

National Bank of the Republic of Macedonia



**Quarterly Report
July, 2011**



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Introduction

The NBRM monetary policy stance in the second quarter of the year remained unchanged, and the main monetary policy instrument, interest rate on CB bills, remained at the level of 4%. The setting for the monetary policy implementation was characterized by favorable movements in the key macroeconomic variables, but still retaining the risks, urging for prudence when setting the monetary policy stance in the analyzed period. In the second quarter of 2011, **initial signals to quell inflationary pressures in the domestic economy** were recorded. Stabilization of import prices and undertaken domestic measures contributed to slowing the growth of domestic prices, so that the **realized annual inflation of 4.7% is significantly below the expectations for the quarter (5.0 to 5.5%)**. In the absence of additional pressures on domestic prices by the aggregate demand, core inflation remained low also in the second quarter (1.2% on annual basis). **The movements on exchange and currency markets were favorable and within the projections**, amid stable expectations for the inflation and exchange rate. However, **the uncertain economic prospects related to the most important trading partner, the European Union**, due to the problems with public finance in individual European countries, **created further risks** with potentially adverse effects on the domestic economy. In this direction was also the **uncertain and erratic movement of world prices of oil and food**, which in the past period were global factors that influenced the achievement of higher levels of inflation.

The latest revisions of the macroeconomic projections point to a strengthening of the favorable trends in the economy, but also retention of the identified risks. The growth of **inflation** in 2011 is expected to be lower relative to the previous projections, due to lower realized inflation and lower expected growth in world oil and food prices by the end of the year, which will contribute to a more rapid slowdown in the annual growth of domestic prices in the second half of the year. **Domestic economic activity** is expected to recover at a faster pace, but, by the end of the year it is not expected to create pressures on the balance of payments current account and inflation. **Current account deficit** was subject to downward revision, which amid significant amount of expected capital inflows and government borrowing will allow further increase in the foreign exchange reserves and their maintaining at an adequate level. However, **the risks regarding the forecasts have not been exhausted yet. Debt crisis in the euro zone**, which started to create pressures also in some of the larger countries in the EU in early July, remains to be the main factor that creates uncertainty. Despite the, currently, obvious reversal in trends in prices, however, recent developments (re-growth in oil prices) confirm the **high uncertainty about the future trajectory of global prices and their transmission effect on the domestic prices.**

In the first quarter of 2011, the domestic economy maintained the growth trend, present for four quarters in a row. Despite the lower quarterly growth of 0.4%, the annual **gross domestic product rose by 5.1%, which has been the highest growth rate in the last ten quarters, i.e. since the appearance of the first effects of the crisis.** In terms of projections, **the movements of the domestic economy have fully met the expectations according to the latest projections of the NBRM.** Main generator of the growth remains to be the export sector, which driven by the strengthened foreign demand and further rapid growth in the prices of major export products on the world markets, registered a high growth rate also in the first quarter of 2011. Favorable international environment and more favorable perceptions of future economic growth, caused more favorable expectations of foreign and domestic investors, which reflected positively on investments. Their fast growth was further supported by the significant government investments and the moderate strengthening of the corporate lending. Private consumption also made positive contribution. It registered a significant recovery, despite the fall in the previous quarter, supported by the increased number of employees and the stronger credit support for the households by the banking sector.

Such movement of the components of domestic demand caused its high contribution to the growth of the economy in the first quarter. Increased domestic and export demand, given the substantial import dependence of the economy, contributed to fast growth in imports, too, due to which net exports, which in the previous quarter were positive, in the first quarter of 2011 had a negative contribution to GDP growth. **The latest projections for the next period point to faster**



growth of domestic economy in 2011, compared with the growth in 2010, which due to the higher than expected private consumption and investments at the beginning of the year, would reach around 3.6% (instead of 3% in the April projection). The risks around the projection are still present and are mainly associated with the projected growth in foreign demand, the spillover effect of world prices, the degree of realization of planned government investments and the expected foreign direct investments.

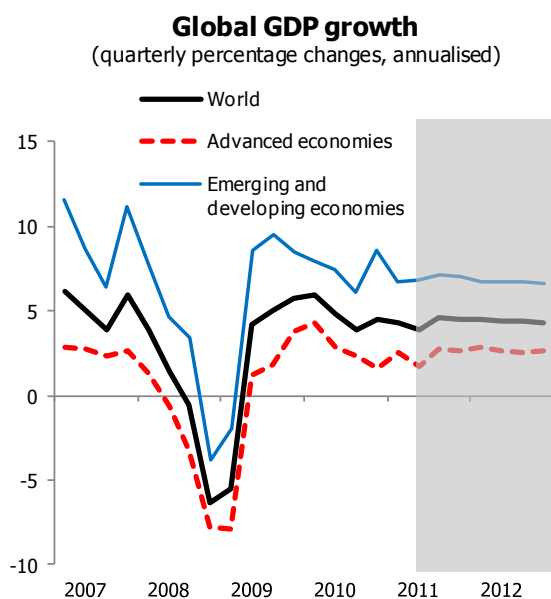
In the first quarter of 2011 credit flows to private sector were twice larger, and the quarterly growth rate reached 2.3% (1.2% in the last quarter of 2010). The increased credit activity occurred amid increased demand, but also higher supply of credits. Results show that the recovery of domestic economy and the gradual improvement of the credit portfolios quality improved banks' perceptions of the degree of risk, which positively affected the credit supply. Increased deposit potential of banks, which is the main source of funding, also acted in this direction. Recent data show that these trends are maintained in both months of the second quarter. In May, banks' total deposits and credits increased by 8.8% and 8.4%, respectively, on an annual basis. **Favorable trends in the credit market are expected to continue until the end of the year and banks' support to the real economy is expected to increase further. However, the extent of credit expansion remains largely dependent on the assessments of banks' credit risk.**

In the first quarter of 2011, the balance of payments current account deficit reached 2.8% of GDP (compared to 2% of GDP in the previous quarter). However, the increase on quarterly and annual basis did not cause pressure on foreign exchange reserves, mainly due to high capital inflows. Regarding the balance of payments current account, deficit deepening mostly reflects the increased negative trade balance due to faster growth of imports of intermediate products and energy products, which exceeded export growth. The common seasonal decline in private transfers gave an additional contribution to the quarterly expansion. However, despite the deteriorated current account balance, high foreign direct investments and disbursements from the precautionary credit line from the IMF contributed to its complete coverage and further accumulation of foreign reserves. According to latest data, as of June 30, 2011, foreign exchange reserves stood at Euro 1,832.4 million and are at an adequate level, providing coverage of 4.1 months of projected imports of goods and services. **The latest projections until the end of the year point to a downward revision of the expected current account deficit, amid favorable developments in the external sector, primarily in trade.** However, the risks are still present, primarily related to the realization of the projected level of capital inflows, to the growth of export demand that has an impact on trade balance, and to the movement of world prices of oil and food due to their impact on import prices and hence on inflation and inflationary expectations. Their monitoring is still in the focus of the monetary policy in order to timely adjust its stance, if necessary.

I. Macroeconomic developments

1.1. International economic environment¹

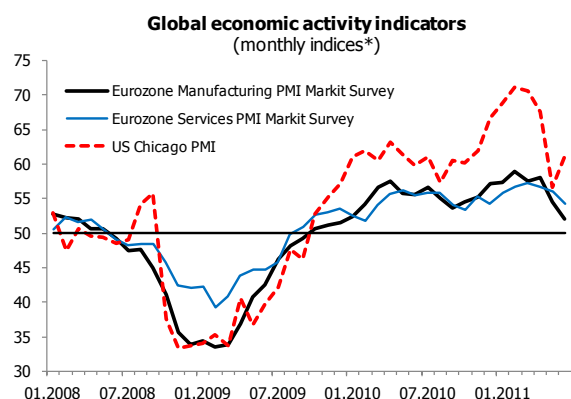
In the first quarter of 2011, the global economy continued to recover, led by the intensive growth of the fast growing and developing economies. The growth in the Eurozone was higher than expected, primarily as a result of the private investments in the big countries, against the still anemic recovery of the private consumption. Despite the estimates that the global growth will slow down in the second quarter, most indicators point that it would be only temporary and that the growth will intensify by year end. The projection risks, however, are mostly negative and related to the debt crisis in the Eurozone, the fiscal consolidation in the developed countries and the overheating of the fast growing and developing economies. The global inflation intensified in the first quarter, mostly under influence of the primary products prices. The inflationary risks are dominantly upward, but lower than before, and are related to the high increase of the primary product prices and the basic inflation increase. In addition, as a result of the inflationary pressures in the Eurozone and the expectations to keep the inflation above target, the European Central Bank (ECB) raised the referent interest rate again in early July.



Source: IMF.

The global economy recovery continued in the first quarter of 2011, when an annual growth rate of 4.4% was reached, as expected previously. The global growth, however, is still unequal, considering the relatively low growth in developed countries against the signs of overheating in fast growing and developing economies. The anemic growth in the developed countries was due to disruptions in supply caused by the natural disasters in Japan, the high prices of primary products and bad weather conditions in the USA, as well as by the private sector balances adjustments and the need for a more significant fiscal consolidation. Analyzed by regions, the developments in the Eurozone were more positive than expected, against the slowed down growth in the USA and the decline in Japan. On the other hand, the intensive growth of the fast growing and developing economies continued, with some differences among regions. The growth in Asian countries was a reflection of the strong domestic and foreign demand in an environment of a continued relaxed monetary and fiscal policy and high capital inflows. The intensive growth also continued in Latin America, although

¹ The analysis is based on the ECB Monthly Bulletin for June and July 2011; the IMF's World Economic Outlook of June 2011; the EU Candidate and Pre-Accession Countries Economies Quarterly of the European Commission of July 2011; the weekly reports of the National Bank of Greece; the August Report for Southeastern Europe of the Business Monitor International; the Economic Review of the Eurozone by Roubini Global Economics of June 2011.



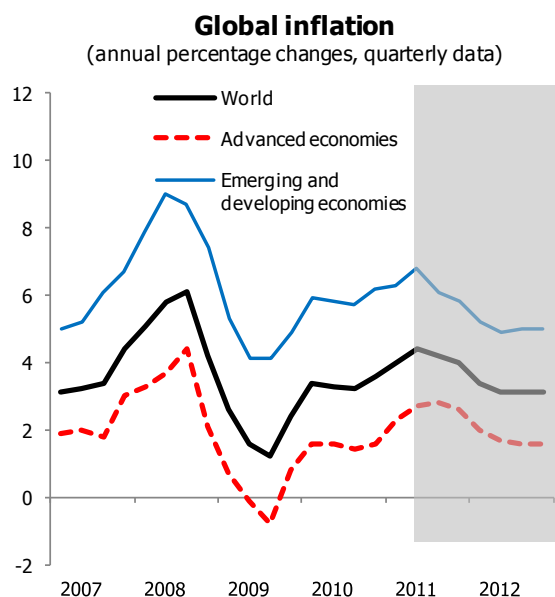
*The PMI index reflects the percentage of respondents that reported better business conditions compared to the previous month and it can take values between 0 and 100. In interpreting the PMI, PMI=50 is considered as a reference value, indicating unchanged economic conditions. A PMI value over 50 is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

with more moderate rates in some countries due to the gradual cease of the stimulus policies. On the other hand, growth in most of the Central and Eastern European countries was a result mostly of the foreign demand, against the weak domestic demand in an environment of still unfavorable situation on the labor markets.

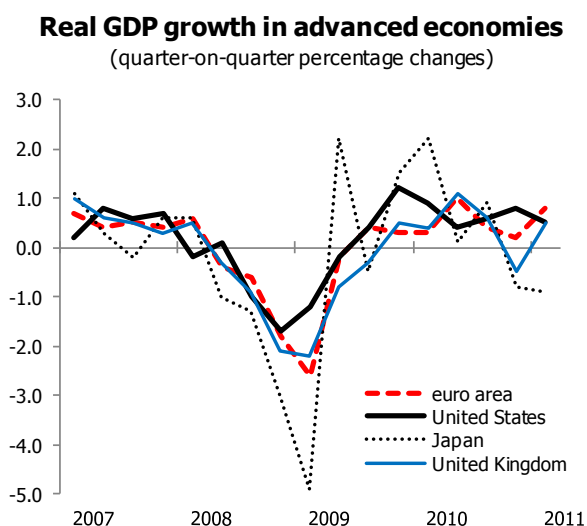
The most recent estimations² point to a slowdown of the global growth in the second quarter of 2011, especially in most of the developed countries. The lower growth is primarily due to the weak private demand, given the lower income of households and larger disruptions in the supply as a consequence of the earthquake on Japan. On a lower level, what also points to growth are high-frequency indicators, such as the PMI³ indicator, which registered downward movements in the Eurozone and USA in the second quarter. This slowdown, nevertheless, is estimated to be short term, considering the temporary character of the factors that are causing it, and that the stable fundamental factors will contribute for the growth to intensify in the second half of the year. The IMF June projections thus forecast **a 4.3% growth of the global economy in 2011, which is similar to the April projection.** The projection still includes different expectations for the different groups of countries, i.e. continuation of the global imbalance. The projection of the expected growth in developed countries has been revised downward by 0.2 percentage points (p.p.) to 2.2%, with positive revisions for the Eurozone and negative revisions for the USA and especially Japan. On the other hand, the growth of the fast growing and developing economies is expected to be 6.6%, which is moderately more optimistic than previously projected. Nevertheless, **the projections risks are more negative than those in April projections.** The most significant risks are related to the debt crisis of the countries in the Eurozone periphery, and their actualization would cause a disruption of the recovery of the European and world economy. Another risk is the shortage of credible midterm plans for fiscal consolidation in the developed countries, which can result in instability and higher risk premiums on markets, and consequently, a slower economic growth. The risks in fast growing and developing countries correlate with the extended overheating of their economies, which can cause increased

² According to the IMF's World Economic Outlook of June 2011.

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



Source:IMF.



Source: Eurostat.

instability (boom-bust cycle) if adequate measures are not undertaken by the macroeconomic policies. On the other hand, the upward risks of the global growth are similar to the April projection ones, and they correlate with higher private investments in the developed countries and higher growth in the fast growing and developing countries.

The global inflation continued to intensify in the first quarter of 2011 and reached an annual rate of 4%. This was primarily a result of the higher increase of primary products prices, and partly of the gradual increase of the basic inflation in the fast growing and developing economies in particular. The developed countries registered 2.3% inflation in the first quarter mostly due to the high prices of oil and other primary products. Inflation in the fast growing and developing countries, however, was significantly higher at 6.3%. The prices increase in these countries results from the accelerated pressures of the demand and the increased participation of the primary products in the expenditure. Considering these developments and the expectations for future, **an upward revision was made of the projected inflation rate (from 2.2% to 2.6%) by the IMF for the developed countries in 2011, while the inflation in the fast growing and developing economies is still expected to reach 6.9%.** Inflationary risks are mainly in upward direction and correlate with the higher increase of primary products prices and a possible transfer of effects on the basic inflation and consequently on inflation expectations. These risks, however, are less prominent than before, considering the latest downward movements of the prices of energy, food and other primary products.

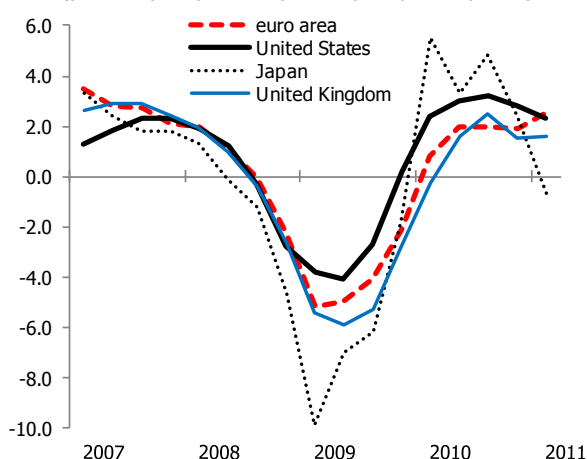
The economic growth in the Eurozone intensified in the first quarter of 2011. The quarterly growth rate was 0.8% (against 0.3% in the last quarter of 2010), which resulted in the annual growth rate stepping up from 2% to 2.5% in the first quarter. The main growth factor was the investment activity, which registered a quarterly growth for the first time since early 2008 (excluding the temporary growth in the second quarter of 2010). The investment growth in fixed assets was a reaction to bigger investments in construction, and especially to other investments in circumstances of stronger economic activity and improved financing settings. Private consumption also had its positive contribution to the annual growth rate, although its recovery is still slow due to the trends of real available income. The public consumption and the change of reserves also



contributed positively, but to a lesser extent than the other domestic demand components. Net export had an additional positive impact on the growth, given the relative slowdown of the annual export and import growth. **The economic activity growth resulted in continuation of the labor market gradual recovery.** These movements, however, still mirror primarily the increasing number of hours worked against the still slow increase of the number of employees. Consequently, the unemployment rate in the period from February-May remained at 9.9%, although surveys indicate possible employment growth in the second quarter of 2011.

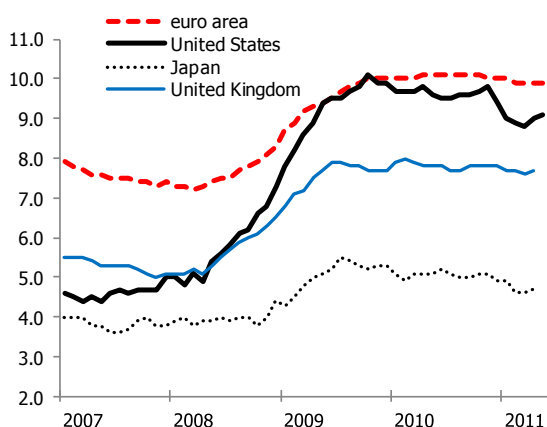
The latest economic developments, the indicators based on surveys, and the positive global demand, point to continuation of the Eurozone economies recovery. Consequently, **the ECB and the IMF made an upward revision of the expected growth rate in the Eurozone in 2011.** The IMF in June projected a 2% growth (against the previously projected 1.6%), mainly as a result of the significantly more optimistic expectations of the big countries, such as Germany and France. The ECB projected growth in the range from 1.5% to 2.3%, which is an upward revision for 0.2% p.p. The ECB expects the growth to result mostly from the private investments and net-export, given the increased trust of companies, smaller financial restrictions, and continued global growth. On the other hand, the private consumption will continue its relatively slow recovery pace, primarily because of the low increase of the real available income. According to the ECB, **there is a great uncertainty about the economic growth projections for the Eurozone, although the risks are considered to be generally balanced.** The positive risks relate to the quicker strengthening of the domestic economic activity in circumstances of improved business confidence, as well as to increased export activity supported by the possible faster global economy growth. The key negative risks include the ongoing instability of the financial markets, which could have a negative impact on the real economy in the Eurozone. The other expert resources regard the instability related to the debt crisis, as well as the efforts for debt refinancing and fiscal consolidation of the countries in the Eurozone periphery, especially Greece⁴, as even higher negative risks for the growth.

