.3	1.8	4.2
- Credit	48.7	38.6	36.2	48.5	50.9	54.6	13.0	14.7	21.5	12.7	61.9	3.5	2.6	3.9	10.1
- Debit	-17.6	-16.8	-16.6	-22.0	-23.1	-32.7	-8.1	-9.6	-15.1	-9.5	-42.3	-1.4	-2.3	-2.2	-5.9
Postal and courier services	0.7	0.7	0.7	0.4	0.4	0.6	0.2	0.0	0.0	0.2	0.4	0.0	0.1	0.1	0.2
- Credit	1.1	0.9	0.8	1.1	1.1	1.1	0.4	0.3	0.3	0.4	1.4	0.0	0.2	0.1	0.3
- Debit	-0.3	-0.2	-0.2	-0.6	-0.7	-0.5	-0.2	-0.3	-0.3	-0.2	-0.9	0.0	-0.1	0.0	-0.1
Telecommunications services	30.3	21.2	19.0	26.0	27.3	21.3	4.7	5.1	6.3	3.0	19.2	2.1	0.2	1.7	4.0
- Credit	47.6	37.7	35.4	47.4	49.8	53.5	12.7	14.4	21.1	12.3	60.5	3.5	2.4	3.9	9.8
- Debit	-17.3	-16.5	-16.4	-21.4	-22.5	-32.2	-7.9	-9.3	-14.8	-9.3	-41.3	-1.4	-2.2	-2.2	-5.8
3.2. Construction services	32.9	43.0	40.6	36.0	53.2	32.4	-1.9	9.5	2.9	11.8	22.4	0.5	1.0	0.5	2.0
- Credit	36.5	45.4	47.8	38.3	54.9	41.4	3.0	11.5	4.8	12.5	31.8	0.6	1.1	0.9	2.6
- Debit	-3.6	-2.4	-7.2	-2.3	-1.7	-8.9	-4.9	-2.0	-1.9	-0.7	-9.4	-0.1	-0.1	-0.4	-0.6
Construction abroad	36.5	45.4	47.7	29.2	34.1	27.2	2.2	10.7	4.4	12.1	29.4	0.5	1.1	0.9	2.5
- Credit	36.5	45.4	47.7	29.2	34.1	27.2	2.2	10.7	4.4	12.1	29.4	0.5	1.1	0.9	2.5
- 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
Construction in the compiling economy	-3.6	-2.4	-7.1	6.8	19.1	5.2	-4.1	-1.1	-1.5	-0.2	-7.0	0.0	0.0	-0.4	-0.4
- Credit	0.0	0.0	0.1	9.1	20.8	14.1	0.8	0.8	0.4	0.4	2.4	0.1	0.0	0.1	0.2
- Debit	-3.6	-2.4	-7.2	-2.3	-1.7	-8.9	-4.9	-2.0	-1.9	-0.7	-9.4	-0.1	-0.1	-0.4	-0.6
3.3. Insurance services	-7.5	-7.1	-9.1	-11.8	-11.9	-12.1	-1.6	-2.6	-3.5	-1.2	-8.9	-0.7	-1.2	-1.0	-3.0
- Credit	2.0	3.7	3.9	4.7	4.2	5.3	1.2	1.3	1.3	2.5	6.2	0.3	0.4	0.4	1.0
- Debit	-9.5	-10.9	-13.1	-16.5	-16.1	-17.4	-2.8	-3.9	-4.8	-3.7	-15.2	-1.0	-1.6	-1.4	-4.0
3.4. Financial services	0.1	-0.2	-0.8	1.7	1.4	-1.1	-1.1	0.0	-0.7	-0.1	-1.9	-0.2	-0.1	-0.1	-0.4
- Credit	2.5	2.5	2.8	4.2	6.3	3.5	0.5	0.8	0.7	0.9	3.0	0.3	0.3	0.3	0.9
- Debit	-2.4	-2.7	-3.6	-2.5	-4.9	-4.6	-1.6	-0.8	-1.4	-1.0	-4.8	-0.4	-0.4	-0.4	-1.2
3.5. Computer and information services	-7.5	-9.6	-6.2	-13.3	-6.4	-8.4	-4.7	-0.3	-4.4	-5.0	-14.4	0.5	-1.6	-0.3	-1.5
- Credit	4.0	7.1	13.5	18.6	24.0	34.3	7.0	6.8	5.6	6.9	26.4	2.4	3.2	2.4	8.0
- Debit	-11.5	-16.7	-19.7	-31.9	-30.4	-42.7	-11.7	-7.1	-10.0	-11.9	-40.8	-1.9	-4.8	-2.7	-9.4
3.6. Royalties and license fees	-4.1	-5.0	-5.8	-4.7	-10.5	-13.3	-4.3	-1.5	-2.0	-2.4	-10.2	-0.8	-0.6	-0.6	-2.0
- Credit	2.0	2.5	2.5	2.1	3.4	3.9	1.0	1.7	0.9	1.0	4.5	0.5	0.3	0.5	1.3
- Debit	-6.2	-7.5	-8.3	-6.9	-13.9	-17.2	-5.3	-3.1	-2.9	-3.3	-14.6	-1.3	-0.9	-1.1	-3.3
3.7. Other business services	-28.0	-49.9	-44.2	-19.7	-36.9	-18.7	0.4	-10.1	1.8	-3.0	-10.9	-0.5	1.7	2.4	3.6
- Credit	56.9	66.0	80.7	86.7	106.2	139.3	31.1	28.6	27.6	34.0	121.3	8.7	12.6	13.9	35.2
- Debit	-84.9	-115.9	-125.0	-106.4	-143.2	-158.1	-30.7	-38.7	-25.8	-37.0	-132.3	-9.3	-10.9	-11.4	-31.6
3.7.1. Merchanting and other trade-related services	7.9	6.8	15.1	12.4	1.9	16.3	4.1	2.2	3.0	-1.9	7.4	0.5	3.4	3.1	7.1
- Credit	12.9	13.8	22.5	17.8	17.7	29.2	7.0	5.1	6.1	2.4	20.6	1.0	4.7	4.1	9.7
- Debit	-4.9	-6.9	-7.4	-5.5	-15.8	-12.8	-2.9	-2.9	-3.1	-4.3	-13.2	-0.4	-1.3	-1.0	-2.7
3.7.2. Operational leasing services	0.1	-0.3	-1.2	-2.6	-5.8	-3.8	0.1	-0.1	-0.1	-0.5	-0.7	-0.1	-0.1	-0.2	-0.4
- Credit	1.1	0.8	1.7	1.0	0.7	1.4	0.4	0.3	0.4	0.3	1.3	0.1	0.1	0.2	0.4
- Debit	-1.0	-1.2	-2.9	-3.6	-6.5	-5.2	-0.3	-0.4	-0.4	-0.8	-1.9	-0.2	-0.2	-0.4	-0.7
3.7.3. Miscellaneous business, professional, and technical services	-36.1	-56.4	-58.2	-29.5	-33.1	-31.3	-3.7	-12.1	-1.2	-0.7	-17.7	-1.0	-1.7	-0.4	-3.1
- Credit	42.9	51.4	56.5	67.9	87.8	108.8	23.8	23.2	21.1	31.3	99.5	7.7	7.8	9.6	25.1
- Debit	-79.0	-107.8	-114.6	-97.4	-120.9	-140.1	-27.5	-35.4	-22.3	-32.0	-117.2	-8.7	-9.5	-10.0	-28.2
3.7.3.1. Legal, accounting, management consulting, and public relations	-15.7	-17.2	-17.3	-15.3	-15.5	-30.5	-6.9	-4.0	-2.0	-3.7	-16.5	-1.2	-2.0	-0.7	-3.8
- Credit	4.2	6.8	11.2	16.2	16.7	22.9	5.3	5.8	6.2	6.1	23.4	1.5	1.9	2.2	5.6
- Debit	-19.8	-24.0	-28.5	-31.5	-32.2	-53.4	-12.2	-9.8	-8.2	-9.8	-39.9	-2.7	-3.9	-2.8	-9.4
3.7.3.2. Advertising, market research, and public opinion polling	-1.0	-3.3	-2.5	2.3	-0.3	-1.5	1.5	2.9	2.5	2.0	9.0	0.1	0.5	0.3	1.0
- Credit	9.5	10.8	12.3	15.7	19.3	23.6	6.1	5.5	4.9	5.8	22.3	2.2	1.7	2.0	5.8
- Debit	-10.5	-14.1	-14.8	-13.4	-19.5	-25.0	-4.5	-2.6	-2.4	-3.8	-13.3	-2.0	-1.1	-1.6	-4.8
3.7.3.3. Research and development	-8.2	-5.8	-2.2	-4.9	-7.5	-3.1	-1.1	-8.3	0.2	-0.3	-9.5	-0.6	-0.3	-0.1	-0.9
- Credit	4.9	4.5	4.6	2.6	3.6	4.1	0.7	0.8	1.4	1.2	4.1	0.5	0.3	0.3	1.0
- Debit	-13.1	-10.3	-6.7	-7.5	-11.0	-7.2	-1.9	-9.2	-1.2	-1.5	-13.7	-1.0	-0.5	-0.4	-1.9
3.7.3.4. Architectural, engineering, and other technical services	-5.3	-5.2	-17.9	-4.6	0.3	4.3	-0.3	-2.1	-5.1	-1.1	-8.6	-0.4	-0.7	-0.7	-1.8
- Credit	11.7	15.8	14.1	18.3	28.2	38.6	6.5	6.6	3.5	11.9	28.4	1.9	2.6	3.6	8.1
- Debit	-17.0	-21.0	-32.0	-23.0	-27.9	-34.3	-6.7	-8.7	-8.6	-13.0	-36.9	-2.3	-3.3	-4.3	-9.9
3.7.3.5. Agricultural, mining, and on-site processing services	0.0	0.0	-0.1	-0.3	-0.4	-0.2	0.0	0.1	0.0	0.6	0.7	0.0	0.0	0.0	0.0
- Credit	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.6	0.8	0.0	0.0	0.0	0.0
- Debit	-0.1	-0.3	-0.2	-0.3	-0.4	-0.3	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
3.7.3.6. Other business services	-5.9	-25.0	-18.2	-6.7	-9.8	-0.3	3.0	-0.7	3.2	1.8	7.2	1.0	0.8	0.7	2.4
- Credit	12.5	13.2	14.2	15.0	20.0	19.6	5.2	4.4	5.1	5.8	20.5	1.6	1.3	1.5	4.5
- Debit	-18.4	-38.2	-32.4	-21.7	-29.8	-19.9	-2.2	-5.1	-2.0	-4.0	-13.3	-0.7	-0.6	-0.9	-2.1
3.7.4. Personal and cultural services	-1.1	1.3	0.7	1.8	4.9	1.1	-1.0	-0.2	-0.3	-0.1	-1.6	0.1	0.1	-0.3	-0.1
- Credit	3.8	5.6	5.7	8.0	12.0	12.4	3.2	3.1	3.0	4.9	14.1	0.8	1.2	1.0	3.0
- Debit	-4.9	-4.3	-5.1	-6.1	-7.1	-11.2	-4.2	-3.3	-3.3	-5.0	-15.8	-0.7	-1.1	-1.3	-3.1
3.8. Audiovisual and related services	-1.5	-0.5	-0.5	0.9	1.4	-0.9	-1.3	0.1	-0.6	0.0	-1.7	0.0	0.1	-0.4	-0.4
- Credit	1.6	2.6	2.2	4.0	5.2	5.1	1.4	1.6	1.3	2.8	7.2	0.3	0.7	0.3	1.3
- Debit	-3.1	-3.2	-2.7	-3.1	-3.9	-6.0	-2.7	-1.5	-2.0	-2.8	-8.9	-0.3	-0.6	-0.8	-1.7
3.9. Other personal and cultural services	0.4	1.8	1.1	0.9	3.5	2.1	0.2	-0.3	0.3	-0.1	0.0	0.1	0.0	0.2	0.3
- Credit	2.2	3.0	3.5	4.0	6.7	7.3	1.8	1.5	1.6	2.1	6.9	0.5	0.5	0.7	1.7
- Debit	-1.8	-1.1	-2.4	-3.1	-3.2	-5.2	-1.5	-1.8	-1.4	-2.2	-6.9	-0.4	-0.5	-0.6	-1.5
4.0. Government services, n.i.e.	3.2	1.0	3.5	-6.4	-14.2	-13.1	-2.6	-4.2	-2.8	-2.5	-12.0	-1.3	-0.9	-2.0	-4.2
- Credit	18.0	19.1	21.3	15.8	13.8	13.5	3.3	2.6	2.9	3.7	12.4	0.7	1.1	0.9	2.7
- Debit	-14.8	-18.1	-17.7	-22.2	-28.0	-26.6	-5.8	-6.7	-5.7	-6.2	-24.4	-2.0	-2.0	-2.9	-6.9