Real GDP growth in advanced economies
(year-on-year percentage changes; quarterly data)



Source: Eurostat.

Unemployment in advanced economies
(in percent; seasonally adjusted monthly data)

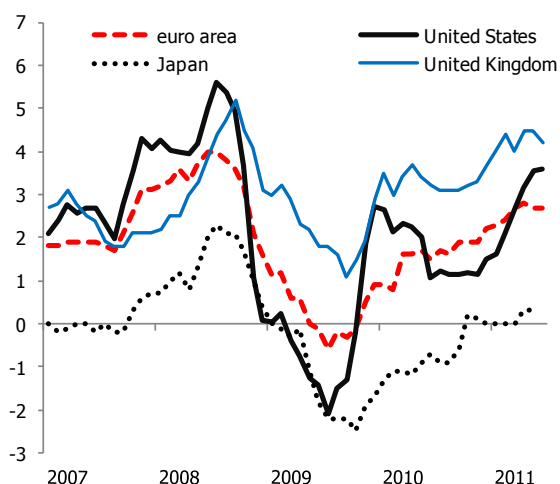


Source: Eurostat.

⁴ According to the Economic Review of the Eurozone by Roubini Global Economics of June 2011, it is estimated that there are increased risks for the systematic disruption to transfer from Greece to the other periphery countries and then, through the banking system, to the key Eurozone countries. The additional



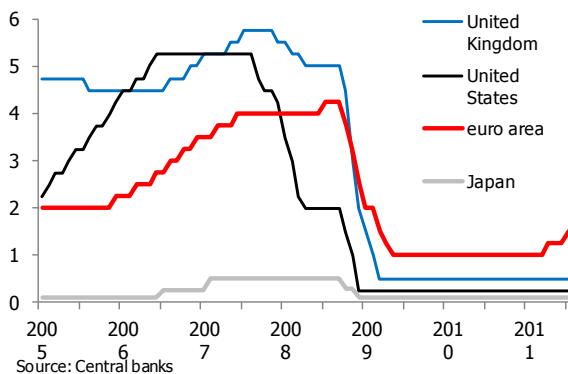
Inflation in advanced economies
(annual percentage changes; monthly data)



Source: Eurostat and national statistical offices.

The annual increase of the consumer prices in the Eurozone continued to substantially exceed the 2% target, a trend which began in December 2010. The price growth was intensifying by April, when it reached 2.8%, and then began to decelerate to 2.7% in May and June. These developments primarily reflect the price increase of energy and non-energy primary products during most of that period, as well as the decrease of the oil price in May and its stabilization in June. In June, the ECB revised the expected inflation rate in the Eurozone for 2011 upwards, projecting that it would fall in the range from 2.5% to 2.7% (against the previously projected range from 2%-2.6%), which mostly mirrors the higher outputs. The ECB estimates that there are still upward risks for the projection, mainly related to the higher energy price increase, although the latest realizations show that this risk is considerably less prominent than before. Additional inflationary risks are the possibly higher indirect taxes due to the fiscal consolidation, and the possibly greater pressures from the domestic demand.

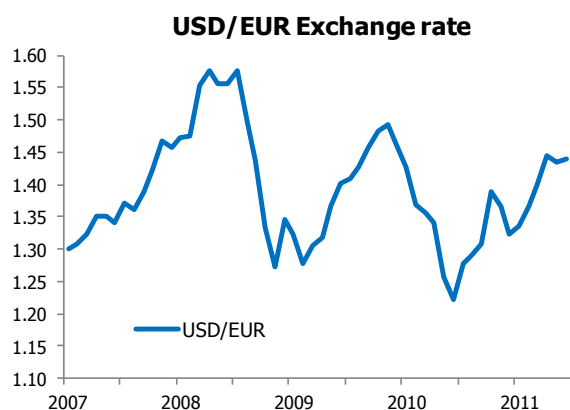
Policy rates in advanced economies
(in percent)



Source: Central banks

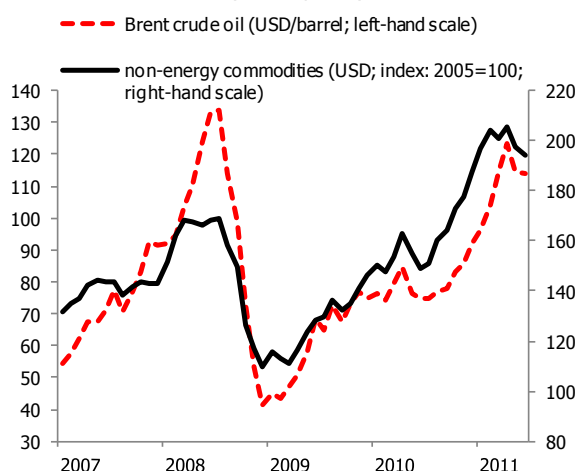
In May and June 2011, the central banks of the big developed countries continued their accommodative monetary policy, thus keeping its stimulating character. Nevertheless, in early July, the ECB increased again the interest rate to 1.5%, as a result of the ongoing upward inflationary pressures in the Eurozone and the positive economic developments in the first half of the year. Thereto, the ECB projects that the inflation will remain above the 2% target and that the inflationary risks are dominantly upward. Considering that, the market expectations point to a referent rate increase also in the last quarter of this year. On the other hand, the FED, the Bank of Japan and the Bank of England have kept the interest rates at the historically lowest level. In addition, contrary to the tightening policy started by the ECB, it is expected that the FED will keep the current referent rate for a longer period of time, taking into account the low level of use of capacities and the stable inflationary expectations. Unlike the developed countries, the central banks of some of the fast growing and developing countries (particularly the Asian countries) have continued to increase the interest rates, in an environment of upward inflationary trends and other signs of economy overheating.

negative risks include the possible increase of the energy prices, and the negative effects of a stricter monetary policy on the economic recovery of the Eurozone periphery countries.



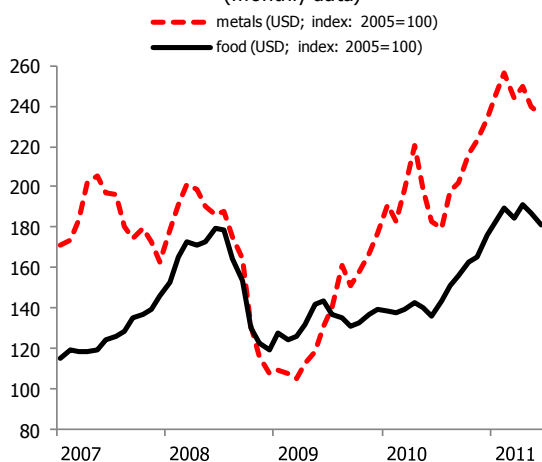
Source: Eurostat

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



Source: IMF monthly database.

Prices of food and metals
(monthly data)



Source: IMF monthly database

Interest differentials and economic activity estimations contributed for a continued appreciation of **the Euro against the US Dollar by early May, when the Euro reached its highest value since early 2010.** The uncertainty, however, about the debt crisis and the fiscal consolidation added to a more prominent depreciation of the Euro in late May. This trend was discontinued in June, when the Euro began to appreciate again, according to the expectations for an increment of the ECB referent interest rate. The average nominal foreign exchange rate of the Euro in June was 1.44 USD per 1 Euro, which was an appreciation of the Euro by 8.8% compared to December 2010.

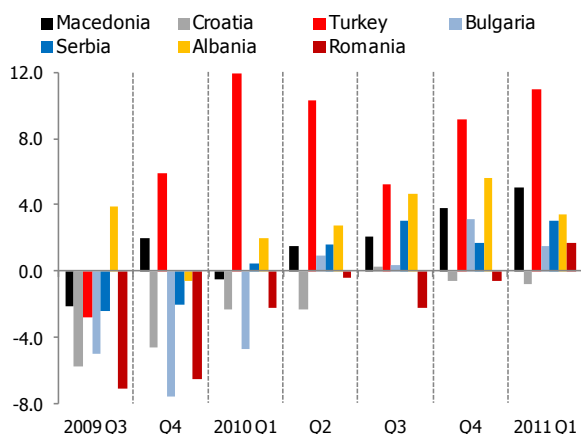
Oil prices were rising by April, when the average price of Brent crude oil was 123.2 USD per barrel, by which the upward trend, which started in August last year, continued. The main reasons for the prices increase were the escalated demand due to the global economy recovery and the uncertainty due to the war in Libya. In early May, however, the oil prices decreased considerably, which is explained with the estimations for the decelerated global growth, the appreciation of the US Dollar, and the speculative motives. The oil price stabilized in June at an average of 113.8 USD per barrel, which was close to the level in March this year, but by 43% higher than the average one in 2010.

The prices of non-energy primary products⁵ generally registered an increase since the beginning of the year till April, and then in May and June they declined. In the second quarter of 2011, their level was lower by 0.7% than in the first quarter, but considerably higher than in the same period the previous year (28%). Significant slowdown was registered in the quarterly growth rate of food prices – from 10.4% in the first quarter to 0.4% in the second quarter. The most considerable quarterly rise was noted in prices of wheat, corn, pork meat and sunflower oil. On the other hand, the prices of metals registered a quarterly decrease of 2.8%, by which the price growth in the beginning of the year was partly buffered. This decline was mostly explained with the reduction of prices of copper, nickel, and zinc.

In the first quarter of 2011, positive growth rates were registered in almost all countries in the region, with intensified growth in most of them, except for Bulgaria and Albania.

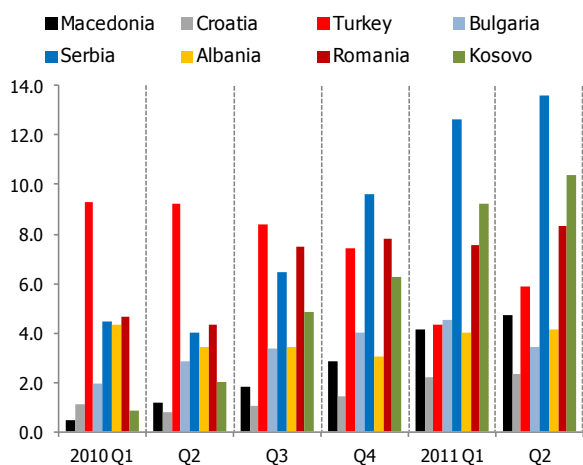
⁵ The price index of primary products includes the prices of food, beverages, agriculture raw materials, and metals.

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



Source: Eurostat and national statistical offices.

Inflation in countries from the region
(annual percentage changes, quarterly data)



Source: Eurostat and national statistical offices.

The growth in the region is still mainly a result of the positive impact of the net export due to the positive developments in the global economy, especially in the Eurozone. The highest growth rate was again registered in Turkey, with some signs of economy overheating: accelerated inflation, high deficit on the current account, high credit growth, and the lowest unemployment rate since 2007. As a result of a rapid growth of the export and reserves, Romania came out of recession in the first quarter, despite the decrease of the private consumption and investments in fixed assets. The economic growth in Bulgaria was also a result of the export, given the diminished private consumption and gross investments. According to the projections for increased capital flows, it is expected in both countries for private investments to be the main driving force of growth, against the anemic private consumption. The accelerated economic growth in Serbia resulted from the industry growth in circumstances of higher export demand and increased private investments. Industry also had the greatest impact on the growth in Albania, together with the catering industry and transport. Croatia, however, was the only country in the region with continued negative trends in the economic activity, with all components of demand declining.

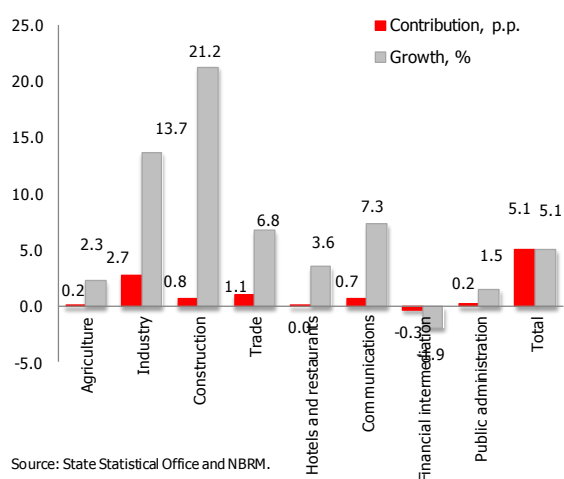
The high inflation rates in the countries in the region continued in the second quarter, with a continued trend of inflation acceleration in most of the countries. The growth of prices was especially prominent in Serbia and Kosovo, where a two-digit average inflation was registered in the second quarter, and the prices increase was relatively high also in Turkey and in Romania. The inflation in the beginning of the year generally was a reflection of factors on the side of supply, especially of the food and energy price increase. Additionally, some of the countries also registered an escalation of the basic inflation, in line with pressures on the side of demand and the second round effects. Nevertheless, in most of the countries the inflationary pressures are expected to reduce pace, according to the latest achieved and projected development of food and energy prices.

1.2. Domestic Supply

The gradual recovery of the foreign demand and the positive trends of prices on the world markets, given the considerable domestic investment consumption and increased production by the new industrial capacities, contributed for the economic recovery to continue in the first quarter of 2011.

With that, the domestic production achieved a positive growth rate for three successive quarters. On annual basis, the domestic production growth in the first quarter of 2011 reached 5.1%. The analysis by industries indicates positive changes in growth instigators. Namely, for the first time since the third quarter of 2008, the industry stepped back into the positive zone and realized the greatest individual input to the annual GDP growth. The April-May data indicate a continuation of the positive trends in the second quarter, but with a decelerated annual pace. This was in accordance with the signals coming from the Eurozone, as the main instigator of the region revival after the crisis, which also predicted a growth slowdown in the manufacturing industry in the first quarter of the year⁶. Nevertheless, estimates are that these developments are temporary and that growth will intensify in the second half of the year, which will positively influence the performances of the domestic industrial capacities.

Real growth rates of individual sectors of GDP and their contributions to the total growth in Q1.2011



The positive signals of the global manufacturing industry, supported by the strong domestic investment consumption, had a stimulating impact on the domestic economy. The operation of the new manufacturing capacities, which contributed for an additional increase of the production volume in the economy, also strengthened the economic activity. The economic activity has registered positive quarterly and annual developments during the last four successive quarters, with 0.4% registered in the first quarter (seasonally adjusted) and 5.1% respectively.⁷

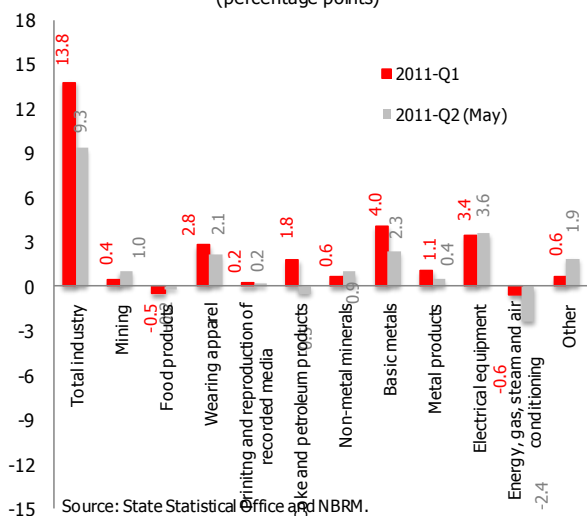
The first quarter outcomes result from the real annual growth rate in all activities, excluding the activity "financial intermediation, real estate activities, and other business and service activities" that registered a negative annual change. Analyzing the activities that participate in the GDP creation, the gradual recovery of the foreign demand, the favorable movements of world metal prices, and the increased production by the new industrial capacities resulted in an annual growth of the industrial activity for the first time after the

⁶ Analyzed according to the Eurozone Manufacturing Purchasing Managers' Index (PMI). The index is produced by Markit and based on the results of a survey research, which includes a representative sample of about 3000 manufacturing companies. From the aspect of national economies, it includes Germany, France, Italy, Spain, the Netherlands, Austria, the Republic of Ireland and Greece, which together constitute 90% of the manufacturing sector of the Eurozone. Thereto, it was not a survey research of opinions, expectations, etc., but the questions refer to real events that happened. Data processing results in an index, where the index value above 50 indicates growth against the previous month, while index value below 50 indicates decline. This index is considered the earliest indicator of the economic developments in the Eurozone that is produced on a monthly basis and published in the beginning of each month with data referring to the month that has just ended. The index has a history of precise anticipation of production in the manufacturing sector.

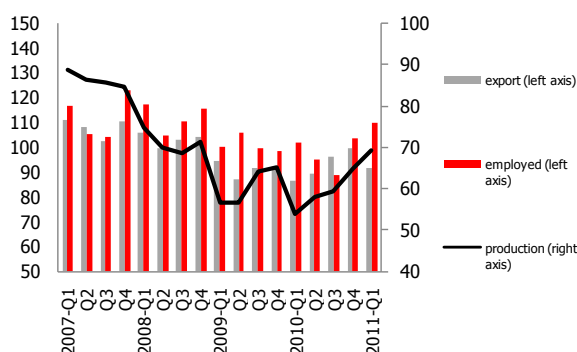
⁷ GDP data for 2010 and 2011 are estimated data of the State Statistical Office (SSO).



Contributions of individual industries to the total industrial production growth
(percentage points)



Production and exports of textiles and employment in textile industry
(index numbers, 2006=100)

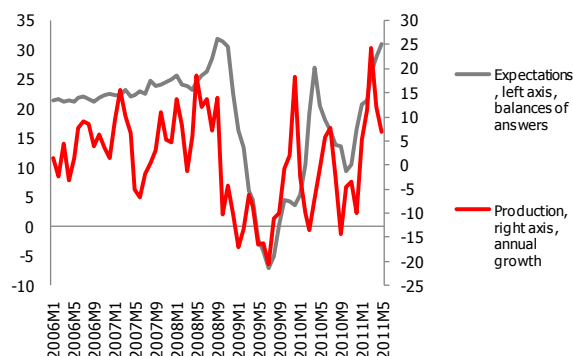


third quarter of 2008. This activity thus made the highest individual contribution to the annual GDP growth in the first quarter of the year. It is followed by trade, construction, and transport and communications, as activities that also made a considerable annual contribution to the strengthened activity in the first quarter of the year.

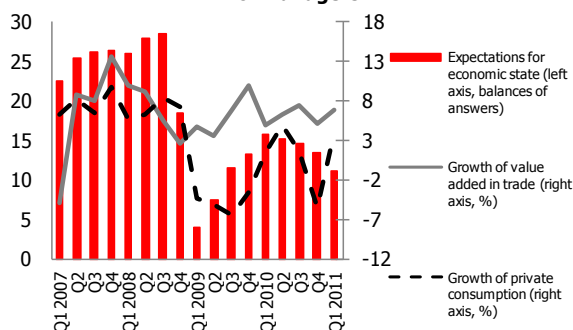
In the first quarter of 2011, the added value in the industry registered a quarterly real growth of 6.5% (seasonally adjusted), and annual growth of 13.7%⁸. The greatest annual growth, as well as the greatest individual positive contribution, was registered in production of metal, electrical equipment and wearing apparel. The favorable price conjuncture of metals and the export demand increase resulted in an annual growth in this branch for six successive quarters, registering a 34.1% growth in the first quarter of 2011. The electrical equipment production registered an almost triple increase, mostly reflecting the effect of the operation of a new production capacity. The wearing apparel production registered a 35.2% annual growth, gradually returning to the level characteristic for the pre-crisis period. All summed up, annual production growth was registered in seventeen of the total of twenty seven industrial branches that constitute about 62% of the total index, which indicates a significant improvement of the growth dispersion.

In the first two months of the second quarter, compared to the same period last year, the physical volume of the total industrial production registered an annual growth rate of 9.3% (13.8% in the first quarter of the year). Analyzed by branches, fifteen of the total of twenty seven branches that constitute 56.5% of the total index registered an annual growth. The growth slowdown was largely due to the reduced production of electrical energy (refit of the oil refinery, and reduced production of hydropower), as well as to the growth slowdown of the metal production, which corresponded with the decline of prices of nickel, copper and steel on the world stock exchanges. Simultaneously, the production of electrical equipment, tobacco products, metals and wearing apparel made the biggest individual positive contribution to the total industrial production. The positive movements in total industrial production in the period April-May are also evident in the answers of the industrial

⁸ Simultaneously, the physical volume of the industrial production registered an annual growth of 13.8% in the first quarter.

**Industrial production and managers' expectations for future production**

Source: State Statistical Office.

Trade, private consumption and expectations of managers

Source: State statistical office.

capacities managers⁹, who expect higher production volume for the forthcoming quarter, an upward trend that has persisted for seven consecutive months (as of November 2010).

The added value of trade in the first quarter of 2011 registered a quarterly real growth of 0.5% (seasonally adjusted) and acceleration of the annual growth (6.8%). The annual dynamics corresponds with the private consumption growth, given the employment growth, increased credit support of the population, and increased domestic production and import of consumer goods. The most recent data on trade, of April 2011, indicate a real annual growth of 2.2% in retail trade and real growth of 9.6% in wholesale trade.¹⁰ Surveys about the expectations of the economic subjects point to a possible growth of activity in trade in the forthcoming period. This can be seen from the survey of managers of trade entities who have more favorable expectations concerning the orders, number of employees, and selling prices¹¹. Results from the survey of consumers' opinions are in the same direction, as in April they indicate cessation of the trend of constantly deteriorating expectations since the beginning of 2011. Nevertheless, the expectations for an unemployment increase, as well as the still present inflation expectations expressed in the April survey, could cause refraining from consumption and slowdown of the growth of this activity¹².

The construction activity in the first quarter of 2011 registered real quarterly decline of 4.2%, as well as a high annual growth of 21.1%, according to seasonally adjusted data. These movements correspond with the higher value of completed construction works (real annual growth of 55.4%).

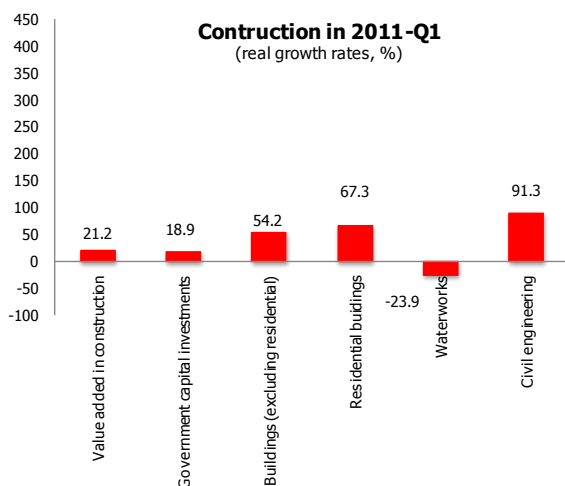
Observing the structure, and excluding the hydro construction that registered an annual decline, the most considerable upward movement was registered in high-rise construction. The most recent available data indicate retention of the positive trends in construction in the forthcoming period, as well. The managers' expectations for the

⁹ Business Tendency Survey in manufacturing industry, of State Statistical Office (SSO), May 2011.

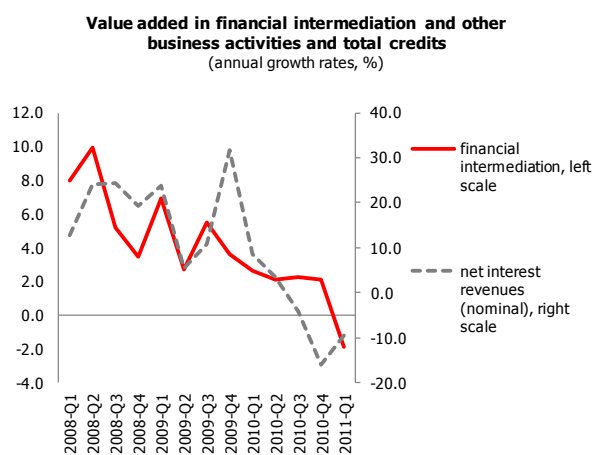
¹⁰ In January 2011, a methodological change was made in the collection of trade data. The sample was changed, including only firms that registered the trade as their prevalent activity, and excluding those registered as manufacturers and vendors.

¹¹ Business Tendency Survey in retail trade, of SSO for the first quarter of 2011. Nevertheless, the surveyed subjects expect a small deterioration of the business situation in comparison with the previous quarter.

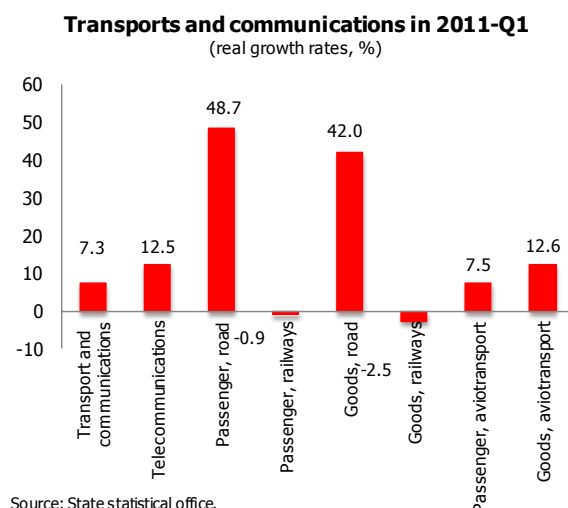
¹² Consumer Opinion Survey, of SSO of April 2011.



Source: State statistical office and Ministry of finance.



Source: State Statistical Office and NBRM.



Source: State statistical office.

total orders in the second quarter of 2011 are more favorable compared to the expectations for the previous quarter¹³. This is confirmed with the further trend of substantial growth in the value of completed construction works in April 2011 (38.8% real annual growth). In addition, the value of construction licenses issued in April-May 2011 registered an unusually high annual growth (69.5%), mostly in high-rise construction. Simultaneously, in April-May, the government capital investments reported a high two-digit real annual growth (80.1%), and, in the same period, fast annual increase was also reported in the construction materials production¹⁴ (11.5%).

The activity “financial intermediation, real estate activities and other business and service activities” in the first quarter reported a real quarterly decline of 2.8% (seasonally adjusted) and a real annual decline of 1.9%. Downward trend was also registered in the net interest income, as one of the indicators for financial intermediation (accounting for one third of the total activity¹⁵), that registered a nominal annual decrease of 9.6% in the first quarter of 2011. The negative annual dynamics of net interest income, according to the data as of May 2011, continued in the second quarter of the year, indicating further retention of the negative dynamics in the financial activity.

The added value of the **“transport, storing and communications” in the first quarter registered a 5.3% fall (seasonally adjusted), given the annual real fall of 7.3%.** Annual growth was reported by the telecommunications, the road and air transport both of passengers and commodities, whereas the railway transport dropped. April 2011 data indicate an annual growth in telecommunications and in road passenger transport, while railway transport of passengers and commodities reported an annual decline. However, the higher industrial output of basic metals, as the most significant export-oriented branch, and the higher total export of commodities in April and May 2011, indicate an annual growth of this activity in the second quarter of 2011.

As for the second quarter, while considering that the Eurozone was the driving force of the revival of the region in the last two years, the signals from the

¹³ Business Tendency Survey in the construction, of SSO, for the first quarter of 2011.

¹⁴ Manufacture of other nonmetal ore products (activity 23).

¹⁵ The data pertains to the average share calculated by SSO on the basis of GDP data for the period 2007-2009.

Eurozone (PMI index) forecast a considerable slowdown of the manufacturing sector¹⁶ growth (the greatest registered slowdown since end 2008) in May and June. The slowdown reflects the still insufficiently strengthened domestic demand and the uncertainty considering the future economic developments, particularly in the Eurozone periphery countries. Nevertheless, it is expected this slowdown to be short-term and that the further economic recovery of the Eurozone will contribute for growth intensification in the second half of the year. Despite this factor's significance, the expected positive contribution of the domestic investment activity in the second quarter of the year should also be taken into account, as it will contribute for strengthening of the economic activity.

Annex 1: Composite Index of the Financial Conditions

The financial conditions are very important for the economic activity considering their impact on the households and firms consumption. The indicative categories for the financial conditions would be the well-being and performances of the financial institutions, aversion to risk, etc. These categories are most frequently not directly measurable, because of what they are evaluated based on variables that can be statistically quantified, such as: the adequacy of the financial institutions' capital, profitability, structure and quality of the assets of the financial institutions, interest risk, liquidity risk, market risk, etc.

This analysis' goal is to **attempt to quantify the financial conditions** by using a set of indicative categories, and then **perceive the impact of these conditions on the future economic activity**. The evaluation was made by creating a so-called composite **index of financial conditions**. This index gives information about the impact of the total financial conditions on the economic activity, that result from the influence of the monetary policy and from influences that are not connected with the monetary policy¹⁷, but are relevant for the economic activity. Consequently, due to the included influence of non-monetary factors on the total financial conditions, this index can serve as an indicator of the *effective* positioning of the monetary policy. Literature also points out such indices as a solid base for evaluation of the effects of a specific choice of the monetary policy on the economic activity, particularly in periods when the link between the monetary positioning signals towards the financial conditions is weak, or in periods when the central bank has activated a set of instruments (conventional or unconventional) that is broader than the usually implemented one.

To evaluate the effects of the financial conditions on the economic activity in the Republic of Macedonia, the diffuse index method was used, initially implemented by Stock and Watson (2002). The basis of this approach is an extraction of several factors (so-called principal components) that explain most of the variability of a larger group of financial variables (indicative categories of financial conditions). The analysis focuses on establishing whether the several factors based on many financial

¹⁶ Analyzed according to the Manufacturing PMI for the Eurozone.

¹⁷ The following examples can illustrate the non-monetary influences: establishing a credit balloon / sharp slowdown of crediting in periods when the monetary policy instruments are close to the balancing norms. Further on, long periods of stability can erode the alertness regarding risks. Simultaneously, the credit supply and market risk premium can change as a result of effects defined with the hypothesis for pro-cyclic credit policy and the hypothesis for a so-called institutional memory.

variables can help explain the economic activity¹⁸. The production gap (expressed as a remainder of the achieved against the potential GDP, in percentage) is included as a contingent variable in the regression equation. The choice of financial factors (principal components) included in the model was made based on the lowest BIC (Bayesian Information Criterion), and the data refer to the period from the first quarter of 2006 to the fourth quarter of 2010.

The **financial variables** that make the set of indicative variables are grouped in the following general categories: **interest rates, interest ranges, credit aggregates and indicators of the well-being and performance of the banking sector**. Table 1 portrays all variables used for the analysis. The chosen financial variables represent indicative categories for the financial determinants of the households and firms consumption. **The interest rates** are a measure of the capital expense and impact the private and investment expenditure. **The ranges between the active and passive interest rates** are an indicator of the additional cost of financing through banking resources for funding. **The credit aggregates**¹⁹ have a double role; they encompass aspects of the credit supply that are not included through interest rates and interest ranges, simultaneously reflecting the loan demand, which is also a useful economic activity indicator. **The indicators of well-being and performance of the banking system** are included in the model to provide additional information about the capability and inclination of the banks to approve loans to households and firms, whose consumption decisions depend on the bank loans. Within the framework of these indicators, the indicators of structure and quality of the banks' credit exposure²⁰ can affect the loan conditions determined by the banks and, consequently, the inclination towards additional credit exposure.

The composite index is a linear combination of factors included in the regression equation²¹. It includes the joint impact of the financial variables on the production gap.²² It encompasses the joint impact of the financial variables on the production gap. Thus, if the **linear combination of factors is zero**, one can conclude that **the financial conditions have a neutral effect** on the future economic activity. **The positive value** of CF_t indicates **a positive impact**, while its **negative value** indicates **negative impact** on the financial conditions on the future economic activity. Considering the inertia of the equation, the index can be used to forecast the impact of the financial conditions on the economic activity for three periods (in this case, quarters) in advance.

¹⁸ The stationarity of the variables in the model was tested by applying the ADF test (Augmented Dickey-Fuller Test). As in Stock and Watson (hereinafter SW), and to avoid the possibility for the different measuring units and the volatility of the individual time series to influence the estimation of the latent factors, all variables are standardized (i.e. each of the variables is reduced by the average value and the remainder is divided by the standard deviation).

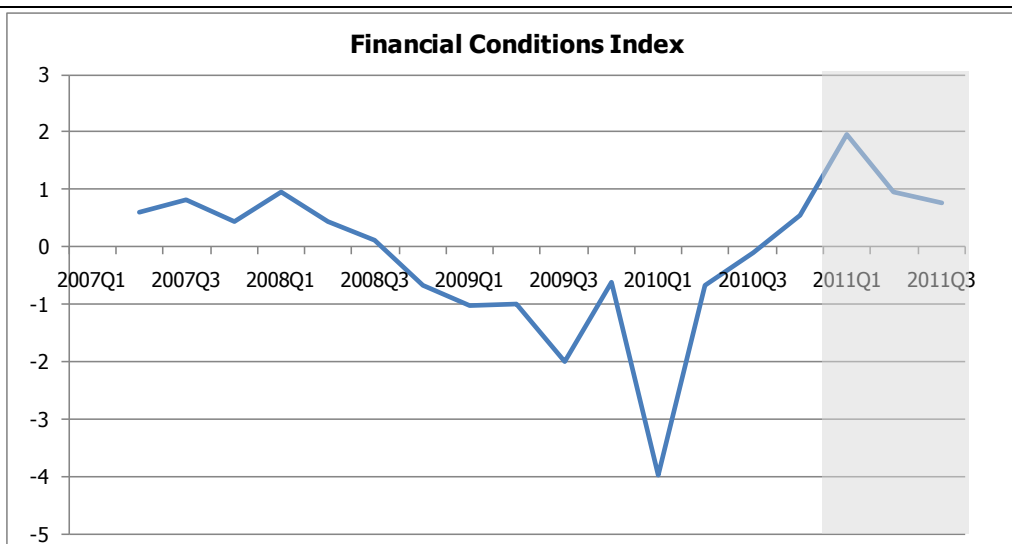
¹⁹ Such as the total loans approved by the non-government sector in ratio to the nominal aggregate consumption.

²⁰ The ratio between loans of households (i.e. enterprises) and gross loans, as well as the ratio between the non-functional loans and gross loans.

²¹ $CF_t = \sum_{l=1}^5 \sum_{j=0}^n \gamma_{lj} F_{l,t-j}$ In this case, l sums up to 5 factors

included, and j sums up to n periods of time delay, with which the financial factors enter the regression equation (in this particular case, up to 4 periods)..

²² The index level, depending on whether it is positive or negative, can be interpreted as percentage points pull-up, i.e. pull-down of the production gap resulting from the financial conditions.



*The dashed line is a projection

The index points out that in the period before the start of the financial crisis, the financial conditions positively impacted the economic activity (period that was characterized by relatively high GDP growth rates). When the first signals of crisis appeared in the domestic economy (third quarter of 2008), the index shifted in the opposite direction indicating restrictive (unfavorable) financial conditions. Such trend ceased in the fourth quarter of 2010, when the financial conditions began to positively impact the future economic activity. These movements are expected to remain in the first three quarters of 2011, which coincides with the expectations for stronger economy recovery and generally favorable macroeconomic setting.