Source: National Bank of the Republic of Macedonia



Table 21
Republic of Macedonia: balance of payments - income
in EUR Million

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	1	2	3	2010
Income, net	-56.9	-32.3	-92.6	-26.1	-277.7	-90.9	-27.4	-20.4	-17.6	-26.3	-91.7	-29.0	-8.2	-5.0	-42.1
- Credit	53.2	67.9	79.0	107.2	155.2	185.2	31.0	31.4	33.7	32.0	128.0	9.1	10.2	13.5	32.7
- Debit	-110.1	-100.2	-171.6	-133.4	-432.9	-276.1	-58.4	-51.8	-51.3	-58.2	-219.7	-38.0	-18.4	-18.5	-74.8
1. Compensation of employees including border, seasonal and other workers	24.0	40.6	44.9	53.1	75.1	92.6	19.3	22.5	21.9	20.5	84.2	3.6	7.1	9.1	19.8
- Credit	24.5	41.7	46.3	54.9	77.0	95.9	20.0	23.3	22.6	21.3	87.1	3.7	7.3	9.4	20.4
- Debit	-0.5	-1.1	-1.4	-1.8	-1.8	-3.3	-0.7	-0.8	-0.7	-0.7	-2.9	-0.2	-0.2	-0.2	-0.6
2. Investment income	-80.9	-72.9	-137.5	-79.2	-352.8	-183.5	-46.7	-42.9	-39.5	-46.8	-175.9	-32.6	-15.2	-14.1	-61.9
- Credit	28.7	26.2	32.7	52.4	78.2	89.3	11.0	8.1	11.1	10.7	40.9	5.3	2.9	4.1	12.3
- Debit	-109.6	-99.1	-170.2	-131.6	-431.0	-272.8	-57.7	-51.0	-50.6	-57.5	-216.8	-37.9	-18.1	-18.2	-74.2
2.1. Direct investment	-56.0	-55.4	-114.2	-45.9	-337.7	-181.9	-32.9	-32.9	-31.8	-32.7	-130.3	-12.5	-12.5	-12.3	-37.3
- Credit	0.8	0.3	0.5	0.4	1.8	2.3	0.1	0.1	1.2	0.3	1.7	0.0	0.0	0.2	0.2
- Debit	-56.8	-55.8	-114.6	-46.4	-339.5	-184.2	-33.0	-33.0	-33.0	-33.0	-132.0	-12.5	-12.5	-12.5	-37.5
2.1.1. Income on equity	-56.0	-55.4	-114.2	-45.9	-337.7	-181.9	-32.9	-32.9	-31.8	-32.7	-130.3	-12.5	-12.5	-12.3	-37.3
- Credit	0.8	0.3	0.5	0.4	1.8	2.3	0.1	0.1	1.2	0.3	1.7	0.0	0.0	0.2	0.2
- Debit	-56.8	-55.8	-114.6	-46.4	-339.5	-184.2	-33.0	-33.0	-33.0	-33.0	-132.0	-12.5	-12.5	-12.5	-37.5
2.1.2. Income on debt (interest)	0.0	0.0	0.0	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															
- Debit															
2.2. Portfolio investment	2.8	3.4	-2.7	-13.9	2.9	44.7	8.4	6.5	8.4	3.9	27.1	4.7	2.4	3.4	10.5
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	4.7	2.4	3.4	10.5
- Debit	-1.9	1.2	-3.6	-16.3	-6.6	-7.4	0.0	-0.2	-0.1	-5.3	-5.7	0.0	0.0	0.0	0.0
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
- 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
- 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
2.2.2. Income on debt (interest)	4.6	2.2	0.3	-5.3	2.9	44.7	8.4	6.5	8.4	3.9	27.1	4.7	2.4	3.4	10.5
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	4.7	2.4	3.4	10.5
- Debit	-0.1	0.0	-0.6	-7.6	-6.6	-7.4	0.0	-0.2	-0.1	-5.3	-5.7	0.0	0.0	0.0	0.0
Bonds and notes	4.6	1.7	0.3	-5.3	2.9	44.7	8.4	6.5	8.4	3.9	27.1	4.7	2.4	3.4	10.5
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	4.7	2.4	3.4	10.5
- Debit	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	0.0	-0.2	-0.1	-5.3	-5.7	0.0	0.0	0.0	0.0
Monetary authorities	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	4.7	2.4	3.4	10.5
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	4.7	2.4	3.4	10.5
- Debit															
General government	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	0.0	-0.2	-0.1	-5.3	-5.7	0.0	0.0	0.0	0.0
- Credit															
- Debit	-0.1	-0.5	-0.6	-7.6	-6.6	-7.4	0.0	-0.2	-0.1	-5.3	-5.7	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
- Credit															
- Debit															
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
- Credit															
- Debit															
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
- 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
- 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
2.3. Other investment	-27.7	-20.8	-20.7	-19.4	-17.9	-46.3	-22.1	-16.5	-16.1	-18.0	-72.7	-24.7	-5.2	-5.2	-35.1
- Credit	23.2	23.6	31.3	49.6	67.0	34.9	2.5	1.3	1.4	1.2	6.4	0.6	0.5	0.5	1.6
- Debit	-50.9	-44.5	-52.0	-69.0	-84.9	-81.2	-24.7	-17.8	-17.5	-19.2	-79.1	-25.4	-5.6	-5.7	-36.7
2.3.1. Monetary authorities	22.4	22.9	30.2	47.8	66.0	15.2	1.2	0.3	0.7	0.4	2.4	0.1	0.0	0.1	0.2
- Credit	23.2	23.6	31.3	49.6	67.0	15.5	1.2	0.3	0.7	0.4	2.5	0.1	0.1	0.1	0.2
- Debit	-0.7	-0.7	-1.1	-1.8	-1.0	-0.3	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
2.3.2. General government	-28.2	-22.4	-24.4	-25.8	-22.6	-20.7	-5.9	-4.9	-3.1	-4.0	-17.9	-0.8	-0.6	-0.7	-2.1
- 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
- Debit	-28.2	-22.4	-24.4	-25.8	-22.6	-20.7	-5.9	-4.9	-3.1	-4.0	-17.9	-0.8	-0.6	-0.7	-2.1
2.3.3. Banks	-9.0	-5.9	-7.5	-11.6	-23.0	-3.7	-4.2	-2.9	-2.9	-3.9	-13.9	-0.3	-0.9	-2.3	-3.5
- Credit	0.0	0.0	0.0	0.0	0.0	19.5	1.3	1.0	0.7	0.8	3.9	0.5	0.4	0.5	1.4
- Debit	-9.0	-5.9	-7.5	-11.6	-23.0	-23.2	-5.6	-3.9	-3.7	-4.7	-17.8	-0.9	-1.3	-2.8	-4.9
2.3.4. Other sectors	-12.9	-15.4	-19.0	-29.8	-38.4	-37.1	-13.2	-9.0	-10.7	-10.4	-43.3	-23.7	-3.7	-2.2	-29.6
- 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
- Debit	-12.9	-15.4	-19.0	-29.8	-38.4	-37.1	-13.2	-9.0	-10.7	-10.4	-43.3	-23.7	-3.7	-2.2	-29.6

Source: National Bank of the Republic of Macedonia



Table 22
Republic of Macedonia: balance of payments - current transfers
in EUR Million

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	1	2	3	2010
Current transfers, net	646.1	628.2	853.3	981.9	1012.4	984.0	129.4	260.6	397.8	343.6	1131.4	72.8	81.4	104.7	258.9
- Credit	679.5	664.2	887.5	1015.3	1081.3	1031.7	140.9	273.3	408.6	360.9	1183.8	75.9	84.2	108.9	268.9
- Debit	-33.4	-36.0	-34.2	-33.4	-68.9	-47.7	-11.5	-12.7	-10.8	-17.3	-52.3	-3.1	-2.7	-4.2	-10.0
1. General government - official transfers	89.4	55.5	53.4	58.8	24.3	47.9	10.3	12.9	8.3	22.4	53.9	0.3	2.4	1.7	4.4
- Credit	92.9	60.1	60.9	66.3	61.0	61.0	13.2	16.4	11.4	30.3	71.4	0.5	2.8	1.9	5.2
- Debit	-3.5	-4.7	-7.6	-7.4	-36.7	-13.1	-2.9	-3.5	-3.2	-8.0	-17.5	-0.3	-0.3	-0.2	-0.8
2. Other sectors - private transfers	556.7	572.7	799.9	923.1	988.2	936.1	119.1	247.7	389.5	321.3	1077.6	72.5	79.0	103.0	254.5
- Credit	586.6	604.1	826.5	949.0	1020.4	970.7	127.8	256.9	397.2	330.6	1112.4	75.4	81.4	106.9	263.7
- Debit	-29.9	-31.3	-26.6	-25.9	-32.2	-34.6	-8.7	-9.2	-7.7	-9.3	-34.8	-2.9	-2.4	-3.9	-9.2
2.1. Workers' remittances	115.2	117.9	125.3	144.7	158.1	161.6	35.5	43.3	46.4	44.9	170.1	11.5	11.8	16.0	39.3
- Credit	128.9	129.8	136.6	157.1	174.3	180.9	39.8	47.3	49.9	49.1	186.2	12.6	12.8	17.3	42.7
- Debit	-13.6	-11.9	-11.3	-12.4	-16.2	-19.2	-4.3	-4.1	-3.4	-4.2	-16.0	-1.1	-1.0	-1.4	-3.5
2.2. Other transfers	441.5	454.8	674.6	778.4	830.1	774.4	83.6	204.4	343.1	276.4	907.4	61.0	67.2	87.1	215.2
- Credit	457.7	474.3	690.0	791.9	846.0	789.8	87.9	209.5	347.3	281.5	926.2	62.8	68.6	89.6	221.0
- Debit	-16.2	-19.4	-15.3	-13.5	-16.0	-15.4	-4.3	-5.1	-4.2	-5.1	-18.8	-1.8	-1.4	-2.6	-5.8