Financial variables		Financial variables	
Capital adequacy		Liquidity risk	
1	Regulatory capital / risk weighted assets	23	Highly liquid assets / total assets ^{6/}
2	Tier I capital / risk weighted assets ^{1/}	24	Highly liquid assets / total short-term liabilities ^{7/}
3	Equity and reserves to Assets	25	Customer deposits / total (noninterbank) loans
Asset structure and asset quality		26	Foreign currency deposits / total deposits
4	Enterprises (loans to enterprises / total loans)	27	Including foreign exchange-indexed ^{8/}
5	Households (loans to households / total loans)	28	Central bank credit to banks / bank liabilities
6	Lending with foreign currency component to private sector	29	Net open foreign exchange position / own funds
7	Foreign currency lending/total credit to private sector	Interest rates	
8	Foreign currency indexed lending/total credit to private sector	30	Interest rate on Central bank bills sold on auction
9	NPLs / gross loans ^{2/}	31	MBKS
10	NPLs net of provision / own funds	32	Interest rates on denar loans without a currency clause
11	Provisions to Non-Performing Loans	33	Interest rates on denar loans with a currency clause
12	Large exposures / own funds	34	Interest rates on denar deposits without a currency clause
13	Banking system exposure to subsidiaries and shareholders / own funds	35	Interest rates on denar deposits with a currency clause
14	Banking system equity investments / own funds	36	Interest rates on short-term foreign currency loans
Profitability		37	Interest rates on long-term foreign currency loans
15	ROAA ^{3/}	38	Interest rates on foreign currency deposits of enterprises
16	ROAE ^{3/}	39	Interest rates on foreign currency deposits of households
17	Interest margin/gross income ^{4/}	Credits and deposits	
18	Noninterest expenses/gross income ^{5/}	40	Bank's credit to non-banks
19	Personnel expenses/noninterest expenses	41	Bank's credit to non-banks / nominal GDP
Interest risk		42	Bank's deposits from non-banks
20	Local currency spreads	43	Bank's deposits from non-banks/broad money
21	Foreign currency spreads	Inflation	
22	Interbank market interest rate	44	Consumer Price Index, y o y change in %
		Price competitiveness	
		45	REER (Real Effective Exchange Rate Index), 2006=100, y o y change in %

Source: NBRM

^{1/} Until 2007Q3 Tier I Capital includes common shares, non-cumulative preference shares, general reserves and undistributed profits, net of uncovered loss from previous years, current loss and goodwill. Starting from 2007Q4, Tier I Capital includes nominal value of common and non-cumulative preference shares, premiums from common and noncumulative preference shares, general reserves and distributed profits, positions as a result of consolidation, net of uncovered loss from previous years, current loss and intangible goods, owned common and non-cumulative preference shares and the difference between the amount of necessary and the amount of allocated reserves for potential losses.

^{2/} Includes loans to financial and nonfinancial sector.

^{3/} Adjusted for unallocated provisions for potential loan losses. Since 31.03.2009 these items have been adjusted for unrecognized impairment.

^{4/} Interest margin is interest income less interest expense. Gross income includes net interest income, fees and commissions income (gross, not net) and other gross income excluding extraordinary income.

^{5/} Noninterest expenses include fees and commissions expenses, operating expenses and other expenses excluding extraordinary expenses.

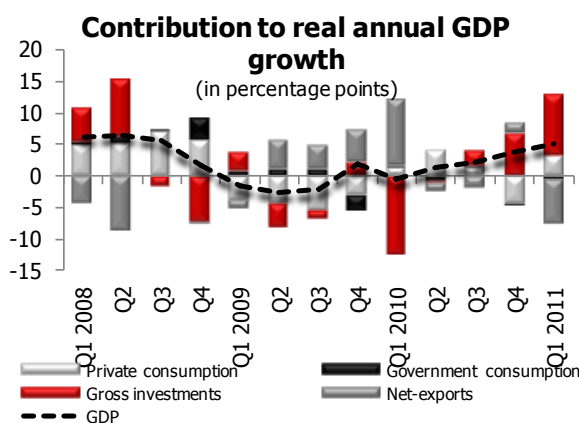
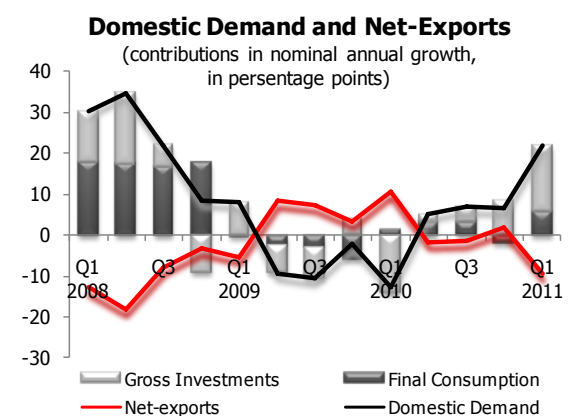
^{6/} Highly liquid assets are defined as cash and balance with the NBRM, treasury bills, NBRM bills, and correspondent accounts with foreign banks. Assets in domestic banks are excluded from total assets.

^{7/} Short-term liabilities are defined as deposits and other liabilities with a maturity of one year or less (without deposits and borrowings from domestic banks).

^{8/} FX indexed deposits include deposits and other FX indexed liabilities. However FX indexed deposits comprise the majority of these items. Since 31.03.2009, the figure refers only to FX indexed deposits.

1.3. Aggregate Demand

In the first quarter of 2011, the domestic economy continued to recover and registered quarterly and annual growth. The 5.1% annual growth was due mainly to the positive contribution of the domestic demand, partly counterbalanced by the negative net export. Concerning the components, the main driving forces of the annual growth were the export and the investments, like in the previous quarter. The increased foreign demand and the retained favorable trends in main export product prices on the world stock exchanges had a stimulating effect for improved use of the existing and new production capacities, and contributed for a high export growth. The favorable international environment and more favorable perceptions of the future economic growth resulted in reduced aversion to risk with foreign and domestic investors, which positively impacted the investments. The private consumption also made a positive contribution and registered a considerable recovery, compared to the decline in the previous quarter, while the public consumption made a minimum negative contribution to the total growth. The improved domestic and export demand, given the high export dependence by the domestic production, created a pressure to increase export. The expectations for the second quarter of 2011 were that the annual growth of the total GDP would slow down, and the investment and export growth would also decelerate. The private consumption was estimated to be at a relatively high level, but expected to register an annual fall due to the high comparison basis. On the other hand, public consumption is expected to make a positive contribution.



In the first quarter of 2011, the GDP registered quarterly and annual growth of 0.4% (on a seasonally adjusted basis²³) and 5.1%, respectively. The high annual growth was a result of the increased domestic demand, partly counterbalanced by the rise of the foreign exchange deficit. Observed by component, the export still (for fifth successive quarter) had the greatest contribution to the GDP annual growth and, given the improved global setting and increased use of industry capacities, registered a 34.8% real annual growth. The favorable movements in the export sector, given the improved perceptions of the future economic growth, resulted in investment activity growth by domestic and foreign private investors, supplemented by government investments. These results caused a strong annual investment growth of 60.1%. In the first quarter, the private consumption stepped back into the positive changes zone, registering a 3.9% annual growth, which indicates perceptions of a short-term effect of the higher price level. On the other hand, the public consumption reported a decline and made a minor negative contribution to the total economic growth. The increased domestic and export demand accelerated the import growth, which

²³ Compared to 2.3% in the last quarter of 2010, on seasonally adjusted basis.



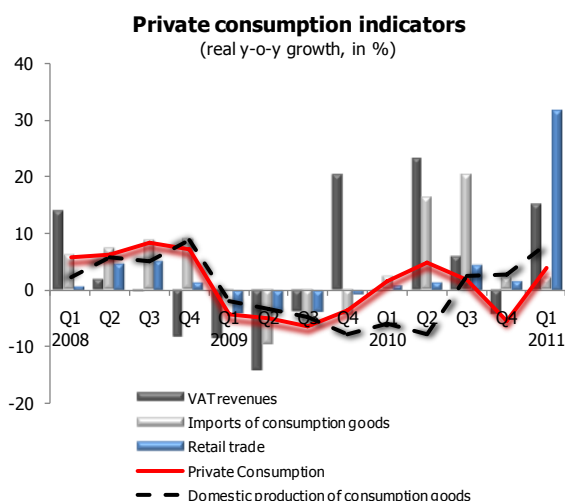
contributed for expansion of the trade deficit and a negative input to the net export.

Real annual growth rates (%)

	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2008	2009-Q1	2009-Q2	2009-Q3	2009-Q4	2009	2010-Q1	2010-Q2	2010-Q3	2010-Q4	2010	2011-Q1
Private consumption	5.7	6.2	8.5	7.2	7.4	-4.4	-5.1	-6.4	-3.5	-4.7	1.5	4.9	1.7	-5.5	0.4	3.9
Government consumption	3.0	6.4	0.8	21.4	10.6	5.1	5.9	7.5	-12.9	0.5	1.5	-5.1	2.3	-0.1	-0.4	-3.2
Gross investment	24.6	49.9	-2.9	-19.5	5.4	19.1	-14.2	-10.3	1.9	-1.5	-47.0	-0.4	12.4	26.3	-3.7	60.1
Exports of goods and services	-11.2	-12.5	-2.0	-2.9	-6.3	-20.9	-12.8	-12.9	-18.2	-16.2	8.4	16.4	27.2	40.0	23.4	34.8
Imports of goods and services	-0.8	4.5	-2.0	-1.6	0.8	-10.0	-15.1	-15.6	-19.5	-15.0	-13.8	12.5	24.2	22.1	10.9	36.5
Domestic demand	8.6	12.8	4.7	1.5	6.7	0.0	-5.6	-4.9	-2.6	-3.3	-8.5	2.3	3.6	1.9	-0.1	10.3
Net exports*	18.7	46.6	-2.0	0.6	14.7	5.3	-18.5	-22.6	-21.6	-14.0	-37.2	6.3	15.4	-8.7	-9.8	39.6
GDP	7.1	6.6	5.3	1.4	5.0	-1.4	-2.4	-2.1	2.0	-0.9	-0.5	1.5	2.1	3.8	1.8	5.1

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

1.3.1. Private Consumption



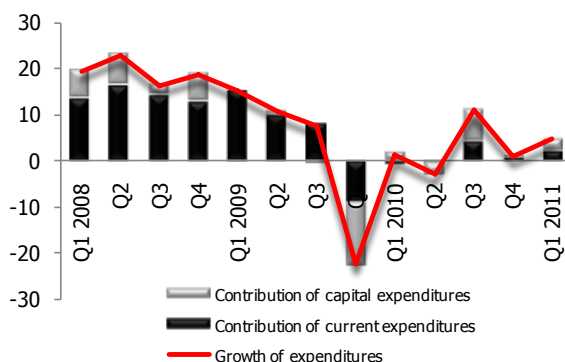
Source: State Statistical Office, Ministry of Finance and NBRM calculations.

The private consumption, which registered a significant quarterly and annual decline in the previous quarter, stepped back into the positive growth rates zone in the first quarter of 2011. Thus, a high growth of 9.8% (seasonally adjusted) was registered on quarterly basis, and the annual growth registered equaled 3.9%. The positive developments are also confirmed by the high frequency indicators of the private consumption. Namely, the VAT income registered a real annual growth (against the decline in the previous quarter); the consumer goods import registered a real growth with similar intensity as in the previous quarter, while the domestic production of consumer goods has an accelerated growth of 8.2%. Although, because of the higher inflation in the first quarter, the wages and pensions as basic sources of consumption financing registered a real decline, and the private transfers from abroad decreased, still the favorable perceptions of the future economic growth and the perceptions of the short-term effect of the higher domestic prices resulted in positive movements on the labor market and loan market. Thus, the number of employees increased by 5.5% annually and consequently brought to an annual growth of the wage mass. In addition, given the loosened terms for approval of consumer loans²⁴, the consumption need was furthermore satisfied with the enlarged credit activity towards the household sector (mainly long-term consumer loans).

Considering the high comparison basis, the private consumption is expected to register a quarterly fall and annual

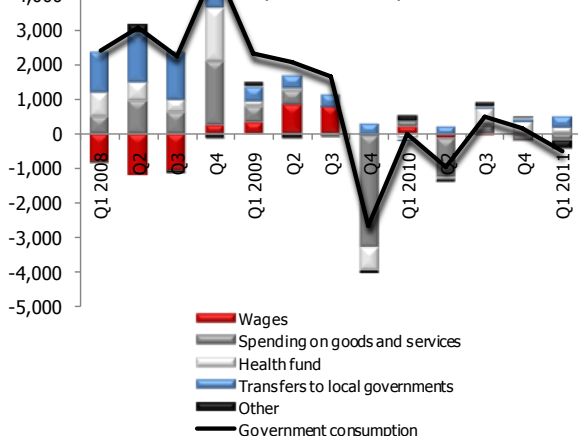
²⁴ NBRM's Lending Activity Survey of April 2011.

Budget expenditures annual growth and contribution of current and capital expenditures
(in % and in p.p.)



Source: Ministry of Finance.

Contributions of the components to the annual nominal growth of the government consumption
(in million denars)



Source: Ministry of Finance and State Statistical Office.

stagnation in the second quarter of 2011.

The available data also show further real decline of the net wages and net private transfers from abroad. Despite the expectations for an increased credit demand, given the unchanged terms for their approval in the second quarter²⁵, the crediting of households, as an additional financing source, registered a decelerated growth in May 2011. The high frequency indicators of the private consumption show the same. Namely, reduction on real annual basis was registered by VAT revenues and consumer goods import (5.3% and 4% respectively), while the domestic production of consumer goods and retail trade reported a decelerated dynamics of the real growth (14.9% and 2.2% respectively).²⁶ Retail trade managers expect growth in the second quarter of 2011, given their more favorable expectations considering the orders, employee number and retail prices²⁷. Simultaneously, the consumer trust indicator in April stepped out of the continuously deteriorating trend of expectations since early 2011²⁸.

1.3.2. Public Consumption

In the first quarter of 2011, the public consumption decreased quarterly (1.3%, seasonally adjusted), which caused a decline on annual basis with an accelerated pace of 3.2% (against 0.1% in the previous quarter). The annual decline primarily resulted from lower current costs of commodities and services.

In consistence with executed expenditures of the central government and the funds in the period April-May 2011, and the expected expenditures by quarter end based on the planned 2011 Budget, a real quarterly and annual growth is expected in the second quarter.

1.3.3. Investment Consumption

The increased investment activity is one of the major driving forces of the GDP growth. Despite the quarterly decline of the investment activity (of 8.3%, seasonally adjusted), the gross investments in the first quarter of

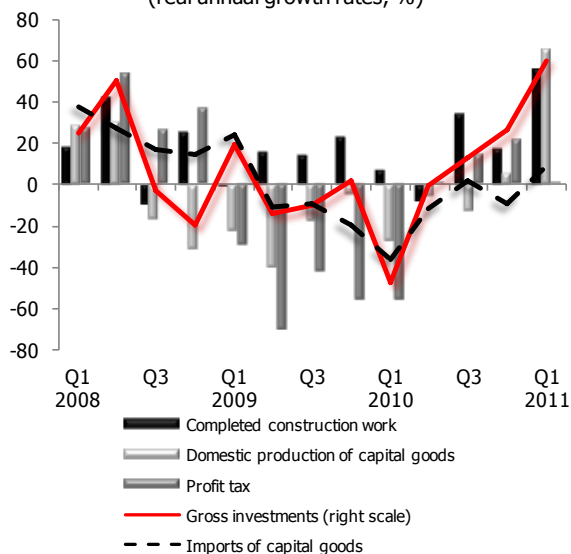
²⁵ NBRM's Lending Activity Survey of April 2011.

²⁶ The data on domestic output of durables, import of consumer goods, VAT income and household credits are as of May, and the data on wages, private transfers and retail sales are as of April.

²⁷ Business Tendency Survey in the retail sale conducted in the first quarter of 2011. The subjects surveyed, however, expect a minor deterioration of the business situation in comparison to the previous quarter.

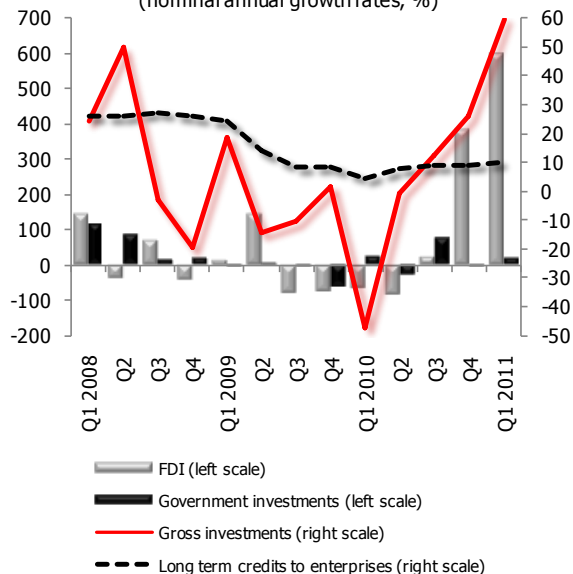
²⁸ Consumer Opinion Survey conducted in April 2011 by SSO.

Gross investment and indicative series
(real annual growth rates, %)



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

Gross investments and determinants
(nominal annual growth rates, %)



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

2011 reported a high real annual growth of 60.1% (26.3% in the previous quarter).

This major annual shift is mainly due to the low comparison basis²⁹, but also reflects the positive contribution of several economic factors. Namely, the strong stimulus generated by the government investments resulted in a high growth of the domestic production of capital commodities and of the value of completed construction works. In addition, the direct foreign investments (in equity capital) increased by multiple times, which indicates a reduced aversion to risk in foreign investors and more favorable perceptions³⁰ of the domestic economy. The increased investments caused larger import of instruments of labor, and were upheld by moderately improved credit activity towards the corporate sector, given the partly loosened loan approval terms and increased credit demand³¹. Such movements indicate improved expectations of the corporate sector, which is a positive signal for the dynamics of the domestic economic activity in the forthcoming period.

Expectations for the second quarter of 2011 are that investments will register a minor real growth quarterly, which will contribute for their further annual growth, but with a slower pace.

In addition, all indicators point to further positive dynamics of the investment activity in the second quarter³². Hence, given the strong real growth of government investments (80.1%), the domestic production of capital commodities retained the high growth rate (65.8%), and import of instruments of labor registered a moderate growth increase. The banks' credit support to the corporate sector increased (real growth of 11.5%), given the expectations for a greater credit demand³³. On the other hand, the expectations for a slower investment growth can be explained with the decreased real growth of the value of completed construction works (38.8%

²⁹ In the first quarter of 2010, investments declined most rapidly annually (47%) and reached the lowest level since the first quarter of 2006 onwards.

³⁰ The positive shift in *tax burdening* and *starting a business* categories of the "Doing Business" report for 2011 can be considered a confirmation of the favorable investment climate in the RM. The *tax burdening* category went up by 12 ranks due to the reduced time needed to collect data, fill tax forms and payment of taxes, and to the reduced tax obligations as a percentage of the realized profit (Decision to pay the profit tax only on distributed profit). The *starting a business* category went up by two ranks, given the reduced number of procedures and the time needed to register a company by further improvement of the one-stop-shop system.