Source: National Bank of the Republic of Macedonia

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

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	1	2	3	2010
Capital and financial account	193.9	347.1	127.7	18.3	454.0	851.2	327.4	115.9	-111.5	134.4	466.1	35.9	17.1	14.1	67.2
A. Capital account	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	0.8	1.7	15.2	2.3	20.0	0.1	0.3	0.4	0.9
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6	1.1	1.4	4.1
- Debit	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	0.8	1.7	15.2	2.3	20.0	-1.5	-0.8	-1.0	-3.2
1. Capital transfers	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	0.8	1.7	7.7	2.3	12.5	0.1	0.3	0.4	0.9
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6	1.1	1.4	4.1
- Debit	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	0.8	1.7	7.7	2.3	12.5	-1.5	-0.8	-1.0	-3.2
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	0.0	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
- 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
1.2. Other sectors - private	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	0.8	1.7	7.7	2.3	12.5	0.1	0.3	0.4	0.9
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6	1.1	1.4	4.1
- Debit	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	0.8	1.7	7.7	2.3	12.5	-1.5	-0.8	-1.0	-3.2
2. Acquisition/disposal of nonproduced nonfinancial assets	-0.1	0.0	0.0	0.0	2.4	-11.2	0.0	0.0	7.5	0.0	7.5	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
- Debit	-0.1	0.0	0.0	0.0	2.4	-11.2	0.0	0.0	7.5	0.0	7.5	0.0	0.0	0.0	0.0

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	Q1	Q2	Q3	Q4	2009	1	2	3	2010
Capital and financial account	193.9	347.1	127.7	18.3	454.0	851.2	327.4	115.9	-111.5	134.4	466.1	35.9	17.1	14.1	67.2
B. Financial account	199.7	350.9	129.4	19.1	450.3	863.5	326.6	114.2	-126.7	132.1	446.2	35.8	16.7	13.7	66.2
1. Direct investment	100.1	259.7	74.9	344.7	506.9	409.4	56.5	60.3	-5.8	60.9	171.9	36.9	-23.0	34.8	48.7
1.1. Abroad	-0.3	-0.9	-2.3	-0.1	0.9	9.5	-0.2	-0.5	-1.0	-7.3	-9.1	-0.2	-0.5	-0.1	-0.8
a. Equity capital	-0.3	-0.9	-2.3	-0.1	0.9	9.5	-0.2	-0.5	-1.0	-7.3	-9.1	-0.2	-0.5	-0.1	-0.8
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
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
1.2. In reporting economy	100.4	260.7	77.2	344.8	506.0	399.9	56.7	60.8	-4.8	68.2	181.0	37.1	-22.5	34.9	49.5
a. Equity capital	82.6	123.6	78.7	288.8	185.7	206.7	49.9	83.9	18.2	16.1	168.1	0.7	10.8	13.0	24.5
b. Reinvested earnings	26.6	0.8	44.9	15.6	183.5	16.7	3.6	-22.1	-71.8	16.8	-73.5	12.4	5.2	11.6	29.1
c. Other capital	-8.8	136.3	-46.4	40.5	136.8	176.6	3.2	-1.0	48.8	35.4	86.4	23.9	-38.4	10.4	-4.1
2. Portfolio investment	5.1	8.6	200.8	72.7	114.1	-50.6	-19.1	-12.4	148.7	-12.8	104.3	-1.6	-3.0	3.6	-1.0
2.1. Assets	0.3	-0.8	0.7	-0.4	-2.0	-0.5	-14.1	-4.5	-15.5	-3.4	-37.6	0.0	-0.3	-0.2	-0.5
a. Equity securities	0.1	0.1	0.1	0.0	-1.6	-0.1	-14.1	-3.9	-3.0	-0.8	-21.9	0.0	-0.3	-0.2	-0.5
- Monetary authorities															
- General government															
- Banks															
- Other sectors	0.1	0.1	0.1	0.0	-1.6	-0.1	-14.1	-3.9	-3.0	-0.8	-21.9	0.0	-0.3	-0.2	-0.5
b. Debt securities	0.2	-0.9	0.6	-0.4	-0.3	-0.4	-0.1	-0.6	-12.4	-2.6	-15.7	0.0	0.0	0.0	0.0
- Bonds and notes	0.2	-0.9	0.6	-0.4	-0.3	-0.4	-0.1	-0.6	-12.4	-2.6	-15.7	0.0	0.0	0.0	0.0
- Monetary authorities															
- General government															
- Banks															
- Other sectors	0.2	-0.9	0.6	-0.4	-0.3	0.1	0.0	0.0	0.0	-2.6	-2.6	0.0	0.0	0.0	0.0
- Money-market instruments	0.0	0.0	0.0	0.0	0.0	-0.5	-0.1	-0.6	-12.4	0.0	-13.1	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
- General government															
- Banks															
- Other sectors															
2.2. Liabilities	4.8	9.3	200.1	73.1	116.1	-50.1	-4.9	-7.8	164.1	-9.4	141.9	-1.6	-2.7	3.9	-0.5
a. Equity securities	2.4	9.8	43.2	67.8	124.8	-34.2	-3.6	-3.0	-1.4	-2.0	-9.9	-0.2	-1.0	-0.7	-1.8
- Other sectors	2.4	9.8	43.2	67.8	124.8	-34.2	-3.6	-3.0	-1.4	-2.0	-9.9	-0.2	-1.0	-0.7	-1.8
b. Debt securities	2.3	-0.5	157.0	5.3	-8.7	-15.9	-1.4	-4.9	165.5	-7.5	151.9	-1.4	-1.7	4.6	1.4
- Bonds and notes	2.3	-0.5	157.0	5.3	-8.7	-15.9	-1.4	-4.9	165.5	-7.5	151.9	-1.4	-1.7	4.6	1.4
- 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
- General government	2.3	-0.5	157.0	5.3	-8.7	-15.9	-1.4	-4.9	165.5	-7.5	151.9	-1.4	-1.7	4.6	1.4
- 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
- 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
- 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
- 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
- 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
- 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
- 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
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
3. Other investment	133.1	98.5	201.6	-100.7	-68.9	453.1	36.4	14.0	53.4	135.4	239.3	18.6	27.8	-38.9	7.4
3.1. Assets	14.1	7.3	-39.8	-117.6	-61.5	207.4	-17.0	-6.4	-65.5	-17.3	-106.3	53.3	20.1	-1.7	71.7
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
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
- Long-term															
- Short-term															
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
- Long-term															
- Short-term															
3.1.2. Loans	1.3	1.5	-7.0	6.0	0.0	-4.7	-3.1	-9.9	-3.4	-1.9	-18.4	1.9	0.0	0.4	2.3
3.1.2.1. 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
- 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
- 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
3.1.2.2. 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
- 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
- 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
3.1.2.3. Banks	2.4	0.0	-2.8	1.9	0.6	-0.3	-2.3	-8.9	-3.5	-1.2	-16.0	1.8	-0.1	0.2	1.8
- Long-term	0.8	0.0	-2.7	2.3	0.3	0.4	0.0	-1.2	0.0	-2.0	-3.2	0.0	0.0	0.0	-0.1
- Short-term	1.5	0.0	0.0	-0.4	0.3	0.1	-2.3	-7.7	-3.5	0.8	-12.8	1.8	0.0	0.2	1.9
3.1.2.4. Other sectors	-1.1	1.5	-4.3	4.1	-0.6	-4.4	-0.8	-1.0	0.1	-0.7	-2.4	0.1	0.0	0.2	0.4
- Long-term	0.0	0.0	0.0	0.0	0.0	-3.5	-0.8	-1.5	0.0	-0.9	-3.2	0.1	0.2	0.3	0.6
- Short-term	-1.1	1.5	-4.3	4.1	-0.6	-0.8	0.0	0.5	0.1	0.2	0.8	0.0	-0.2	0.0	-0.2
3.1.3. Currency and deposits	14.5	6.2	-35.3	-122.8	-61.8	211.3	-14.1	3.4	-61.7	-15.7	-88.1	51.4	20.1	-2.1	69.5
3.1.3.1. Monetary authorities	15.7	23.2	0.0	-5.7	-0.2	16.0	-3.6	1.0	1.7	0.9	0.1	0.0	0.1	0.1	0.2
3.1.3.2. 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
3.1.3.3. Banks	-36.1	-75.9	7.4	-50.1	0.7	238.5	-48.0	-1.3	-42.9	6.1	-86.0	56.7	29.9	9.0	95.6
3.1.3.4. Other sectors	35.1	58.9	-42.7	-67.0	-62.3	37.5	3.7	-20.5	-22.7	-2.1	-5.4	-9.8	-11.1	-11.1	-11.1
3.1.4. Other assets	-1.8	-0.5	2.6	-0.8	0.3	0.8	0.2	0.0	-0.3	0.2	0.1	0.0	0.0	-0.1	0.0
3.1.4.1. 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
3.1.4.2. 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
3.1.4.3. Banks	-1.8	-0.5	2.6	-0.8	0.3	0.8	0.2	0.0	-0.3	0.2	0.1	0.0	0.0	-0.1	0.0
3.1.4.4. 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
3.2. Liabilities	119.1	91.2	241.4	17.0	-7.5	245.7	53.4	20.5	118.9	152.8	345.6	-34.8	7.7	-37.2	-64.3
3.2.1. Trade credits	67.4	71.0	105.9	-17.4	-22.7	-15.7	52.3	2.4	-14.6	126.4	166.5	8.0	-11.1	-13.0	-16.1
3.2.1.1. 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
3.2.1.2. Other sectors	67.4	71.0	105.9	-17.4	-22.7	-15.7	52.3	2.4	-14.6	126.4	166.5	8.0	-11.1	-13.0	-16.1
3.2.2. Loans	48.5	10.5	105.0	-11.7	-93.8	241.9	0.4	3.6	-1.3	61.3	63.9	-7.7	0.1	-24.4	-32.0
3.2.2.1. Monetary authorities	-4.6	-6.7	3.9	-7.6	-41.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
a. Use of Fund credit and loans	-4.6	-6.7	3.9	-7.6	-41.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b. Other 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
c. 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
3.2.2.2. General government	27.														



Table 24
Merchandise trade by sections of SITC and by end use
in USD Million

	EXPORT						IMPORT						EXPORT				IMPORT				EXPORTIMPORT			
	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008	2009				2009				2010	2010		
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q1
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	521.2	670.8	762.5	736.9	2,691.5	1,146.6	1,176.7	1,239.9	1,480.0	5,043.1	642.1	1,100.7
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	78.3	283.5	126.3	132.2	141.5	160.3	560.4	59.7	128.3
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	37.5	197.0	8.6	13.7	12.8	16.5	51.7	43.9	12.6
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	58.3	172.9	34.4	45.6	53.0	64.4	197.3	62.4	34.2
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	220.4	150.5	196.4	242.5	809.7	45.3	187.4
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	11.9	10.2	10.7	12.9	45.7	2.1	8.6
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	115.8	141.5	145.1	166.3	568.8	51.2	150.9
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	141.5	188.2	223.7	217.6	770.9	237.6	304.8	305.7	353.5	1,201.5	177.6	257.3
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	36.8	31.2	38.8	142.7	304.9	277.7	276.7	350.0	1,209.3	25.2	233.5
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	180.0	167.9	198.0	194.4	740.3	84.1	98.3	97.5	112.9	392.9	174.6	84.5
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	2.7	2.1	0.6	0.4	5.9	0.1	3.6
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	224.2	346.8	416.6	379.6	1,367.3	637.9	666.9	725.8	851.3	2,881.9	354.9	662.7
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	29.7	23.5	29.2	115.7	228.0	188.4	185.6	235.2	837.1	17.3	136.1
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	263.7	294.3	322.4	328.1	1,208.6	278.1	319.4	327.8	393.0	1,318.4	269.8	298.4
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	2.7	2.0	0.6	0.4	5.7	0.0	3.5

Source: State Statistical Office of the Republic of Macedonia



	EXPORT										IMPORT										EXPORT					IMPORT					EXPORTIMPORT	
	2003	2004	2005	2006	2007	2008	2003	2004	2005	2006	2007	2008	2009					2009					2010					2010				
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q1			
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	521.2	670.8	762.5	736.9	2,691.5	1,146.6	1,176.7	1,239.9	1,480.0	5,043.1	642.1	1,100.7								
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	69.5	337.6	80.4	100.3	101.4	114.9	397.1	43.4	88.3							
Montenegro					28.0	39.0						1.4	1.2	4.5	5.8	7.4	7.1	24.9	0.4	0.4	0.5	0.4	1.8	4.8	0.2							
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	115.7	102.4	107.6	124.7	450.4	112.2	128.4	130.0	146.9	517.5	134.0	115.9								
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	58.0	84.2	77.4	70.4	290.0	83.9	100.7	120.4	134.1	439.2	59.2	84.6								
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	44.1	66.9	63.9	218.0	69.2	102.2	85.5	104.8	361.7	47.4	70.0								
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	217.0	49.4	61.5	64.0	67.8	242.6	66.8	51.0								
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	25.5	26.0	30.9	36.0	118.3	29.2	23.7								
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	14.1	9.5	36.1	6.6	7.9	10.0	9.0	33.5	26.9	8.2								
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	86.6	9.0	11.7	12.6	13.2	46.5	15.3	9.4								
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	16.7	61.5	12.5	15.9	19.5	22.6	70.4	13.7	13.7								
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	11.0	40.8	51.8														

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Table 26
Stock of foreign direct investment in Republic of Macedonia by country /1
in EUR Million

Country	1997		1998		1999		2000		2001		2002	
FDI in Republic of Macedonia	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Afghanistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Albania	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.6	0.1	2.1	0.2
Australia	-0.1	-0.1	0.2	0.1	0.3	0.1	0.3	0.1	0.4	0.0	1.8	0.2
Austria	17.6	12.4	30.1	11.2	39.5	11.0	33.0	5.7	36.8	3.5	37.7	3.3
Bahamas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Barbados	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Belgium	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.0	0.4	0.0	0.5	0.0
Bermudas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bosnia and Herzegovina	1.6	1.1	2.9	1.1	2.8	0.8	2.7	0.5	2.4	0.2	2.4	0.2
Belize	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Virgin Islands	0.1	0.1	0.1	0.1	0.5	0.1	1.4	0.2	3.9	0.4	7.0	0.6
Bulgaria	2.6	1.8	3.4	1.2	2.9	0.8	3.5	0.6	6.6	0.6	11.7	1.0
Byelorussia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Canada	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.1	0.1	0.0	0.1	0.0
Cayman Islands	0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central African Republic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sri Lanka	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
China	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
Taiwan	0.0	0.0	0.0	0.0	0.0	0.0	2.8	0.5	4.2	0.4	3.5	0.3
Cook Islands	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Croatia	5.8	4.1	6.4	2.4	7.6	2.1	8.2	1.4	10.3	1.0	12.3	1.1
Cuba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cyprus	1.2	0.8	77.1	28.5	92.8	25.8	117.9	20.3	138.7	13.4	141.6	12.2
Czech Republic	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.2	0.0
Denmark	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.0
Dominican Republic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
El Salvador	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Estonia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
France	0.2	0.2	0.4	0.1	0.4	0.1	8.0	1.4	5.9	0.6	10.7	0.9
Gorgia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Germany	9.3	6.6	14.1	5.2	15.9	4.4	50.2	8.7	54.6	5.3	52.5	4.5
Gibraltar	0.3	0.2	0.4	0.2	0.5	0.1	0.9	0.2	0.8	0.1	1.0	0.1
Greece	9.7	6.9	12.8	4.7	20.5	5.7	105.3	18.2	174.2	16.8	213.0	18.4
Hong Kong	0.0	0.0	0.0	0.0	0.3	0.1	0.3	0.1	0.0	0.0	0.0	0.0
Hungary	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	300.6	28.9	300.1	25.9
Iceland	0.9	0.6	0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
India	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Iran	0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Iraq	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ireland	0.0	0.0	-0.1	0.0	-0.1	0.0	0.1	0.0	0.7	0.1	0.0	0.0
Israel	0.0	0.0	0.2	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Italy	9.9	7.0	11.0	4.1	11.4	3.2	11.4	2.0	13.9	1.3	16.5	1.4
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Johanson Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jordan	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Lebanon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Libya	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Liechtenstein	0.2	0.1	3.8	1.4	10.2	2.9	4.8	0.8	6.5	0.6	4.1	0.4
Luxembourg	0.2	0.1	1.8	0.7	1.9	0.5	2.3	0.4	2.3	0.2	2.3	0.2
Malaysia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Malta	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mauritius	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mexico	0.0	0.0	-0.9	-0.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Moldova, Republic of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montenegro	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Netherlands	1.4	1.0	4.6	1.7	10.2	2.8	14.7	2.5	15.6	1.5	61.1	5.3
Netherlands Antilles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nigeria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norway	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0
Marshall Island	1.3	0.9	0.6	0.2	0.7	0.2	0.1	0.0	0.2	0.0	0.2	0.0
Pakistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Panama	2.0	1.4	2.9	1.1	3.1	0.9	3.5	0.6	12.9	1.2	13.3	1.2
Poland	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Portugal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Romania	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.3	0.0
Russia	3.5	2.5	5.5	2.0	2.5	0.7	0.0	0.0	0.0	0.0	1.3	0.1
St. Kitts and Nevis	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saint Vincent and the Grenadines	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
San Marino	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.1
Saudi Arabia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Serbia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Seychelles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0
Singapore	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Slovakia	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Slovenia	16.4	11.6	21.2	7.8	43.7	12.1	56.2	9.7	58.8	5.7	66.4	5.7
South Africa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Spain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sweden	1.4	1.0	1.6	0.6	1.7	0.5	2.2	0.4	1.1	0.1	2.3	0.2
Switzerland	32.1	22.8	40.8	15.1	45.8	12.7	61.5	10.6	79.2	7.6	85.2	7.3
Syria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.2	0.0
United Arab Emirates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Turkey	0.7	0.5	1.1	0.4	14.2	4.0	16.1	2.8	16.2	1.6	18.0	1.6
Ukraine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Great Britain	5.3	3.7	5.9	2.2	4.2	1.2	39.5	6.8	26.6	2.6	21.9	1.9
Jerisy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Isle of man	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
United States of America	1.4	1.0	2.4	0.9	4.1	1.2	12.5	2.2	34.0	3.3	41.3	3.6
Virgin Islands of the USA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2	0.0
Uzbekistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Serbia and Montenegro	15.9	11.2	19.4	7.2	21.1	5.9	19.3	3.3	29.7	2.9	26.7	2.3
International Finance Corporation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
European Bank for Reconstruction and Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central African Cntris development support bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Northatlantic cooperation alliance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	141.2	100.0	270.4	100.0	359.9	100.0	580.1	100.0	1,039.2	100.0	1,160.7	100.0

1/ Preliminary data

Source: National Bank of the Republic of Macedonia



Stock of foreign direct investment in Republic of Macedonia by country /1 in EUR Million