³¹ NBRM's Lending Activity Survey of April 2011.

³² The data on completed construction works and on the foreign direct investments are as of April, while the other data are as of May.

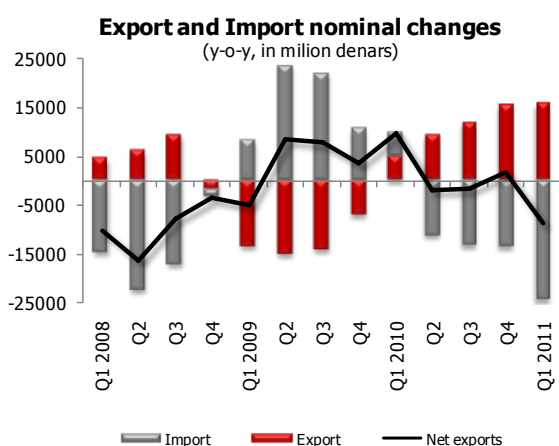
³³ NBRM's Lending Activity Survey of April 2011.

compared to 55.4% in the first quarter), the considerable slowdown of the FDI growth, and the stagnation of revenues from the profit tax compared to the previous quarter. The expectations in construction for the second quarter of 2011, however, are more positive compared to the previous quarter, regarding the total orders and selling prices³⁴, which corresponds to the estimates for a quarterly growth of investment activity.

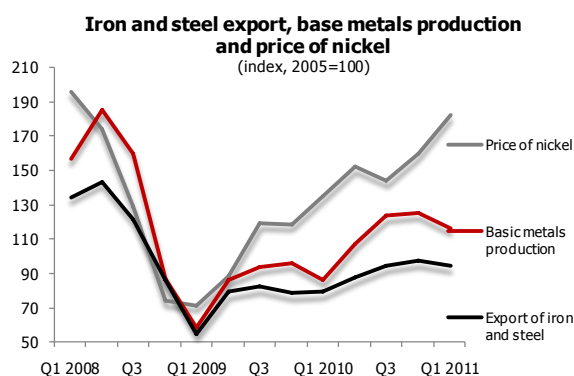
1.3.4. Net export demand

The negative gap in net export demand expanded significantly (almost 40% real annual rate) in the first quarter of 2011, thus contributing negatively to the GDP. This resulted from the larger growth of import than of export of commodities and services, both quarterly (seasonally adjusted) and annually.

Commodities and services export in the first quarter of 2011 increased quarterly by 3.5% (seasonally adjusted) and registered a high real annual growth of 34.8% (40% in the previous quarter). Thereto, the export has registered considerable annual growth rates for five successive quarters, and has made the greatest contribution to the total economic activity in the last four quarters. The annual growth in the first quarter resulted from the improved economic settings on prime export markets, Germany in particular, given the continued positive movements of the world metal prices, which together with the new export-oriented production capacities contributed to high export growth rates. Also, the increased production and export activity, given the high import dependence³⁵, and partly the private consumption recovery³⁶, contributed to high growth of the import component. In the first quarter, import considerably increased quarterly (10.1%, seasonally adjusted), which resulted in acceleration of the real annual growth to 36.5%³⁶ (22.1% in the previous quarter). The intensified annual dynamics of import growth, given the simultaneously slowed down export growth, explains the expanded deficit in the foreign exchange trade, which contributed negatively to the GDP growth.



Source: State Statistical Office .



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

³⁴ Business Tendency Survey in the construction conducted in the first quarter of 2011 by SSO.

³⁵ Consumer goods export increased by 6.2% annually in the first quarter of 2011.

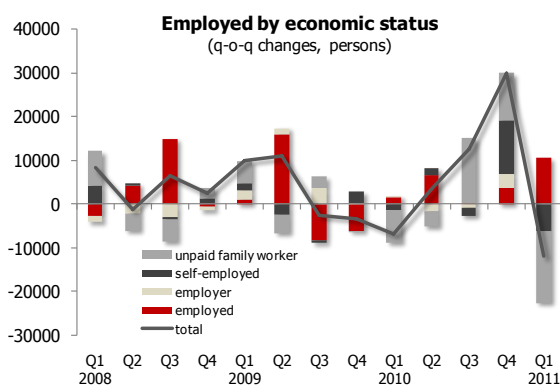
³⁶ The import growth partly results from a single effect of the import of intermediary products in January 2011 (see the annex on foreign exchange trade).



In the first two months of the second quarter of 2011, commodities export and import retained the growth trend and registered a nominal annual growth of 36.8% and 20.7% respectively, whilst the trade deficit remained almost unchanged compared to the one in the same period of 2010. Thus, given the estimates for a decreased private consumption and smaller growth of investments, expectations for the second quarter of 2011 are that the dynamics of import growth will slow down more prominently. Even so, **the net export will continue to contribute negatively to the annual GDP growth.**

1.4. Employment and Wages

The favorable developments on the labor market remained in the first quarter of 2011, as well. Despite the slowed down rate of annual employment growth due to the result of the reduced number of employees quarterly, the first quarter of 2011 is still marked by a relatively high annual employment increase. The expected economic growth, supplemented by the stable trend of unemployment decline and the positive expectations of manufacturing industry and trade producers, indicate further improvement of the situation in this economic segment. However, the risks identified in the previous quarter, such as the low productivity level and the negative expectations of the consumers about the employment movements in the next twelve months, are still present. The annual growth of labor price, measured through the nominal wages in the economy, continued to decelerate, which resulted in stabilized labor costs per product unit.

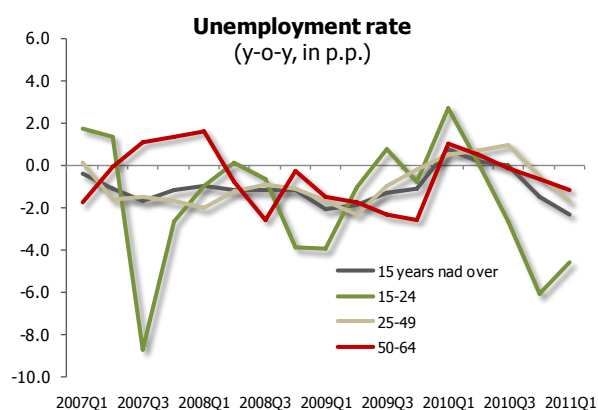
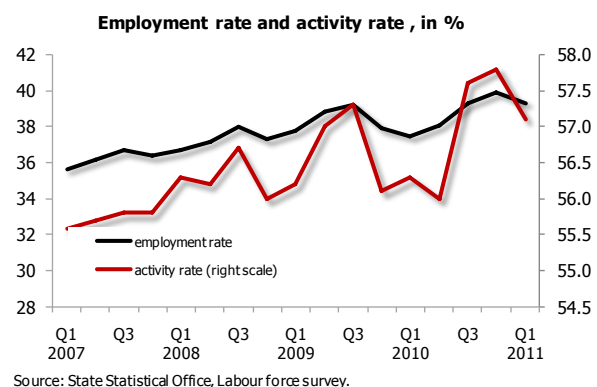
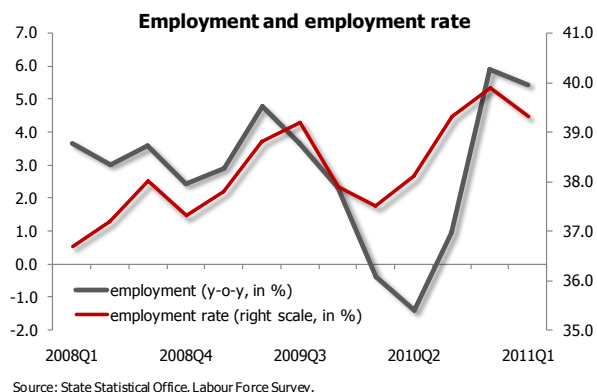


Source: State Statistical Office, Labor Force Survey.

After the considerably high quarterly growth in the last quarter of 2010, the number of employed persons declined by 1.3% quarterly³⁷ in the first quarter of 2011. Hereupon, the decline is a result of the most volatile category of employees, i.e. of self-employed persons and unpaid family workers. **The downward adjustment in this category of employees is greatly conditioned by the developments in the agricultural sector, considering that almost 70% of them are engaged in this sector³⁸.** Hence, the quarterly decline of the number of self-employed persons and of unpaid family workers is partly explained

³⁷ The analysis of the quarterly dynamics of the employment and the unemployment was conducted by using seasonally adjusted data. Only the data on total employable population was not subject to seasonal adjustment.

³⁸ Since January 2011, the State Statistical Office has applied the new National Classification of Activities (NCA rev. 2) for collection and processing of labor market data (wages and employment). The change in classification prevented the analysis of employment, wages, productivity, and labor costs per product unit in each economic activity. Comparable data per activity are available according to the new classification only for the annual changes in wages.



with the high comparable basis from the previous quarter, when their number was considerably increased³⁹. Another possible explanation is that employment in agriculture is conditioned by the producers' expectations regarding the movement of prices and agriculture products demand⁴⁰. This especially pertains to unpaid family workers whose status is not regulated by employment contracts. In addition, it is also possible that lower retail prices of agricultural products during 2010 contributed for deteriorated expectations, which explains the smaller number of engaged unpaid workers and reduced agricultural production in the first quarter of 2011. Nevertheless, it is important to emphasize that **in the analyzed period, within the employment structure, the employed persons number, being an indicator of the registered employment, has grown for two successive quarters.** The annual analysis also indicates continuation of the positive trends on the labor market. **Namely, although the quarterly decline slowed down the annual growth rate, the first quarter of 2011 is still characterized with a relatively high annual employment growth.** The number of employed individuals increased further resulting in a high annual growth rate of 5.5% (33 613 persons) in the first quarter of 2011. The employment rate registered a similar movement and, in the first quarter of 2011, reached 39.3% (compared to the rate of 37.5% in the first quarter of 2010).

The active population movement in the first quarter of 2011 greatly corresponds with the employment movement. Namely, the active population reduced quarterly by 1.2%, while annually it grew by 2%. The activity rate in the first quarter of 2011 was 57.1% (against 56.3% in the first and 57.8% in the last quarter of the preceding year).

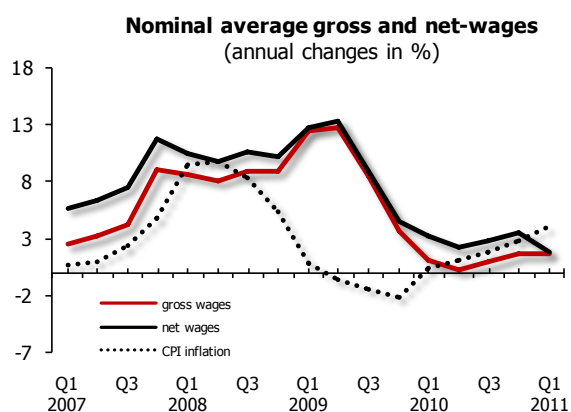
Unemployment continued to decline in the first quarter of 2011. The number of unemployed individuals decreased by 1.1% quarterly and by 4.8% annually. Simultaneously, the unemployment rate reached 31.2% (compared to 33.5% in the first quarter of 2010). The annual reduction of unemployment rate was registered in all age groups, whereas the most considerable decrease was observed in the group of young

³⁹ Employment in this category of employees is highly volatile. The considerable increase of these employees in the previous two quarters is partly explained by the economic growth intensification, and partly reflects the stimulating policies for rural development.

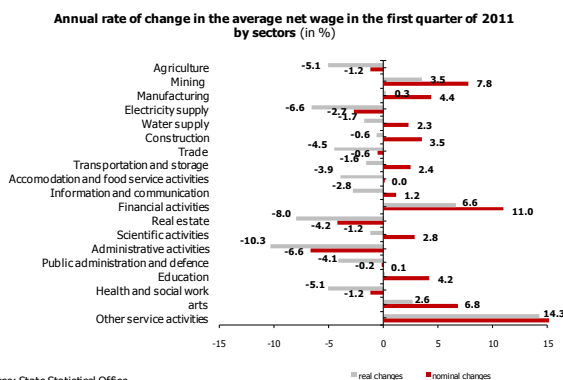
⁴⁰ M. Nerlove, 'Adaptive Expectations and Cobweb Phenomena', Quarterly Journal of Economics, vol. lxxii (1958), 227-40.

population (between 15 and 24 years of age) with unemployment rate decline by almost 5.5 pp.

The indicators of future labor market movements generally point to favorable trends in the second quarter of the year. The prime factors supporting the expected positive labor market movements are: the quarterly growth of the number of registered employed individuals, which corresponds to the increased economic activity; the engagement of a larger number of workers to complete some of the projects started in the pre-election period; the stable trend of unemployment decline and favorable expectations of managers in manufacturing industry and trade⁴¹ concerning the movement of employment in these sectors. **However, the downward risks identified in the previous quarter remain present.** First, the fact that productivity level in the first quarter of 2011 was still below the pre-crisis level indicates a possibility for the production to increase due to productivity growth instead of employment increase. Second, given the unfavorable expectations regarding the employment movement expressed by construction sector managers⁴², employment in this segment might decline. Third, consumers' expectations concerning the movements in unemployment in the next twelve months continue to deteriorate⁴³.



Source: State Statistical Office.



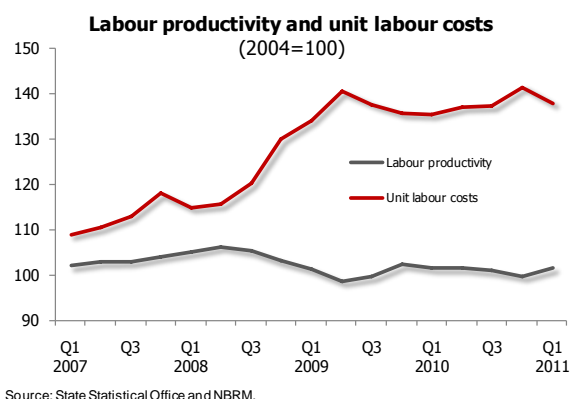
Source: State Statistical Office.

In the first quarter of 2011, the nominal net and gross wages in the economy declined quarterly by 1%. The decline is even greater if the price increase effect is isolated, i.e. the real net and gross wages are lower by 3.5%, respectively. **The quarterly wages decrease contributed to a deceleration of the annual growth rates.** Namely, the nominal net and gross wages in the first quarter of 2011 increased by 1.9% and 1.7%, respectively. The modest nominal wage growth and the annual growth of the domestic prices resulted in a decline of the constant part of population's real income. Namely, the real net and gross wages in the first quarter of this year registered an annual fall of 2.1% and 2.3%, respectively. The analysis per activity indicates considerable disparities in net wage movement per activity. Thus, net wage high annual growth was registered in mining, financial activities, arts and other service activities. On the other hand, the agriculture, electricity supply, trade, real estate activity, administration, public

⁴¹ Source: SSO, Business Tendency Survey in manufacturing industry (May, 2011) and in trade (first quarter of 2011).

⁴² Source: SSO, Business Tendency Survey in construction (first quarter of 2011).

⁴³ Source: SSO, Consumer Opinion Survey (April, 2011).

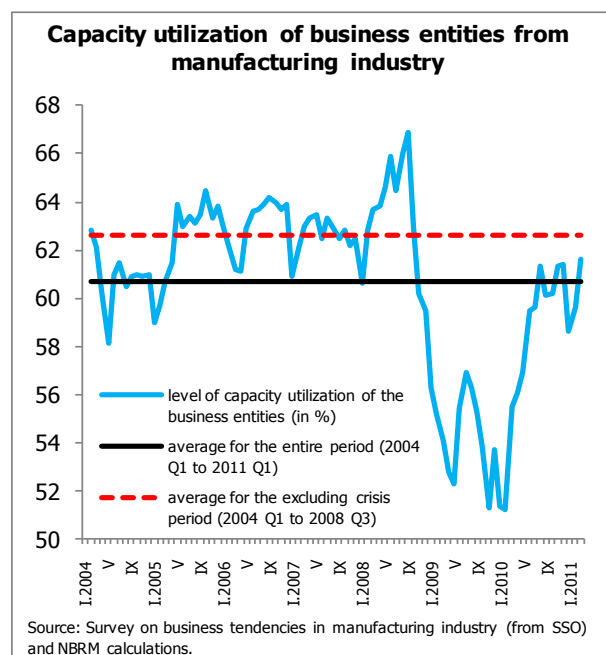


service and health sector reported an annual decline of the net wages.

After the decline in the previous quarter, the labor productivity registered an improvement in the first quarter of 2011. Thus, given the quarterly decrease of the engaged workforce, the production growth in the first quarter of 2011 resulted fully from the increased labor productivity (1.7% quarterly growth). On annual basis, the productivity retained the same level as in the first quarter of 2010. **The favorable developments in labor productivity, given the quarterly fall of gross wages in the economy, caused a decline of labor costs per product unit by 2.7%, on quarterly basis.** The labor costs per product unit increased only by 1.7% annually, which was a considerable slowdown of growth compared to the previous quarter when an annual growth rate of 4.4% was registered.

Annex 2: Unused capacities in companies – consequences of the crisis and implications for future labor market movements

The global financial and economic crisis had a negative impact on the production and employee number in the Macedonian economy. Hereto, the initial effects of the crisis were registered in the second quarter of 2008 with the first registered quarterly slowdown of production. Namely, the deseasonalized real GDP growth was 1.2%, one percentage point less than the previous quarter growth rate of 2.2%. The growth also decelerated in the next quarter by 0.3%, and in the last quarter of 2008 production sector registered a negative quarterly change of 2.3%. The first indications of crisis in the employee number were registered with a time delay, i.e. in the third quarter of 2009, when the level declined by 0.2% on deseasonalized quarterly basis. The labor productivity movement was fully conditioned by the significant decline and the time dynamics of production change compared to the employee number during the crisis, and at the level of unused capacities in companies.