Country	2003		2004		2005		2006		2007		2008	
FDI in Republic of Macedonia	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Afghanistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Albania	2.0	0.2	4.4	0.3	3.6	0.2	11.6	0.6	16.6	0.7	23.9	0.8
Australia	2.1	0.2	2.1	0.1	2.1	0.1	2.3	0.1	2.0	0.1	2.4	0.1
Austria	42.8	3.3	62.3	3.9	57.7	3.3	219.4	10.5	238.3	9.4	334.6	11.3
Bahamas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Barbados	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0
Belgium	1.3	0.1	1.3	0.1	1.3	0.1	0.9	0.0	1.3	0.1	1.2	0.0
Bermudas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0
Bosnia and Herzegovina	2.4	0.2	0.7	0.0	0.2	0.0	1.0	0.0	1.3	0.1	1.8	0.1
Belize	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
British Virgin Islands	11.3	0.9	8.7	0.5	11.8	0.7	15.8	0.8	29.4	1.2	51.3	1.7
Bulgaria	23.3	1.8	24.3	1.5	27.4	1.6	42.8	2.0	62.5	2.5	86.5	2.9
Byelorussia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Canada	0.3	0.0	0.4	0.0	0.5	0.0	1.1	0.1	2.3	0.1	3.2	0.1
Cayman Islands	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	0.0
Central African Republic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sri Lanka	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
China	0.2	0.0	0.9	0.1	1.1	0.1	1.4	0.1	1.5	0.1	1.3	0.0
Taiwan	3.3	0.3	2.5	0.2	0.8	0.0	2.2	0.1	1.6	0.1	0.8	0.0
Cuk Islands	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2	0.0	1.3	0.0
Costa Rica	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Croatia	10.9	0.9	15.7	1.0	20.3	1.2	30.6	1.5	44.3	1.7	53.2	1.8
Cuba	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cyprus	141.1	10.9	150.5	9.4	160.8	9.1	182.2	8.7	20.5	0.8	34.9	1.2
Czech Republic	0.2	0.0	0.3	0.0	0.3	0.0	0.3	0.0	7.5	0.3	0.5	0.0
Denmark	0.1	0.0	0.1	0.0	0.0	0.0	0.5	0.0	1.2	0.0	1.3	0.0
Dominican Republic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
El Salvador	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Estonia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
France	15.2	1.2	19.6	1.2	1.5	0.1	0.3	0.0	10.5	0.4	13.0	0.4
Gorgia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Germany	57.3	4.4	70.6	4.4	64.1	3.6	64.1	3.1	85.9	3.4	66.2	2.2
Gibraltar	0.4	0.0	0.4	0.0	0.5	0.0	0.7	0.0	0.8	0.0	0.0	0.0
Greece	223.0	17.3	264.1	16.4	279.2	15.8	320.4	15.3	387.1	15.2	450.7	15.2
Hong Kong	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hungary	313.4	24.3	354.4	22.0	350.0	19.8	350.4	16.7	421.3	16.6	410.6	13.8
Iceland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.1	0.3	12.2	0.4
India	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Iran	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Iraq	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ireland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Israel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.3	0.2	4.1	0.1
Italy	15.0	1.2	32.1	2.0	37.7	2.1	44.4	2.1	46.5	1.8	55.5	1.9
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.0	0.0	0.0
Johanson Island	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jordan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lebanon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Libya	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Liechtenstein	22.0	1.7	1.5	0.1	2.5	0.1	6.7	0.3	1.6	0.1	2.1	0.1
Luxembourg	2.2	0.2	10.8	0.7	15.2	0.9	25.4	1.2	71.9	2.8	69.1	2.3
Malaysia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Malta	0.0	0.0	-0.1	0.0	-0.2	0.0	-0.1	0.0	0.0	0.0	0.1	0.0
Mauritius	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Moldova, Republic of	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
Montenegro	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2	0.0
Netherlands	69.7	5.4	103.2	6.4	213.3	12.1	212.0	10.1	431.3	16.9	435.6	14.7
Netherlands Antilles	0.0	0.0	98.9	6.1	69.5	3.9	54.7	2.6	18.0	0.7	0.0	0.0
Nigeria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norway	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.9	0.0
Marshall Island	0.3	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pakistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.5	0.0	-0.3	0.0
Panama	13.3	1.0	3.0	0.2	3.2	0.2	4.1	0.2	8.6	0.3	11.1	0.4
Poland	0.0	0.0	0.1	0.0	0.1	0.0	0.5	0.0	0.5	0.0	0.5	0.0
Portugal	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.1	2.2	0.1	2.3	0.1
Romania	0.3	0.0	0.5	0.0	0.4	0.0	0.1	0.0	0.5	0.0	-0.3	0.0
Russia	1.3	0.1	1.4	0.1	1.3	0.1	1.3	0.1	1.5	0.1	1.3	0.0
St Kitts and Nevis	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	0.1	2.9	0.1
Saint Vincent and the Grenadines	0.0	0.0	0.0	0.0	36.1	2.0	17.6	0.8	19.3	0.8	62.1	2.1
San Marino	0.7	0.1	0.7	0.0	0.8	0.0	0.9	0.0	2.4	0.1	2.4	0.1
Saudi Arabia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Serbia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	66.3	2.6	62.3	2.1
Seychelles	-0.1	0.0	2.1	0.1	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0
Singapore	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	0.1	0.0	0.0
Slovakia	0.0	0.0	0.1	0.0	0.2	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Slovenia	84.7	6.6	101.8	6.3	106.8	6.0	126.7	6.0	165.8	6.5	262.8	8.9
South Africa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Spain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.0	-0.1	0.0
Sweden	2.0	0.2	2.5	0.2	2.5	0.1	2.6	0.1	2.7	0.1	-1.8	-0.1
Switzerland	101.9	7.9	143.9	8.9	164.2	9.3	150.8	7.2	166.8	6.6	200.7	6.8
Swia	0.2	0.0	0.1	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
United Arab Emirates	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Turkey	18.9	1.5	26.5	1.7	25.1	1.4	27.7	1.3	34.9	1.4	43.0	1.4
Ukraine	0.2	0.0	0.6	0.0	3.6	0.2	3.3	0.2	1.9	0.1	0.9	0.0
Great Britain	34.7	2.7	38.4	2.4	38.2	2.2	67.4	3.2	102.2	4.0	145.6	4.9
Iersv	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0
Isle of man	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
United States of America	42.2	3.3	25.6	1.6	29.8	1.7	45.3	2.2	35.9	1.4	47.8	1.6
Virgin Islands of the USA	0.5	0.0	0.8	0.1	0.9	0.1	1.2	0.1	7.6	0.3	7.0	0.2
Uzbekistan	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Serbia and Montenegro	29.1	2.3	29.5	1.8	32.8	1.9	53.8	2.6	0.0	0.0	0.0	0.0
International Finance Corporation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
European Bank for Reconstruction and Development	2.6	0.2	2.4	0.2	1.8	0.1	1.4	0.1	0.0	0.0	0.0	0.0
Central African Cantris development support bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Northatlantic cooperation aliance	0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.0	1.7	0.1	0.0	0.0
Total	1,292.1	100.0	1,610.2	100.0	1,769.0	100.0	2,098.6	100.0	2,545.2	100.0	2,968.8	100.0

1/ Preliminary data

Source: National Bank of the Republic of Macedonia



Table 27
Stock of foreign direct investment in Republic of Macedonia by activity /1
in EUR Million

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 %
AGRICULTURE, HUNTING AND FISHING	1.1	0.8	0.6	0.2	0.9	0.3	0.8	0.1	2.7	0.3	3.7	0.3	9.8	0.8	23.1	1.4	23.0	1.3	23.1	1.1	27.0	1.1	30.9	1.0
MINING AND QUARRYING	0.3	0.2	0.4	0.2	0.7	0.2	9.9	1.7	13.6	1.3	16.9	1.5	15.5	1.2	22.4	1.4	39.3	2.2	45.3	2.2	50.7	2.0	168.5	5.7
MANUFACTURING	67.5	47.8	165.3	61.2	222.1	61.7	294.8	50.8	396.2	38.1	457.7	39.4	490.4	38.0	664.9	41.3	775.3	43.8	801.9	38.2	907.3	35.6	886.3	29.9
ELECTRICITY, GAS AND WATER CONSTRUCTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.1	5.2	0.3	6.2	0.4	157.1	7.5	161.7	6.4	164.3	5.5
CONSTRUCTION	0.6	0.4	0.8	0.3	5.6	1.6	32.9	5.7	47.0	4.5	56.1	4.8	65.9	5.1	64.5	4.0	61.1	3.5	70.5	3.4	87.1	3.4	117.2	3.9
TOTAL SERVICES	68.3	48.4	98.1	36.3	124.9	34.7	236.9	40.8	574.4	55.3	619.6	53.4	702.5	54.4	822.0	51.1	854.2	48.3	984.5	46.9	1,302.7	51.2	1,601.5	53.9
NOT ALLOCATED	3.6	2.5	5.1	1.9	5.7	1.6	4.7	0.8	5.3	0.5	6.7	0.6	7.3	0.6	8.1	0.5	9.9	0.6	16.2	0.8	9.1	0.4	0.0	0.0
SUB - TOTAL	141.2		270.4		359.9		580.1		1,039.2		1,160.7		1,292.1		1,610.2		1,769.0		2,098.6		2,545.2		2,968.8	
TOTAL	141.2	100.0	270.4	100.0	359.9	100.0	580.1	100.0	1,039.2	100.0	1,160.7	100.0	1,292.1	100.0	1,610.2	100.0	1,769.0	100.0	2,098.6	100.0	2,545.2	100.0	2,968.8	100.0

1/ Preliminary data

Source: National Bank of the Republic of Macedonia



Table 28
International investment position of the Republic of Macedonia, as of the end of the period
in USD Million

period	2003	2004	2005	2006	2007	2008
International Investment Position, net	-1,999.0	-2,498.5	-2,333.9	-2,474.0	-3,527.7	-4,606.2
Assets	1,868.5	2,162.2	2,455.8	3,256.5	3,946.3	3,462.8
Direct investment abroad	42.0	54.2	62.1	39.7	67.6	85.0
Equity capital and reinvested earnings	35.7	43.9	43.6	37.7	51.6	68.2
Other capital	6.3	10.3	18.5	2.0	16.0	16.8
Portfolio investment	3.8	4.1	3.6	4.2	4.4	3.1
Equity securities	3.8	4.1	3.6	4.2	4.4	3.1
Banks	3.0	3.3	2.9	3.4	3.6	2.1
Other sectors	0.8	0.8	0.7	0.8	0.8	1.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	929.3	1,128.6	1,065.4	1,346.9	1,634.7	1,267.1
Trade credits	194.3	267.2	299.0	441.8	652.7	674.0
Other sectors	194.3	267.2	299.0	441.8	652.7	674.0
Long-term	0.4	0.4	0.8	0.9	1.1	1.4
Short-term	193.9	266.8	298.2	441.0	651.6	672.7
Loans	25.5	27.4	26.0	2.3	3.9	8.5
Banks	24.0	25.7	25.6	2.0	1.1	1.5
Long-term	15.2	16.5	15.0	1.4	1.1	1.5
Short-term	8.8	9.2	10.6	0.5	0.0	0.0
Other sectors	1.5	1.7	0.4	0.3	2.8	7.0
Long-term	0.0	1.7	0.1	0.3	2.3	5.8
Short-term	1.5	0.0	0.2	0.0	0.5	1.2
Currency and deposits	706.0	827.7	733.3	868.4	936.4	541.1
Monetary authorities	41.4	16.2	15.5	23.6	25.3	1.6
Banks	664.6	811.5	717.8	844.8	911.2	539.2
Other assets	3.5	6.3	7.1	34.4	41.7	43.4
Reserve assets	893.4	975.3	1,324.7	1,865.8	2,239.6	2,107.6
Liabilities	3,867.5	4,660.7	4,789.7	5,730.5	7,474.1	8,069.0
Direct investment in reporting economy	1,614.7	2,190.6	2,086.9	2,763.8	3,739.4	4,185.3
Equity capital and reinvested earnings	1,477.0	1,858.5	1,863.5	2,454.0	3,271.4	3,394.0
Other capital	137.7	332.1	223.4	309.8	468.0	791.4
Portfolio investment	107.2	71.7	273.9	366.5	457.2	373.5
Equity securities	80.5	40.0	52.8	114.0	194.8	187.9
Banks	12.6	19.1	29.5	106.2	90.9	99.7
Other sectors	67.9	20.9	23.3	7.8	103.9	88.2
Debt securities	26.8	31.7	221.2	252.5	262.5	185.5
Other investment	2,145.6	2,398.5	2,428.9	2,600.2	3,277.5	3,510.1
Trade credits	398.2	485.6	457.0	486.2	854.5	914.4
Other sectors	398.2	485.6	457.0	486.2	854.5	909.5
Long-term	61.8	46.7	29.3	25.8	21.4	33.2
Short-term	336.4	438.9	427.6	460.4	833.1	876.3
Loans	1,657.2	1,814.4	1,852.2	1,853.3	1,991.9	2,180.9
Monetary authorities	68.4	62.5	62.1	55.8	0.0	0.0
General government	1,256.5	1,351.2	1,292.2	1,152.6	1,068.4	1,087.3
Banks	90.9	89.1	131.0	192.7	317.8	283.6
Long-term	80.0	78.4	128.3	192.7	293.6	283.6
Short-term	10.9	10.7	2.7	0.0	24.2	0.0
Other sectors	241.4	311.6	366.9	452.2	605.7	810.0
Long-term	219.9	293.6	293.5	436.8	547.9	789.0
Short-term	21.5	18.0	73.4	15.4	57.8	21.0
Currency and deposits	69.0	70.5	86.9	148.6	238.3	245.3
Banks	69.0	70.5	86.9	148.6	238.3	245.3
Other liabilities	21.4	27.9	32.8	112.1	192.8	169.5