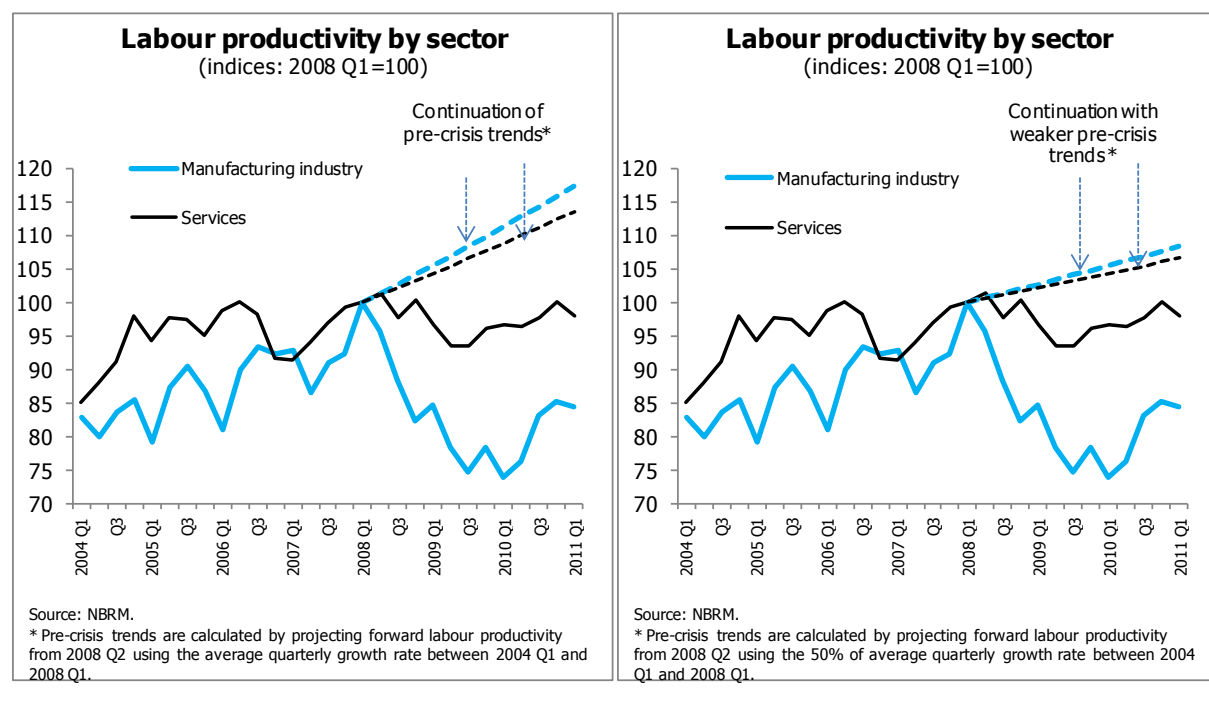


When business entities operate with less than 100% of their capacity, they are considered to have “unused capacities” of production. There are numerous reasons for a business entity to operate with unused capacities: lower demand, increased capacity that does not correspond with the demand growth, inefficiency, etc. Expanding or narrowing of the gap of unused capacities can be found in companies or in the labor market. During the crisis, the unused capacities gap in companies expanded significantly, but it is difficult to quantify its exact degree. One of the most frequently used quantification approaches is the **use of data from the SSO surveys of business entities**. The second approach is to consider **productivity movements compared to the measured productivity trend**. This approach shows the realized production volume against the potentially possible production volume (under assumption of a retained productivity growth trend). The results from the two approaches are presented hereinafter.

The survey of business entities in the manufacturing sector indicates that the unused capacities gap in companies has considerably narrowed since the third quarter of 2010 (compared to the crisis period) and is currently at the average level for the period from the first quarter of 2004 to the first quarter of 2011. Nevertheless, if analyzed against the pre-crisis trends (period from the first quarter of 2004 to the third quarter of 2008), there is room for additional capacity use to reach the pre-crisis level (periods of more dynamic economic activity). Such analysis cannot be made for the other sectors because the available SSO surveys for business tendencies in the trade and construction include no data on the average use of capacities in these sectors.

The second approach confirms the previous conclusion. Namely, **the productivity data** also indicate an increased unused capacity gap in companies during the crisis. The larger production fall compared to the employee number (adjusted downward with a one-year time delay) during the crisis resulted in the labor productivity decline. Production and employment movements indicate a start of production recovery trend in services sector since end 2009 and in the manufacturing sector since early 2010. Thereto, the labor productivity in manufacturing industry recovered with a faster dynamics than in the services sector. In both sectors, however, productivity is still much lower compared to the one that would have potentially been realized if the growth trend remained as in the pre-crisis period (dashed lines in the graph on the left). Assuming that the crisis caused changes of the potential productivity of the growth rate (dashed lines in the graph on the right), i.e. it made a downward impact, the companies then have less unused capacities.

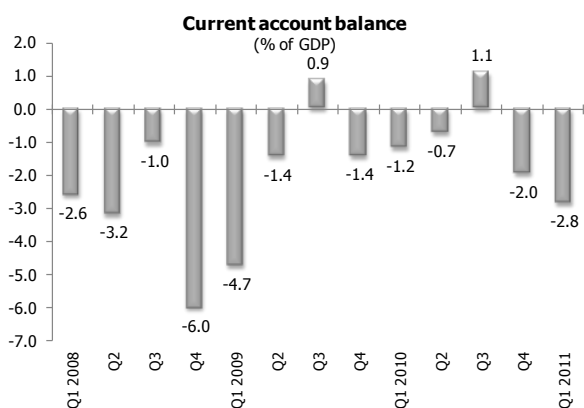
To summarize, both approaches show that the crisis caused an expansion of the unused capacities gap, which during 2010 began to gradually narrow down. Although the Business Tendency Survey in manufacturing industry for the current period shows an averagely increased percentage of the capacity use, it is still below the pre-crisis level. This shows that currently the companies can meet the possibly increased demand in the forthcoming period without increasing the number of employees, i.e. by increasing the productivity (the effect would be smaller in case of a lower growth rate of the potential productivity).



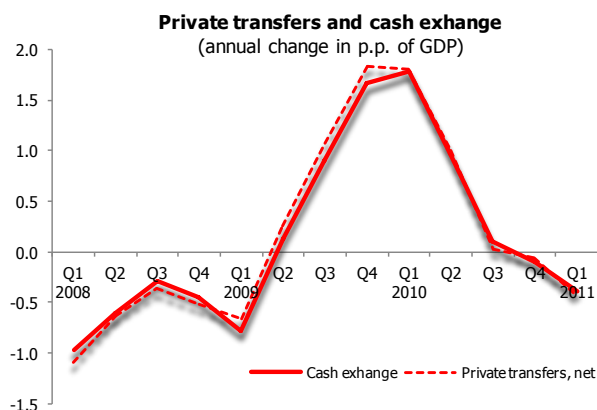
1.5. Balance of Payments

The current account negative gap continued to moderately expand quarterly in the first three months of 2011. The deficit widened more intensely on annual basis, and the prime factors for such dynamics were the considerable trade deficit growth and the decelerated trend of private transfers' growth. Namely, the lower comparison basis combined with the single import effect made by the new facility in the free economic zone and the high world prices of the crude oil contributed to a high growth of import, which exceeded the export growth. The favorable conjuncture of metal prices on the world markets and the gradual increase of foreign demand, however, affected the export positively, and it continued to register a strong annual growth in April and May. Positive movements were also registered in the financial account of the balance of payment. In the first quarter of 2011, a high level of foreign direct investments (FDI) was registered, and funds were drawn from the IMF's precautionary credit line. These movements resulted in a considerable accumulation of foreign reserves, which provided sufficient coverage of the next year's commodities and services import, trend that is expected to continue by the end of 2011.

1.5.1. Current Account

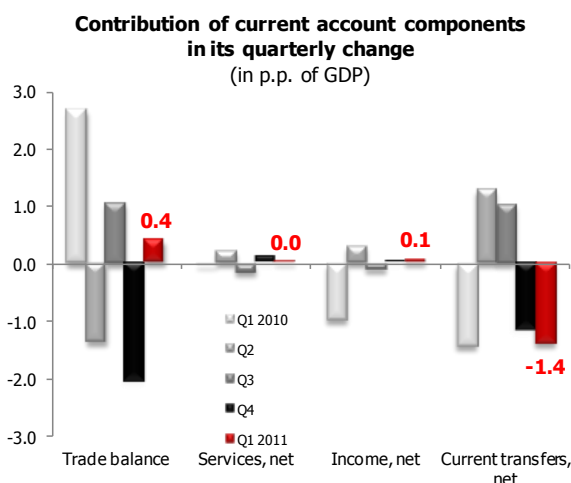


Source: NBRM.

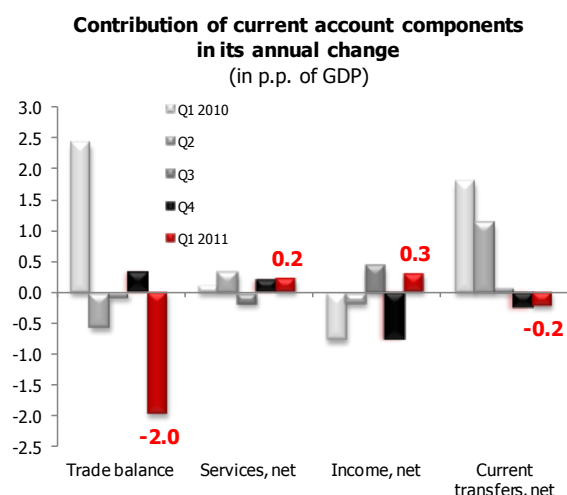


Source: NBRM.

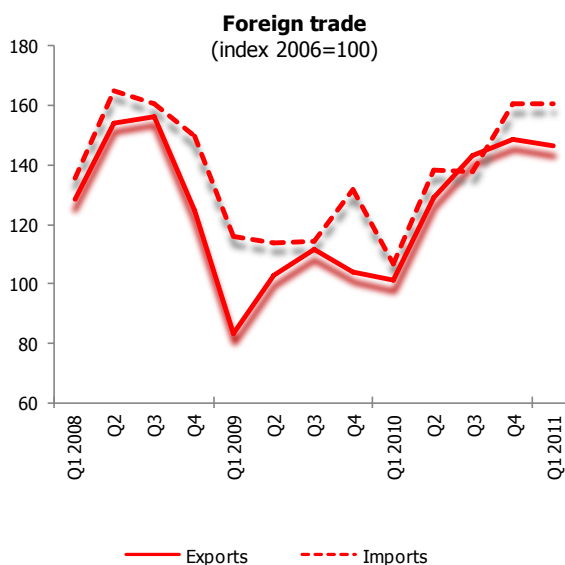
The deficit of the current account balance equaled Euro 216 million, or 2.8% of GDP in the first quarter of 2011. Compared to the previous quarter, the current account deficit widened by 58.8% (or 9.9 p.p. of GDP), which predominantly resulted from the seasonal dynamics of the current transfers and the weaker than usual narrowing of the trade deficit. Namely, in the first quarter of the year, the current transfers registered a considerable quarterly decrease (from 21.6%, or 1.4 p.p. of GDP), thus equaling Euro 266.1 million, or 3.5% of GDP. The decline in this category was due to the decreased private transfers (because of the seasonally lower net purchase of foreign cash on the exchange market, caused by the lower foreign currency supply), while the official transfers were about three times higher than in the last quarter of 2010, reflecting the inflows from the European funds. The trade deficit in the first quarter, on the other hand, registered a minor quarterly growth against the usual seasonal fall, this remaining at a high level of Euro 473.2 million, or 6.2% of GDP. Analyzing the relative GDP participation, the trade deficit registered a minor quarterly narrowing of 0.4 p.p., which is considerably below the usual average (1.8



Source: NBRM.



Source: NBRM.



p.p. narrowing from 2004 onwards)⁴⁴. The remaining current account components registered a quarterly improvement. Namely, the **surplus in services sector** registered an increase (given the continued positive tendencies in services exchange related to road transport), and the **negative income balance** reduced (due to increased inflows from employee benefits).

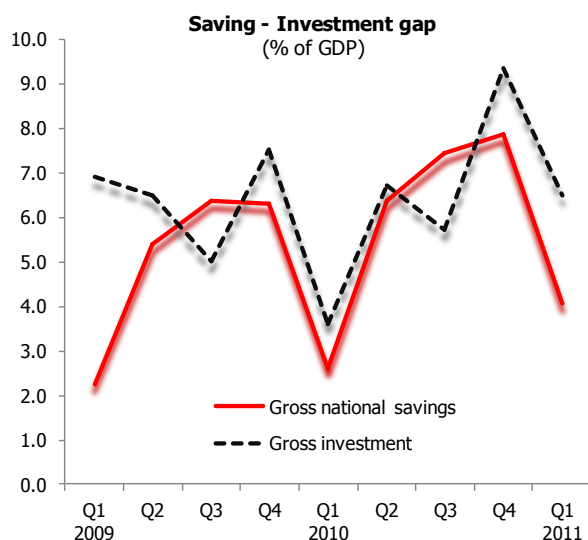
The annual deficit expansion of the current account in the first quarter of 2011 was by 2.6 times more intensive than the quarterly expansion. Such tendency was due exclusively to the widened negative balance in the commodities exchange (see Annex 3), while the remaining current account components contributed to its reduction. Thus, the income deficit decreased annually by 36% as a result of the lower net outflow for interest payments in other sectors⁴⁵, and of the increased net inflows from employee benefits. Simultaneously, the surplus in the services exchange registered an annual growth by 3.7 times primarily due to the improved balances in road transport services (because of the export increase) and in other services (mainly related to intermediation in trade and communication services). Net inflows from current transfers registered a moderate annual growth of 2.8%, due to the high increase of the official transfers (by 5 times), while the private transfers, after registering growth for seven successive quarters, registered an annual decline of 3.9%. Their dynamics is primarily conditioned by the net cash dynamics, where inflow decline was registered, which indicates a gradual normalization of these movements, after the excessively high levels in the previous year. According to the most recent data from the exchange market⁴⁶, such tendency continues in the second quarter of 2011. Net purchase of foreign currency in this period registered a 13.6% annual fall, due to the reduced foreign currency offer, while the demand for foreign currency remained lower than in the preceding year.

According to the latest balance of payments data, the current account deficit was Euro 41.3 million in April 2011. The negative balance was almost equal as the deficit in the same month of 2010 (narrowing of Euro 0.2

⁴⁴ These results are due to one-time factors explained in the Annex on foreign trade exchange.

⁴⁵ This change reflects the high comparison basis from the first quarter of 2010, when interest was capitalized.

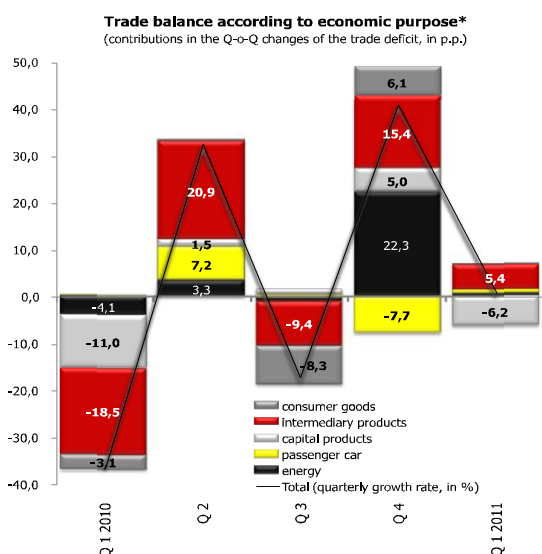
⁴⁶ Net purchase of foreign currency on the exchange market is used to estimate net purchased cash.



million, or 0.5%). The effect of the approved balances in exchange of commodities, services and income was almost fully counterbalanced by the reduced surplus in the current transfers.

Analyzing the gap between the national savings⁴⁷ and gross investments, in the first quarter of 2011, the quarterly gap expansion was caused by the greater savings decline than investment decline. Annually, however, the widened negative gap in current transactions was caused by the almost double investments increase, which exceeded the savings growth (of about 70%). **Analyzing the Gross National Disposable Income (GNDI) and absorption⁴⁸**, in the first quarter, the annual absorption growth was more dominant than the GNDI increase, due to the annual growth of investments and final consumption. Such tendencies, when the GNDI's growth is insufficient, indicate an increased need for external financing in the forthcoming period.

Annex 3: Analysis of foreign trade⁴⁹ and development of the nominal and real effective exchange rate (NEER and REER)



Source: D25 and NBRM

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

In the first quarter of 2011, trade deficit expanded quarterly by 0.9%. This resulted from the greater quarterly export decline compared to commodities import (by 1.5% and 0.5%, respectively), which deviates from the usual seasonal dynamics, as it presumes a significant import decline and trade balance narrowing in the first quarter of the year. Analyzing the economic purpose of the exchange, almost all exchange segments, excluding the capital products balance, registered an increase of the negative balance quarterly. The greatest expansion intensity, however, was registered in the deficit of intermediary products⁵⁰, for the purpose of realizing the historically highest import level, given the decelerating quarterly export

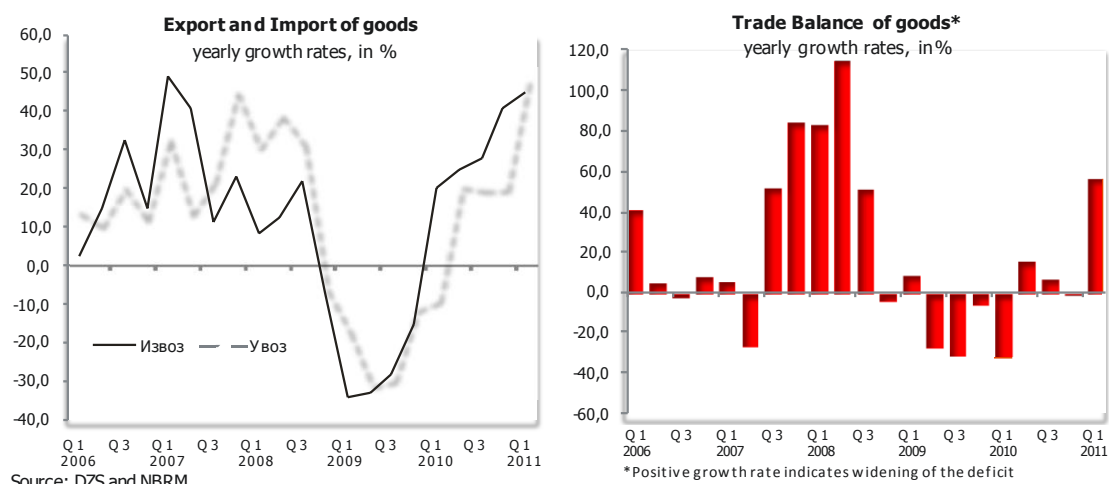
⁴⁷ National savings is a remainder between the Gross National Disposable Income (GNDI) and the final consumption.

⁴⁸ Absorption is a sum of final consumption and gross investments.

⁴⁹ According to the Foreign Trade Methodology, the exports data are published on f.o.b. basis, and the imports data are published on c.i.f. basis.

⁵⁰ Intermediary products participate in the total trade exchange with 54% (higher than the average quarterly participation in 2008, when the highest average quarterly participation was registered to date). In the first quarter, high import of raw materials and semi-products was realized for the new production facility in the free industrial zone, as well as import of dyes and tanning materials and of iron and steel. Considering the export, a more significant quarterly growth was registered in export of chemical substances and products (from the new production facility in the free industrial zone).

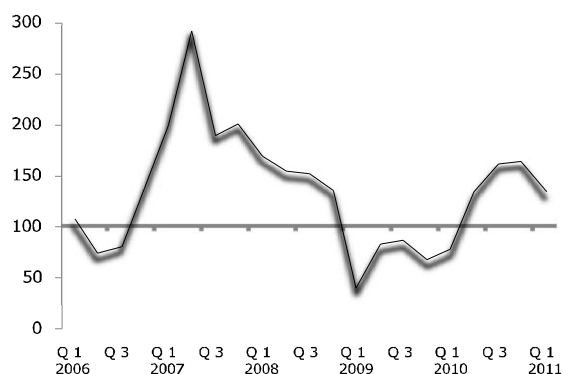
increase. The growth of intermediary product import primarily resulted from the increased raw materials import by the new production facility in the free economic zone⁵¹ (non-ferrous metals and inorganic-chemical products), as well as from the import of raw materials for the metal processing and textile industry. In energy resources exchange, the deficit registered a minor expansion (the effect from the high quantity import of natural industrial gas⁵² and electricity was mainly counterbalanced by the growth of oil derivatives export prices).



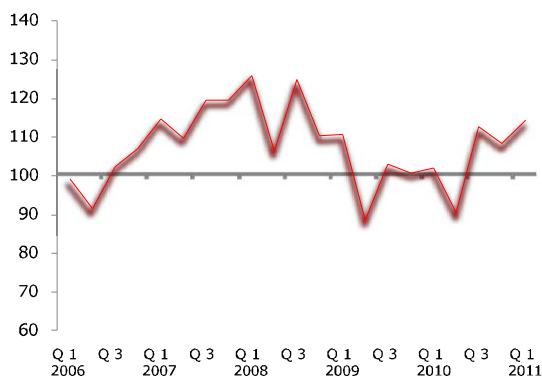
⁵¹ One-time effect on the import referring to a considerably high raw materials import in January 2011. In the subsequent months the import of these raw materials stabilized.

⁵² Record high import of natural and industrial gas was registered in the first quarter, to be used as raw material by the new thermal power plant and central heating facility.

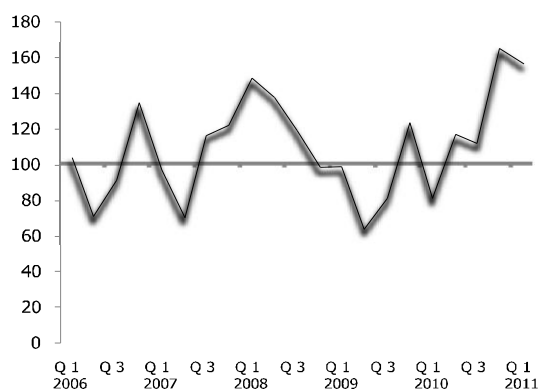
Surplus in the trade of iron and steel
(index 2006=100)



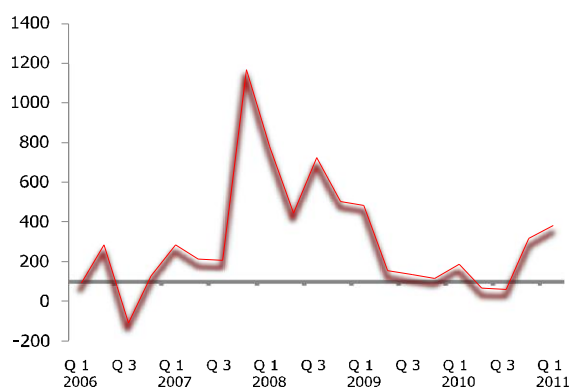
Surplus in the trade of clothes
(index 2006=100)



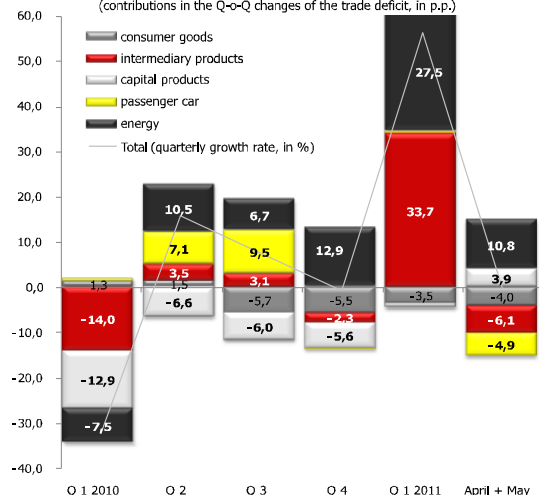
Deficit in the trade of oil and derivatives of oil
(index 2006=100)



Deficit in the trade of electric energy
(index 2006=100)



Trade balance according to economic purpose*
(contributions in the Q-o-Q changes of the trade deficit, in p.p.)



Source: DZS and NBRM

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

In the first quarter of 2011, the trade deficit expanded considerably more (by 56.2%), due to the more intensive annual import than export growth (49.4% and 44.8%, respectively). Analyzing the economic purpose of the exchange, the trade deficit increase resulted from the expanded negative balances in the exchange of intermediary products and energy resources. Such expansion, however, greatly mirrors the basic effect, as well, i.e. the low comparison basis from the preceding year. Namely, in the first quarter of 2011, high import was realized of **intermediary products**, especially of non-ferrous metals⁵³, raw materials needed for the production at the new capacity in the free economic zone, which intensified its operation in

⁵³ More than a half of the total trade deficit expansion (54%) resulted from the widened deficit in the non-ferrous metals exchange, conditioned by the operation of the new production facility in the free economic zone. Import of the rest of the raw materials for this capacity was classified as inorganic-chemical products, which, given the negative balance expansion in this category, explains about 9% of the widening of total trade deficit.

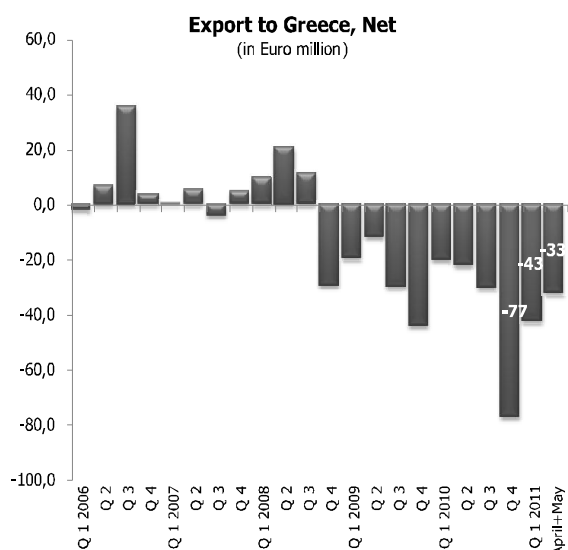
the second half of 2010. In addition, the production's dependence from raw materials import in the metal processing and textile industry resulted in an increased import of metal ore and waste, iron and steel, and dyes and tanning substances. These products' import caused increased export activity, which was still lead by the bigger foreign demand and the metal prices rise. Iron and steel export also grew, causing a surplus increase in the exchange of these products. The new facility in the free economic zone also registered a considerable annual growth of export (of chemical substances and products), but due to the high import, a major part of the deficit in this category was counterbalanced. Nevertheless, expectations are that this effect will be short term and compensated for in the second half of the year, when this capacity is expected to realize a positive balance in the exchange. The higher domestic production activity also increased the electricity consumption, which, given the insufficient domestic production⁵⁴, affected the quantity import. The deficit in the **energy resources** exchange was additionally increased due to the external price shock, i.e. the transferred effect of the oil price growth on the world stock markets. In the other categories, annual growth was registered of the exchange surplus in **consumer goods** (because of the increased surplus in the exchange of wearing apparel and fruit and vegetables), while the deficit in the **capital products** exchange declined annually.

The latest data on the foreign trade exchange (FTE) for May and June indicate retained positive trends in the exchange by the metal processing and textile industry, and in the export of chemical products and substances, but also to a further deterioration of the energy balance. Summarized, the trade deficit in these two months registered an annual narrowing of 0.4%, given a more dynamic export (36.8%) than import growth rate (20.7%). The greatest contribution to the annual reduction of total trade deficit was made by the deficit narrowing in intermediary product exchange (development contrary to the one in the first quarter of the year). The diminished passenger car import had a similar effect, which was due to the high comparison basis from the preceding year⁵⁵. In consumer goods exchange, the surplus continued to grow annually and generally reflected the positive tendencies in the export of wearing apparel and food products. Despite these positive developments, the increased negative energy balance influenced the deficit to expand (due to the greater oil import, given the increased price and reduced quantities). The increased negative balance in capital products exchange had the same effect.

Analysis of the exchange of the Republic of Macedonia per country's trade partners in the first quarter of 2011 indicates deterioration in the exchange with the European Union and the developing countries. Namely, the deficit with the EU has considerably expanded annually (by about 79%), due to the expanded negative balances in the exchange with Great Britain, Bulgaria and Greece. Namely, the deficit with Great Britain widened due to the import of non-ferrous metals (platinum – raw material for the new capacity in the free industrial zone). Also, since the beginning of the world crisis, RM has realized a deficit in the exchange with Greece, but as the debt crisis in Greece fired up, since the last quarter of 2010 and in the first quarter of 2011, the deficit grew considerably (due to the significant export decline and given the high growth of import from this country). The trade exchange improved with fifteen EU member countries, and surplus was registered with nine EU member countries, with more significant positive balance increase registered in the exchange with Germany (compared to the moderate deficit in the first quarter of 2010). On the other hand, the deficit expansion with the developing countries was conditioned by the increased deficit in the exchange with Russia, and in the exchange with China the negative balance expanded annually because of the export decrease.

⁵⁴ According to MEPSO data, in the first quarter of 2011, the domestic demand for electricity increased by 18.6% annually. The domestic output of electricity registered a moderate growth of 5.5% (because of the increased output of the thermal power plants, and of the reduced output of the hydro power plants). In view of such developments, the electricity import volume increased by 84.2%, according to MEPSO.

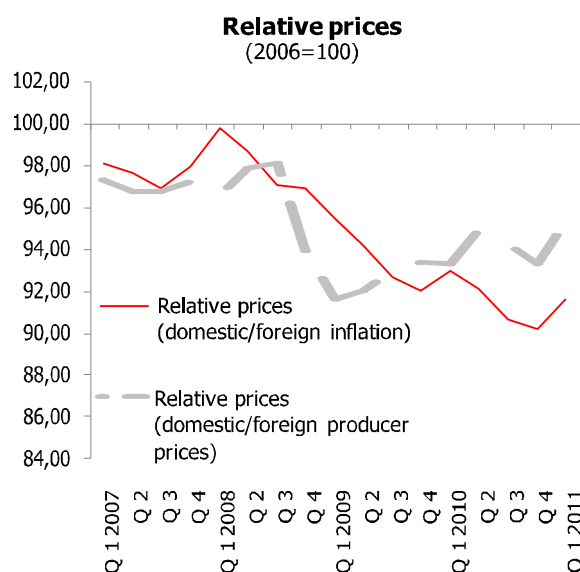
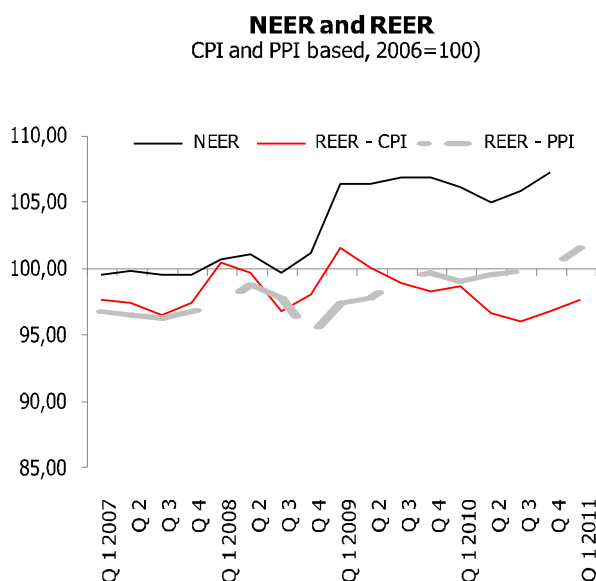
⁵⁵ Motivated by the tax modifications, the passenger car import began to quickly grow from March 2010.



The latest FTE data of May and June show a deficit narrowing in the exchange with the EU (due to the surplus in the exchange with Germany), as well as continued annual expansion of the deficit with the developing countries (due to the deficit increase in the exchange with Russia). Considering the exchange with Greece in April and May, the export registered a cumulative annual decline of 28.3%, while the import moderately increased annually (by 5.3%).

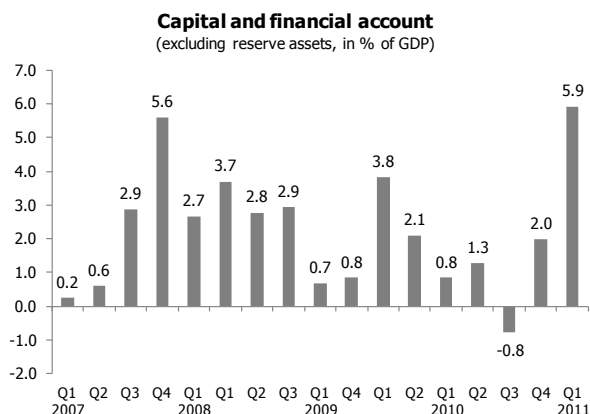
Price competitiveness indicators in the first quarter of 2011 pointed to deterioration of the competitiveness. Despite the depreciation of NEER (0.6% quarterly, due to the Macedonian Denar depreciation against the Russian Ruble and the Serbian Dinar), the REER calculated according to two indices (cost of living

and industrial producers' prices) registered a quarterly appreciation of 0.9% and 1.6% respectively, due to the deteriorated price ratio, i.e. the quicker growth of the domestic than foreign prices. The latest data **of April and May** (their average indices) continue to show appreciation development of both indices. In this period, the appreciation results from the deteriorated ratio of the domestic against the foreign prices, given the depreciation of the average NEER (of 1% compared to the first quarter). The appreciation of the two indices has a different dynamics, i.e. the REER calculated according to the cost of living registers a decelerated appreciation of 0.4%, while the REER calculated according to the industrial producers' prices registers a more considerable appreciation of 3.2%.

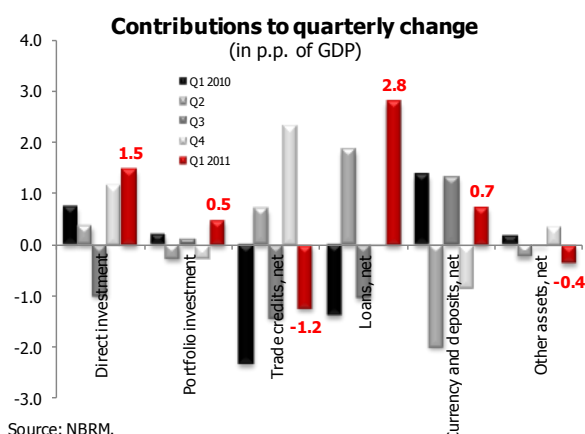


1.5.2. Capital and Financial Account

In the first quarter of 2011, a historically high level was registered of the net inflow into the capital and financial account (excluding the official reserves) of Euro 450.1 million, or 5.9% of GDP. The realized capital net inflows covered the current account deficit and enabled additional



Source: NBRM.



Source: NBRM.

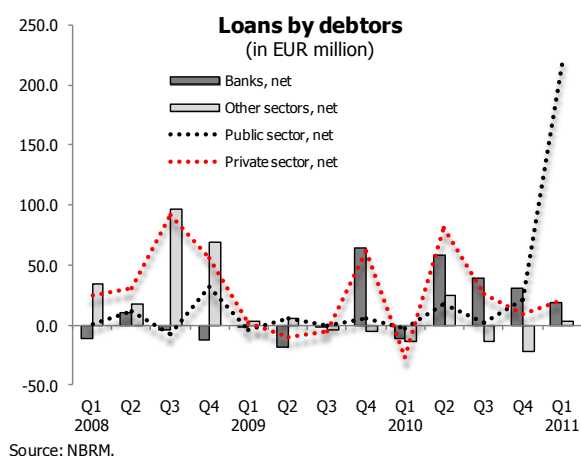
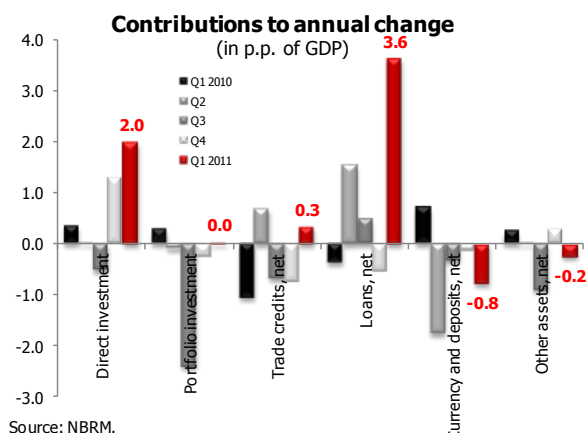
accumulation of foreign reserves. Net inflows primarily resulted from loans and FDIs and, to a lesser extent, from trade loans and portfolio investments, while the net outflows were registered only in foreign currencies and deposits. This dynamics of the capital net inflows is considerably better *compared to the previous quarter* (by 3.3 times higher on quarterly basis). Net inflows from **financial loans** reached Euro 244.5 million, or 3.2% of GDP, with the greatest share coming from the funds drawn from IMF's precautionary credit line⁵⁶ (Euro 221.2 million), and a smaller share from the long-term loans of the banking and other sectors. On the other hand, in short-term loans, net repayments were registered (mainly in other sectors). Net inflows from FDIs reached an exceptionally high level of Euro 206.6 million, or 2.7% of GDP, and were by 2.4 times higher than in the previous quarter. In addition, the positive FDI structure (primarily made of investments in equity capital, as well as of the inter-company debt increase and reinvested profit) indicates a gradual restitution of foreign investors' confidence for investing in the domestic economy. In **commercial loans**, the net liabilities in the first quarter of the year registered a small increase, unlike their high amount in the previous period. Net inflows in the **portfolio investments** were minimal, given the somewhat higher amount of newly created liabilities (based on investments of non-residents in equity securities in banks) from investments of residents in foreign equity securities. The net outflows in **currencies and deposits** reduced to Euro 26.4 million from Euro 74.5 million in the preceding quarter. Namely, contrary to the accumulation of foreign currency assets abroad by the domestic banks in the preceding quarter, in the first quarter of 2011 their withdrawal was registered, and foreign currency liabilities toward the non-residents declined (contrary to their accumulation in the previous quarter). In addition, the households continued to withdraw their foreign currency cash from the

⁵⁶ In January 2011, the Republic of Macedonia signed a new financial support arrangement with the International Monetary Fund (IMF) in the form of a Precautionary Credit Line (PCL). It is a new instrument of the IMF that was introduced in August 2010 as a part of the IMF's reform of crediting policies. The Republic of Macedonia was the first country that was approved a PCL of 413.4 million SDR, or about Euro 475.6 million, which is 600% of the Republic of Macedonia's quota in the IMF. In March 2011, the Government of RM withdrew Euro 221.2 million of the total amount of Euro 390 million PCL funds available for the first year, a move that was defended by arguing that the conditions on the international financial markets had deteriorated after the arrangement was approved, and with the changed political situation in the country, i.e. expectations for early elections, which had imposed a need to postpone the issuance of the planned Euro Bond.