1/ Preliminary data

Source: National Bank of the Republic of Macedonia



Table 29
International investment position of the Republic of Macedonia, as of the end of the period
in EUR Million

period	2003	2004	2005	2006	2007	2008
International Investment Position, net	-1,599.7	-1,836.6	-1,978.4	-1,878.5	-2,401.1	-3,267.2
Assets	1,495.3	1,589.3	2,081.7	2,472.7	2,686.0	2,456.2
Direct investment abroad	33.6	39.9	52.6	30.1	46.0	60.3
Equity capital and reinvested earnings	28.6	32.3	37.0	28.6	35.1	48.4
Other capital	5.0	7.6	15.6	1.5	10.9	11.9
Portfolio investment	3.0	3.0	3.1	3.2	3.0	2.2
Equity securities	3.0	3.0	3.1	3.2	3.0	2.2
Banks	2.4	2.4	2.5	2.6	2.5	1.5
Other sectors	0.6	0.6	0.6	0.6	0.6	0.7
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	743.7	829.5	903.1	1,022.7	1,112.7	898.8
Trade credits	155.5	196.4	253.5	335.5	444.3	478.1
Other sectors	155.5	196.4	253.5	335.5	444.3	478.1
Long-term	0.3	0.3	0.7	0.7	0.8	1.0
Short-term	155.2	196.1	252.8	334.8	443.5	477.1
Loans	20.4	20.1	22.0	1.7	2.6	6.1
Banks	19.2	18.9	21.7	1.5	0.7	1.1
Long-term	12.2	12.2	12.7	1.1	0.7	1.0
Short-term	7.0	6.7	9.0	0.4	0.0	0.0
Other sectors	1.2	1.2	0.3	0.3	1.9	5.0
Long-term	0.0	1.2	0.1	0.3	1.6	4.1
Short-term	1.2	0.0	0.2	0.0	0.3	0.9
Currency and deposits	565.0	608.4	621.6	659.4	637.4	383.8
Monetary authorities	33.2	11.9	13.2	17.9	17.2	1.1
Banks	531.8	596.5	608.4	641.5	620.2	382.4
Other assets	2.8	4.6	6.0	26.1	28.4	30.8
Reserve assets	715.0	716.9	1,122.9	1,416.7	1,524.4	1,494.9
Liabilities	3,095.0	3,426.0	4,060.1	4,351.2	5,087.2	5,723.5
Direct investment in reporting economy	1,292.1	1,610.2	1,769.0	2,098.6	2,545.2	2,968.7
Equity capital and reinvested earnings	1,182.0	1,366.1	1,579.6	1,863.4	2,226.6	2,407.4
Other capital	110.2	244.1	189.4	235.2	318.6	561.3
Portfolio investment	85.8	52.7	232.2	278.3	311.2	264.9
Equity securities	64.4	29.4	44.7	86.6	132.6	133.3
Banks	10.1	14.0	25.0	80.7	61.9	70.7
Other sectors	54.3	15.4	19.7	5.9	70.7	62.6
Debt securities	21.4	23.3	187.5	191.7	178.7	131.6
Other investment	1,717.1	1,763.1	2,058.9	1,974.3	2,230.8	2,489.8
Trade credits	318.6	356.9	387.3	369.2	581.6	648.6
Other sectors	318.6	356.9	387.3	369.2	581.6	645.1
Long-term	49.4	34.3	24.9	19.6	14.5	23.6
Short-term	269.2	322.6	362.5	349.6	567.1	621.6
Loans	1,326.2	1,333.8	1,570.1	1,407.2	1,355.8	1,546.9
Monetary authorities	54.7	46.0	52.7	42.4	0.0	0.0
General government	1,005.5	993.2	1,095.4	875.2	727.2	771.2
Banks	72.8	65.5	111.1	146.3	216.3	201.1
Long-term	64.0	57.6	108.8	146.3	199.8	201.1
Short-term	8.7	7.9	2.3	0.0	16.5	0.0
Other sectors	193.2	229.1	311.0	343.3	412.2	574.6
Long-term	175.9	215.8	248.8	331.6	372.9	559.7
Short-term	17.2	13.3	62.2	11.7	39.3	14.9
Currency and deposits	55.2	51.9	73.7	112.8	162.2	174.0
Banks	55.2	51.9	73.7	112.8	162.2	174.0
Other liabilities	17.1	20.5	27.8	85.1	131.2	120.3

1/ Preliminary data

Source: National Bank of the Republic of Macedonia



Table 30
Republic of Macedonia: gross external debt /1
in USD Million

	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
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	1,059.95
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	0.42
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
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
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
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	0.42
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	0.42
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
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	1,059.53
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	270.06
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	787.21
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
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
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	73.89
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
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
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
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
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
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
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
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	73.89
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
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
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
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	73.89
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	73.89
Banks	123.24	192.02	269.88	387.85	346.15	358.89	389.60	384.07	377.53	377.43	448.16	467.75	415.65
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	133.17
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
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	22.50
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
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	10.15
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	10.15
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
Long-term	55.93	110.60	154.44	209.73	203.84	220.06	216.25	212.72	224.30	214.62	220.83	245.55	282.48
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
Loans	55.79	106.40	146.31	199.81	189.02	206.48	203.21	201.14	200.67	190.92	194.00	219.63	224.72
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
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
Other Sectors	600.40	721.01	786.69	1,115.71	1,031.96	1,143.09	1,328.26	1,321.91	1,340.18	1,341.35	1,352.17	1,417.72	1,433.10
Short-term	370.02	475.84	435.42	727.89	643.68	727.10	808.90	738.32	745.03	736.73	750.23	818.19	850.39
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
Loans	4.78	53.03	11.65	39.32	24.35	16.37	16.51	14.91	17.02	11.31	9.00	5.03	17.15
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
Trade credits	322.58	362.86	349.59	567.07	539.02	626.80	703.70	621.55	626.68	620.76	634.16	694.72	687.05
Other debt liabilities	42.66	59.95	74.17	121.50	80.30	83.92	88.69	101.87	101.33	104.67	107.06	118.45	146.20
Arrears	42.66	58.40	74.17	121.50	80.30	83.92	88.69	101.87	101.33	104.67	107.06	118.45	146.20
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
Long-term	230.39	245.18	351.27	387.81	388.28	415.99	519.36	583.59	595.15	604.62	601.94	599.53	582.70
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
Loans	207.63	234.14	331.68	372.92	371.83	397.35	499.36	559.66	574.66	584.61	581.92	582.29	565.30
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
Trade credits	22.76	11.04	19.59	14.54	16.10	18.28	19.64	23.57	20.13	19.65	19.67	16.88	17.04
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	0.36
Direct investment:													
Intercompany lending	284.52	269.57	329.30	430.77	588.22	664.41	685.47	682.70	695.77	742.67	785.44	826.37	850.64
Debt liabilities to affiliated enterprises	3.70	5.68	13.16	6.11	4.30	5.46	6.35	7.40	9.35	9.37	9.43	9.48	7.56
Short-term	2.70	4.68	12.16	5.61	3.80	4.21	5.37	6.54	6.54	6.54	6.54	6.58	6.59
Long-term	1.00	1.00	1.00	0.50	0.50	1.26	0.98	0.87	2.81	2.83	2.89	2.90	0.97
Debt liabilities to direct investors	280.82	263.89	316.14	424.66	583.92	658.95	679.12	675.29	686.42	733.30	776.01	816.89	843.08
Short-term	189.58	112.22	162.51	219.65	213.84	243.62	266.16	246.37	245.10	214.70	248.10	256.16	255.79
Long-term	91.23	151.67	153.63	205.01	370.08	415.33	412.96	428.92	441.32	518.60	527.91	560.72	587.28
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	3,339.37	3,377.48	3,750.39	3,839.43	3,833.23

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	1,118.58	1,107.64	1,352.19	1,324.39	1,337.39
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	2,220.80	2,269.85	2,398.21	2,515.04	2,495.84
Short-term debt	629.63	674.16	725.53	1,131.28	1,003.62	1,113.76	1,253.77	1,162.58	1,149.89	1,120.79	1,232.20	1,303.34	1,246.36
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	2,189.48	2,256.69	2,518.20	2,536.09	2,586.86

*Revision of trade credits for 2007 and 2008, based on data from the new KIPO questionnaire.
Data on trade credits for 2009 and Q1 2010 are estimated using flow data from the balance of payments.

1/ Preliminary data
Source: National Bank of the Republic of Macedonia



Table 31
Republic of Macedonia: gross external claims /1
in EUR Million

	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
General Government	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
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
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
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
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
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
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
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
Long-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
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
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
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
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
Monetary Authorities	664.66	1,040.51	1,326.97	1,416.28	1,395.51	1,413.65	1,552.13	1,361.16	1,120.06	1,060.47	1,315.08	1,366.89	1,362.69
Short-term	664.66	1,040.51	1,167.82	917.15	279.69	300.38	404.19	245.87	168.70	249.03	515.89	465.13	341.54
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
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
Currency and deposits	664.66	1,040.51	1,167.82	917.15	279.69	300.38	404.19	245.87	168.70	249.03	515.89	465.13	341.54
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
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
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
Long-term	0.00	0.00	159.16	499.13	1,115.83	1,113.26	1,147.94	1,115.29	951.35	811.44	799.19	901.76	1,021.14
Bonds and notes	0.00	0.00	159.16	499.13	1,115.83	1,113.26	1,147.94	1,115.29	951.35	811.44	799.19	901.76	1,021.14
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
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
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
Banks	619.59	635.87	668.26	648.05	549.07	529.53	533.90	390.65	442.10	454.55	510.61	496.74	400.12
Short-term	618.75	634.56	667.17	631.33	532.37	509.81	514.22	371.12	422.58	433.88	488.92	473.08	376.73
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
Loans	0.00	2.17	0.39	0.00	0.00	0.02	0.02	0.01	0.01	9.43	12.16	11.14	10.50
Currency and deposits	596.54	608.45	641.45	604.19	525.74	502.97	507.24	363.95	415.49	417.15	469.32	454.29	358.37
Other claims	22.21	23.93	25.33	27.14	6.63	6.83	6.96	7.16	7.09	7.30	7.44	7.65	7.86
Arrears	22.21	23.93	25.33	27.14	6.63	6.83	6.96	7.16	7.09	7.30	7.44	7.65	7.86
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
Long-term	0.84	1.31	1.10	16.72	16.70	19.71	19.67	19.52	19.52	20.68	21.69	23.66	23.39
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
Loans	0.84	1.31	1.10	0.74	0.72	1.23	1.19	1.04	1.03	2.19	3.20	5.17	4.20
Currency and deposits	0.00	0.00	0.00	15.98	15.98	18.48	18.49	18.49	18.49	18.49	18.49	18.49	19.19
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
Other Sectors	197.77	253.94	336.54	447.43	490.79	540.12	588.92	507.00	460.93	466.64	496.43	431.28	440.66
Short-term	196.55	253.46	335.63	445.09	486.45	534.86	583.89	501.91	455.20	459.55	490.24	425.39	436.33
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
Loans	0.00	0.20	0.00	0.31	0.23	0.46	0.68	0.88	0.95	0.42	0.41	0.06	0.42
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
Trade credits	196.12	252.79	334.82	443.51	463.85	512.13	559.94	477.14	429.81	434.59	464.88	399.23	408.29
Other claims	0.43	0.46	0.60	0.87	22.23	22.09	23.22	23.65	24.36	24.48	24.90	26.08	27.50
Arrears	0.43	0.46	0.60	0.87	22.23	22.09	23.22	23.65	24.36	24.48	24.90	26.08	27.50
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
Long-term	1.23	0.49	0.91	2.34	4.35	5.26	5.04	5.09	5.73	7.09	6.19	5.88	4.33
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
Loans	1.23	0.10	0.25	1.57	3.83	4.10	4.07	4.12	4.96	6.31	5.60	5.30	3.94
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
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	0.39
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
Direct investment:													
Intercompany lending	47.98	95.87	95.60	123.11	130.14	138.32	127.95	133.29	143.93	181.16	175.31	178.91	206.80
Claims from affiliated enterprises	11.28	21.33	14.69	17.00	16.81	17.53	17.93	19.33	19.37	19.51	20.22	20.86	21.14
Short-term	11.28	18.31	12.99	15.79	15.60	15.65	15.97	17.24	17.21	17.21	17.12	16.94	16.99
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	4.14
Claims from direct investors	36.70	74.54	80.91	106.11	113.34	120.78	110.02	113.96	124.57	161.65	155.09	158.05	185.66
Short-term	21.78	24.71	29.46	66.31	59.09	66.61	55.85	57.14	58.48	58.88	66.98	69.45	115.76
Long-term	14.92	49.82	51.45	39.80	54.24	54.17	54.17	56.82	66.08	102.77	88.11	88.60	69.90
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	2,167.03	2,162.82	2,497.43	2,473.82	2,410.26

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	1,122.17	1,218.55	1,579.16	1,450.01	1,287.36
Long-term	16.99	54.64	214.31	559.20	1,192.33	1,194.29	1,228.78	1,198.83	1,044.85	944.27	918.27	1,023.82	1,122.90

*Revision of trade credits for 2007 and 2008, based on data from the new KIPO questionnaire.
Data on trade credits for 2009 and Q1 2010 are estimated using flow data from the balance of payments.

1/ Preliminary data
Source: National Bank of the Republic of Macedonia



Table 32
Republic of Macedonia: net external debt position /1
in EUR Million

	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
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	1,059.95
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	0.42
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
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
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
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	0.42
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	0.42
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
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	1,059.53
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	270.06
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	787.21
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
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
Monetary Authorities	-609.12	-977.70	-1,274.98	-1,407.27	-1,386.79	-1,404.95	-1,543.04	-1,352.01	-1,110.56	-1,051.22	-1,243.62	-1,295.15	-1,288.79
Short-term	-664.66	-1,040.51	-1,167.82	-917.15	-279.69	-300.38	-404.19	-245.87	-168.70	-249.03	-515.89	-465.13	-341.54
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
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
Currency and deposits	-664.66	-1,040.51	-1,167.82	-917.15	-279.69	-300.38	-404.19	-245.87	-168.70	-249.03	-515.89	-465.13	-341.54
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
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
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
Long-term	55.54	62.81	-107.17	-490.11	-1,107.10	-1,104.57	-1,138.85	-1,106.14	-941.86	-802.19	-727.73	-830.02	-947.25
Bonds and notes	0.00	0.00	-159.16	-499.13	-1,115.83	-1,113.26	-1,147.94	-1,115.29	-951.35	-811.44	-799.19	-901.76	-1,021.14
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
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
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	73.89
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	73.89
Banks	-496.34	-443.85	-398.38	-260.20	-202.92	-170.63	-144.30	-6.57	-64.58	-77.12	-62.45	-29.00	15.53
Short-term	-551.43	-553.14	-551.72	-453.20	-390.06	-370.98	-340.88	-199.77	-269.36	-271.06	-261.59	-250.89	-243.56
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
Loans	7.04	-0.87	-0.39	16.50	10.72	9.98	9.98	-0.01	-0.01	-9.43	-12.16	28.86	12.00
Currency and deposits	-544.82	-539.00	-536.75	-451.93	-401.45	-381.68	-352.37	-201.49	-271.86	-263.57	-251.03	-281.46	-257.86
Other debt liabilities	-13.64	-13.27	-14.59	-17.78	0.67	0.72	1.51	1.74	2.51	1.94	1.60	1.71	2.29
Arrears	-13.64	-13.27	-14.59	-17.78	0.67	0.72	1.51	1.74	2.51	1.94	1.60	1.71	2.29
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
Long-term	55.09	109.29	153.34	193.01	187.14	200.35	196.58	193.19	204.78	193.94	199.14	221.89	259.10
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
Loans	54.95	105.09	145.21	199.07	188.31	205.25	202.02	200.10	199.64	188.73	190.80	214.45	220.52
Currency and deposits	0.14	4.20	8.13	-6.06	-1.16	-4.90	-5.44	-6.91	5.14	5.21	8.34	7.44	38.58
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
Other Sectors	402.63	467.07	450.15	668.28	541.17	602.97	739.33	814.91	879.25	874.70	855.75	986.45	992.44
Short-term	173.47	222.38	99.79	282.81	157.23	192.24	225.01	236.41	289.84	277.18	259.99	392.80	414.07
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
Loans	4.78	52.83	11.65	39.01	24.13	15.92	15.83	14.02	16.07	10.89	8.59	4.97	16.72
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
Trade credits	126.47	110.07	14.77	123.56	75.17	114.67	143.76	144.40	196.87	186.17	169.29	295.48	278.76
Other debt liabilities	42.23	59.48	73.57	120.63	58.07	61.83	65.47	78.21	76.97	80.18	82.17	92.37	118.70
Arrears	42.23	59.48	73.57	120.63	58.07	61.83	65.47	78.21	76.97	80.18	82.17	92.37	118.70
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
Long-term	229.16	244.69	350.36	385.47	383.94	410.72	514.32	578.50	589.42	597.53	595.76	593.65	578.37
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
Loans	206.40	234.04	331.43	371.35	368.00	393.25	495.29	555.54	569.70	578.30	576.31	576.99	561.36
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
Trade credits	22.76	10.65	18.93	13.77	15.58	17.11	18.67	22.60	19.36	18.87	19.08	16.30	16.65
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	0.36
Direct investment:													
Intercompany lending	236.54	173.71	233.70	307.66	458.08	526.10	557.52	549.40	551.83	561.51	610.13	647.46	643.84
Debt liabilities to affiliated enterprises	-7.57	-15.65	-1.53	-10.89	-12.51	-12.07	-11.58	-11.93	-10.02	-10.14	-10.79	-11.37	-13.57
Short-term	-8.58	-13.63	-0.83	-10.18	-11.80	-11.45	-10.60	-10.70	-10.67	-10.67	-10.58	-10.36	-10.40
Long-term	1.00	-2.02	-0.70	-0.71	-0.71	-0.62	-0.98	-1.23	0.65	0.53	-0.21	-1.01	-3.17
Debt liabilities to direct investors	244.11	189.36	235.23	318.55	470.58	538.17	569.09	561.33	561.85	571.65	620.91	658.84	657.41
Short-term	167.80	87.51	133.05	153.35	154.75	177.01	210.30	189.23	186.61	155.82	181.11	186.71	140.03
Long-term	76.31	101.85	102.18	165.20	315.84	361.16	358.79	372.10	375.24	415.82	439.80	472.13	517.39
Net External Debt Position	550.17	502.05	76.05	206.18	293.26	436.55	489.65	912.06	1,172.35	1,214.66	1,252.96	1,365.61	1,422.97

Memorandum items

Short-term	-883.39	-1,297.39	-1,487.53	-944.38	-369.57	-313.56	-320.35	-30.70	27.72	-97.76	-346.96	-146.67	-41.00
Long-term	1,433.55	1,799.43	1,563.58	1,150.57	662.82	750.11	810.00	942.75	1,144.63	1,312.42	1,599.93	1,512.28	1,463.96

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/ Preliminary data

Source: National Bank of the Republic of Macedonia



Table 33
Reserve assets
in EUR Million

	1. Reserve Assets					Other foreign assets
	Monetary gold	SDRs	Reserve Position in the Fund	Foreign Exchange	TOTAL	
2003	29.7	0.3	0.0	685.0	715.0	33.2
2004	63.6	0.6	0.0	652.8	716.9	11.9
2005	94.9	0.7	0.0	1,027.3	1,122.9	13.2
2006	105.4	2.3	0.0	1,309.0	1,416.7	17.9
I	102.9	0.7	0.0	865.8	969.4	13.0
II	102.5	0.2	0.0	873.3	976.0	13.1
III	105.4	0.2	0.0	1,052.2	1,157.8	69.7
IV	111.1	2.6	0.0	1,079.3	1,193.1	69.4
V	111.2	0.9	0.0	1,100.3	1,212.5	69.2
VI	104.6	0.9	0.0	1,135.9	1,241.3	69.4
VII	109.8	0.8	0.0	1,165.5	1,276.1	69.3
VIII	105.9	0.3	0.0	1,239.4	1,345.6	18.1
IX	103.8	0.2	0.0	1,266.1	1,370.1	18.2
X	103.1	2.8	0.0	1,295.8	1,401.7	18.2
XI	105.9	0.5	0.0	1,307.3	1,413.8	17.9
XII	105.4	2.3	0.0	1,309.0	1,416.7	17.9
Q1	105.4	0.2	0.0	1,052.2	1,157.8	69.7
Q2	104.6	0.9	0.0	1,135.9	1,241.3	69.4
Q3	103.8	0.2	0.0	1,266.1	1,370.1	18.2
Q4	105.4	2.3	0.0	1,309.0	1,416.7	17.9
2007	124.3	1.0	0.0	1,399.1	1,524.4	17.2
I	108.7	1.7	0.0	1,284.7	1,395.1	18.1
II	111.7	0.2	0.0	1,270.6	1,382.6	17.9
III	108.7	7.0	0.0	1,297.3	1,413.1	17.9
IV	108.5	4.2	0.0	1,343.0	1,455.7	17.7
V	106.8	1.4	0.0	1,357.8	1,466.0	17.8
VI	104.8	1.4	0.0	1,312.2	1,418.4	17.8
VII	106.6	1.4	0.0	1,341.1	1,449.1	17.7
VIII	107.1	1.2	0.0	1,377.1	1,485.4	17.8
IX	113.6	1.1	0.0	1,407.4	1,522.1	17.4
X	118.6	1.1	0.0	1,431.4	1,551.1	17.6
XI	117.7	1.0	0.0	1,428.3	1,547.0	17.1
XII	124.3	1.0	0.0	1,399.1	1,524.4	17.2
Q1	108.7	7.0	0.0	1,297.3	1,413.1	17.9
Q2	104.8	1.4	0.0	1,312.2	1,418.4	17.8
Q3	113.6	1.1	0.0	1,407.4	1,522.1	17.4
Q4	124.3	1.0	0.0	1,399.1	1,524.4	17.2
2008	133.9	1.0	0.0	1,360.0	1,494.9	1.1
I	136.1	1.0	0.0	1,398.6	1,535.8	9.9
II	139.9	0.9	0.0	1,408.1	1,548.9	9.8
III	129.5	0.9	0.0	1,388.9	1,519.3	6.6
IV	121.6	1.1	0.0	1,371.5	1,494.3	6.7
V	123.8	1.0	0.0	1,385.1	1,509.9	0.6
VI	129.3	1.0	0.0	1,413.1	1,543.4	0.6
VII	127.7	1.0	0.0	1,428.2	1,556.9	0.6
VIII	123.9	1.0	0.0	1,474.7	1,599.6	0.6
IX	136.5	1.0	0.0	1,551.5	1,689.0	0.6
X	122.0	1.1	0.0	1,550.1	1,673.2	0.7
XI	139.5	1.0	0.0	1,448.7	1,589.2	1.2
XII	133.9	1.0	0.0	1,360.0	1,494.9	1.1
Q1	129.5	0.9	0.0	1,388.9	1,519.3	6.6
Q2	129.3	1.0	0.0	1,413.1	1,543.4	0.6
Q3	136.5	1.0	0.0	1,551.5	1,689.0	0.6
Q4	133.9	1.0	0.0	1,360.0	1,494.9	1.1
2009	168.1	63.5	0.0	1,365.9	1,597.5	1.0
I	156.4	1.0	0.0	1,284.3	1,441.8	5.4
II	162.9	1.0	0.0	1,249.7	1,413.6	6.1
III	152.0	1.0	0.0	1,114.8	1,267.8	5.2
IV	146.3	1.0	0.0	1,056.6	1,203.8	5.6
V	150.5	0.9	0.0	1,015.4	1,166.8	5.0
VI	146.1	0.9	0.0	1,056.6	1,203.6	3.9
VII	145.5	0.9	0.0	1,247.0	1,393.4	2.4
VIII	145.5	57.0	0.0	1,302.6	1,505.0	2.1
IX	150.2	63.3	0.0	1,313.1	1,526.6	2.0
X	154.1	62.4	0.0	1,332.5	1,549.0	1.6
XI	171.5	62.7	0.0	1,357.7	1,591.8	1.5
XII	168.1	63.5	0.0	1,365.9	1,597.5	1.0
Q1	152.0	1.0	0.0	1,114.8	1,267.8	5.2
Q2	146.1	0.9	0.0	1,056.6	1,203.6	3.9
Q3	150.2	63.3	0.0	1,313.1	1,526.6	2.0
Q4	168.1	63.5	0.0	1,365.9	1,597.5	1.0
2010	179.6	65.4	0.0	1,361.5	1,606.6	1.1
I	168.8	64.5	0.0	1,386.4	1,619.7	0.9
II	179.0	65.4	0.0	1,374.9	1,619.3	1.2
III	179.6	65.4	0.0	1,361.5	1,606.6	1.1
Q1	179.6	65.4	0.0	1,361.5	1,606.6	1.1

Source: National Bank of the Republic of Macedonia



Table 34
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
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
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	-	-	-	-	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	-	-	-	-	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	-	-	-	-	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

1/ Denomination of the denar for 100 in may 1993

Source: National Bank of the Republic of Macedonia



Table 35
Mid exchange rates (end of period)

	EUR	DEM	ITL	USD	ATS	FRF	GBP	CHF 1/
	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

Source: National Bank of the Republic of Macedonia



Table 36
Indices on effective exchange rate of the Denar*
base period 1995=100, ponders FT 2003

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	110.1	108.8	
2003	Q4	96.4	110.4	107.1	105.3
2004	Q4	99.4	105.9	103.6	111.1
2005	Q4	99.8	100.6	99.4	109.0
2006	Q4	99.3	98.7	97.8	97.8
2007	Q4	99.5	97.5	96.7	85.5
2008	Q4	101.2	98.3	95.6	90.9
2009	Q4	106.8	98.5	100.5	
2002	Q1	89.3	110.4	109.0	
	Q2	90.6	111.2	110.5	
	Q3	92.6	110.8	109.8	
	Q4	93.0	110.1	108.8	
2003	Q1	94.4	109.5	108.7	132.3
	Q2	95.4	110.5	108.5	128.2
	Q3	95.0	109.7	106.5	118.1
	Q4	96.4	110.4	107.1	105.3
2004	Q1	96.9	108.7	105.1	110.4
	Q2	97.0	106.0	103.4	110.4
	Q3	98.0	105.2	103.7	108.0
	Q4	99.4	105.9	103.6	111.1
2005	Q1	99.8	104.3	101.5	109.8
	Q2	99.6	102.5	100.7	92.9
	Q3	99.8	101.6	101.7	95.2
	Q4	99.8	100.6	99.4	109.0
2006	Q1	99.9	100.6	100.4	107.4
	Q2	100.6	100.6	101.3	95.4
	Q3	100.1	100.0	100.6	99.4
	Q4	99.3	98.7	97.8	97.8
2007	Q1	99.5	97.3	96.6	88.3
	Q2	99.8	97.1	96.5	85.3
	Q3	99.6	96.7	96.5	82.4
	Q4	99.5	97.5	96.7	85.5
2008	Q1	100.6	100.0	97.2	79.6
	Q2	101.0	99.4	98.7	76.6
	Q3	99.7	97.0	97.9	72.7
	Q4	101.2	98.3	95.6	90.9
2009	Q1	106.4	101.3	97.8	82.6
	Q2	106.3	99.8	99.0	83.8
	Q3	106.8	99.2	100.4	80.9
	Q4	106.8	98.5	100.5	
2010	Q1	106.1	98.4	99.7	

* Index below 100 indicates increased export competitiveness.

Source: NBRM.

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).

Quarterly GDP data are available since 1997. Quarterly GDP, calculated by the production approach, is expressed in constant prices. The data are presented by sector 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.

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

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 employed in the *agriculture* comprise sectors A and B; the employed in the *industry* comprise sectors C, D, E and F; the employed in the *services* comprise sectors from G to O according to the NACE classification.



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.

The wages in the *agriculture* comprise sectors A and B; the wages in the *industry* comprise sectors C, D, E and F; the wages in the *services* comprise sectors from G to O according to the NACE classification.

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.

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 lay 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.

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. 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, medium-term and long-term loans and credits. 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. The paid interests refer to the due current liabilities on disbursed medium-term and long-term foreign loans and credits. The source of data is external debt reports, which are obligatorily recorded in the NBRM (credit indebtedness).

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 medium-term and long-term loans and credits 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: The data refer to the changes in the stock of the official foreign exchange reserves. The source of data are the reports of the NBRM regarding the foreign exchange reserves stock calculated according to the exchange rate on the date of the reporting period.

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

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 Guide⁸⁴ (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, 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).

⁸⁴ External Debt Statistics: Guide for compilers and Users, IMF, 2003

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.

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 and new commitments 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 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.

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 (CI);

-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 current year, the calculation of this item is based on the stock of debt at the end of the previous year increased for the flows from the balance of payments in the item portfolio investment - debt securities.



- for the category loans the data are used from the reporting system on external debt (CI) - 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 etc.; and the reporting system on external claims (CC) - 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 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 (CI) ;
- for the category other the data are used from the reporting system on external debt (CI) 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 (CI) and the reporting system on external claims (CC);
- 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 (CI) and the reporting system on external claims (CC);

Data sources for the net external debt of the Other sectors

- for the category loans the data are used from the reporting system on external debt (CI) and the reporting system on external claims (CC);
- 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 (CI) and the reporting system on external claims (CC);
- for the category other - the data on arrears are used from the reporting system on external debt (CI) and the reporting system on external claims (CC);

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 (CI) and the reporting system on external claims (CC), 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 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.

**Table no. 33 Reserve assets**

The data reflect the stock of reserve assets and other foreign 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.

Other foreign assets

This category consists of placements in subordinated foreign currency deposits with non-residents, foreign exchange assets with foreign banks used as collateral for issued guarantees, foreign exchange assets received on accounts of the government, as well as placements in equity securities issued by non-residents (BIS equity shares) in foreign currency readily available for sale.

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.

Table no. 36 Indices on effective exchange rate of the Denar

Real Effective Exchange Rate (REER) is an index calculated by the Nominal Effective Exchange Rate Index of the Denar relative to the Relative Prices Index.

Nominal Effective Exchange Rate Index (NEER) is calculated as weighted geometric mean of the average monthly nominal exchange rates of 12 countries which are major foreign trade partners of the Republic of Macedonia (Austria, Bulgaria, Croatia, Germany, Greece, Italy, Netherlands, Russia, Slovenia, Turkey, USA and Serbia), with base period 2003=100 and overall trade weights in 2006.

The Relative Prices Index is calculated as an interrelation of the weighted average index of the prices in the selected 12 countries and the domestic price index, with base period 2003=100 and overall trade weights in 2006. Consumer Price Index (CPI), Producer Price Index (PPI) and Unit labor cost (ULC) are used as deflators.