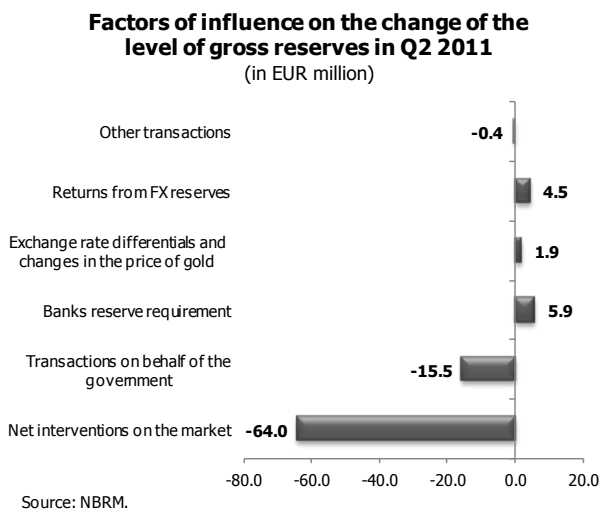


banks, but with a slower pace than in the preceding quarter.

Observed annually, the capital net inflows in the first quarter of 2011 were by 7.8 times higher than in the preceding year, or by 4 times higher excluding the effect of the withdrawn PCL funds from the IMF. The greatest share of the annual growth of capital net inflows resulted from the increased long-term loan use (the PCL funds withdrawal and increased uses by the private sector), which is an opposite case from the preceding year, when net-repayments of long-term loans were registered. In addition, the FDIs also registered a high annual growth (by 4.1 times), given the intensified new investments in equity capital, and growth of the inter-company indebtedness. Minimal net inflows were also registered from commercial loans and portfolio investments, a situation opposite than the one in the same quarter of the preceding year, when net outflows were registered in these capital flows. On the other hand, the realization of net outflows in foreign currencies and deposits was opposite to the realization of net outflows in the same period in 2010 (a result of the lower amount of withdrawn foreign currency funds of domestic banks from the accounts abroad).



In April 2011, net inflows of Euro 44 million were registered within the capital and financial account. The greatest share was realized based on commercial credits and loans, while net outflows were registered based on direct investments (dividend payments), foreign currencies and deposits, and portfolio investments. Net inflows in the capital and financial accounts are lower by 35.4% annually, due to the net outflows in direct investments and lower net inflows based on loans.



The realization of higher capital net inflows than current account deficit resulted in additional accumulation of foreign reserves in the first quarter of 2011. Thus, *in end March 2011*, the gross foreign reserves reached Euro 1.900 million, exceeding the total reserves registered in end 2010 by Euro 185.5 million. *According to the most recent data*, the status of foreign reserves as on June 30, 2011 was Euro 1 832.4 million, which was a decrease by Euro 67.6 million compared to the end of the first quarter. This change in foreign reserves was due to the net sales by the NBRM on the exchange market and to net outflows for payment transactions for the account of the Government. Despite the decrease (which is usual for the



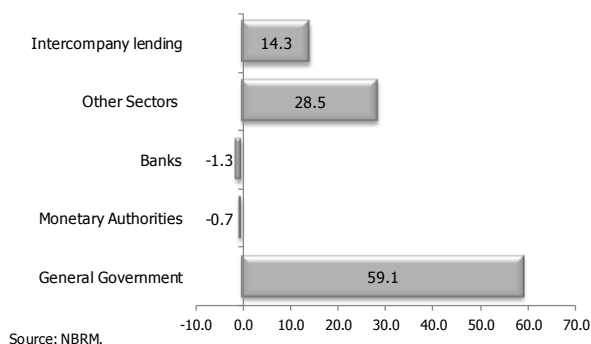
second quarter), the foreign reserves are retained at about the adequate level.

1.5.3. Gross External Debt

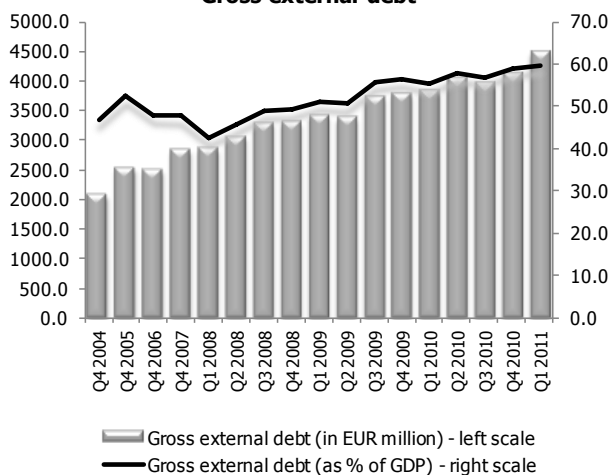
In accordance with the increased debt flows in the balance of payments in the first quarter of 2011, the gross external debt reached Euro 4 477.5 million or 60% of the GDP at the end of the quarter. Compared to end 2010, this is a considerable increase, of Euro 366.2 million or 8.9%, which results primarily (contribution of 59.1%) from the **long-term indebtedness of the country** at the IMF with the PCL funds withdrawal. The second important factor for the debt increase (contribution of 28.5%) were the increased liabilities of the **other sectors in the economy**, which referred mainly to the short term commercial loans and partly to the long term loans. Another factor was the **inter-company debt** growth, i.e. increased long term liabilities to the direct investors (contribution of 14.3%).

An annual analysis shows an intensified growth of the gross external debt of Euro 640.5 million or 16.7%. Both quarterly and annually, the greatest contribution (of 40.2%) to the debt was made by the long term indebtedness of the country with the IMF, followed by the increased liabilities of the remaining sectors in the economy (with 27.5% contribution), mainly referring to short term liabilities (commercial loans and matured unpaid liabilities), as well as the increased long term loans to a lesser extent. Namely, after four successive quarters of annual reduction in the long term external financing of the private sector with loans, a moderate annual growth (of 3.6%) was registered this quarter. The banking sector increased indebtedness (25% contribution) is another factor in the debt growth, and the trend of annual increase of the banking debt (started in Q4 of 2008) continues. The greatest share of the banking debt increase is due to the higher long term loans. Almost half of them (about 45%) are credit lines of the parent banks, and a smaller part are an EIB credit line for SME support. The latest developments in *intercompany debt* (i.e. increasing of liabilities towards direct investors on a long term) contributed with 7.3% to the gross debt increase. These liabilities, which primary aim is to support the investment activity, mostly refer to the direct investors of the new investment in the free economic zone, the telecommunications and energy sector.

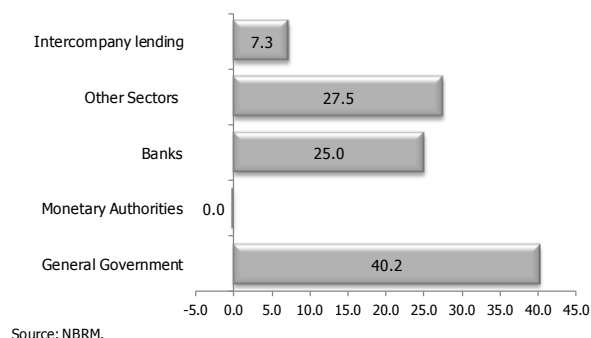
Contributions to the quarterly change of the gross external debt, by sectors (in %)



Gross external debt



Contribution to the annual change of the gross external debt, by sectors (in %)





Debt indicators

	<i>Solvency</i>				<i>Liquidity</i>	
	Interest payments/ Exports of goods and services	Gross debt/ Export of goods and services	Gross debt/ GDP	Debt servicing/ Exports of goods and services	Foreign reserves/ ST debt	ST debt/ Total gross debt
	in %				ratio	in %
31.12.2004	2.60	121.7	46.8	11.87	1.14	30.3
31.12.2005	2.55	122.8	52.5	9.15	1.67	26.7
31.12.2006	3.20	104.7	47.9	15.05	1.95	29.0
31.12.2007	2.98	92.64	47.63	16.33	1.35	39.82
31.12.2008	2.62	97.74	49.17	7.28	1.29	35.19
31.12.2009	3.34	148.88	56.62	9.94	1.29	32.86
31.03.2010	3.45	120.44	55.25	9.31	1.35	31.05
30.06.2010	3.45	126.34	57.96	9.31	1.34	31.73
30.09.2010	3.45	124.12	56.94	9.31	1.38	30.97
31.12.2010	3.45	129.05	59.20	9.31	1.30	32.05
31.03.2011	2.65	115.41	58.98	7.86	1.48	29.77
<i>Moderate indebtedness criterion</i>	<i>12 - 20%</i>	<i>165 - 275%</i>	<i>30 - 50%</i>	<i>18 - 30%</i>		

* According to IMF's "External debt statistics: Guide for compilers and users". The moderate indebtedness criterion is according to the World bank methodology.

Source: NBRM.

Analyzing the debt by sectors, the annual variations of the debt come as a result of the almost balanced growth of the private and public sector (contribution of 52% and 48%, respectively). *Analyzing the maturity*, the long term liabilities growth has a greater contribution (78%).

Analyzing the indicators of the external indebtedness of the domestic economy annually, positive developments are registered in all analyzed indicators, excluding the gross debt participation in the GDP. In *solvency indicators*, which common divider is the export of commodities and services, improvement is registered compared to the same period of the preceding year. Hence, the higher export growth than the **gross debt** increase and the **total debt repayments** results in narrowing of the ratio by 5 and 1.4 p.p. respectively, indicating an increased capability of the domestic economy to repay the debts by the higher foreign currency inflows from the export of commodities and services. On the other hand, the annual decline of **interest repayments**, given the increase of inflows from the export resulted in ratio improvement by almost 1 p.p. The higher gross debt growth rate than the domestic economic growth rate increased the participation of the gross debt in the GDP by 3.7 p.p. and, consequently, deteriorated the external position measured with this indicator. *Summed up, the comparison regarding the indebtedness criteria shows that, according to three indicators, our*

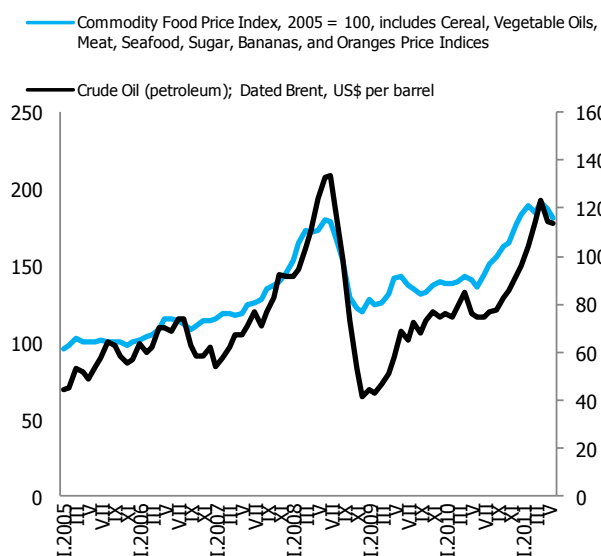


country belongs to the group of less indebted countries, and only according to the participation of the gross external debt in the GDP it belongs to the group of heavily indebted countries. Improvement has been registered also in the liquidity indicators of the gross external debt. Namely, the coverage of the short term debt with the foreign reserves increased by 5.7% annually, while the structural participation of the short term in the total debt reduced by 1.3 p.p.

1.6. Inflation

In the second quarter of 2011, the trend of domestic prices increase continued, but with a slower dynamics. These developments, despite the more prominent effect of the electricity price increase, mostly reflect the stabilization of the world prices of food and oil, which were the prime factors that had a global effect on inflation rates increase since the end of 2010. The inflation dynamics was also slowed down by some domestic measures (excise decrease) and by the increased supply of vegetables on the domestic market due to the reduced foreign demand. These factors resulted in an annual inflation rate of 4.7% in the second quarter of 2011, which was less than previously projected. Given that the economy functioned below its full potential, the long term component of the inflation remained at a relatively stable level (basic inflation was 1.2%), indicating perceptions for a temporary and controlled inflation increase by the economic entities. Deceleration of the annual growth was also registered in producers' prices of industrial products, as well as in labor costs per product unit. The improved outputs, as well as the expectations for a decelerated growth of food and energy prices in the forthcoming period, indicate that consumer prices growth will continue to slow down on annual basis.

Crude oil and food prices



Source: IMF Primary Commodity Prices.

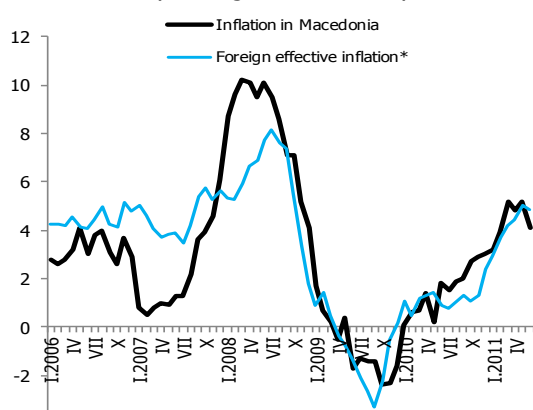
Domestic prices continued to increase in the second quarter of 2011, but with a slower pace. Compared to the 2.6% increase in the first quarter, the general price level registered an almost twice smaller growth rate and was 1.4% (1.3% according to the seasonally adjusted data). This result primarily reflects the food prices growth of 2.7% (2.1% seasonally adjusted), because of the high prices of fruit, and bread and bakery products (20.8% and 7.5% increase, respectively). The upward correction of the electricity price⁵⁷ had an additional effect. Nevertheless, the significantly lower vegetable prices⁵⁸ increase and the lower prices of edible oils in the second quarter counterbalanced a significant

⁵⁷ Based on the Energy Regulatory Commission decision, the electricity price was increased by 5.5% in March 2011. Considering that the price registered no variations in January and February, the effect of the price change is more noticeable in the second than in the first quarter.

⁵⁸ Such developments in vegetable prices resulted from the increased supply on the domestic market due to the reduced export demand, caused by extraordinary factors that influenced the consumers' behavior.

Domestic inflation and foreign effective inflation

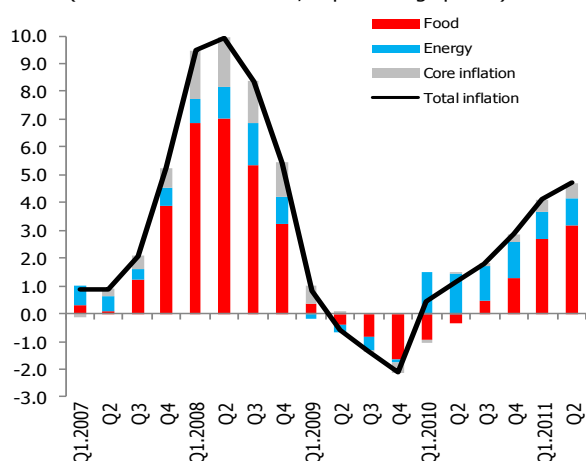
(annual growth rates, in %)



* 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.

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

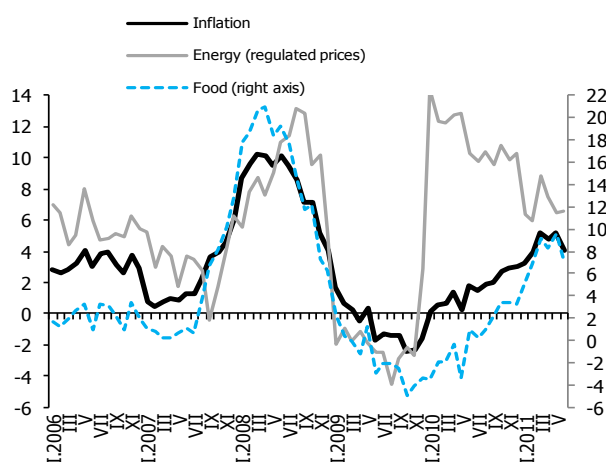
(contribution to inflation, in percentage points)



Source: State statistical office and NBRM calculations.

Inflation and volatility of food and energy

(annual growth rates, in %)



Source: State statistical office and NBRM calculations.

part of the prices increase and contributed to the decelerated quarterly dynamics of the inflation. The temporary Government decision⁵⁹ on excise reduction had a similar effect. Namely, the decrease of excise on oil derivatives, given the crude oil price increase, resulted in stable oil derivatives prices and additionally contributed for a slower intensity of the quarterly inflation (according to the NBRM estimates, the lower excise influenced the quarterly inflation to be lower by 0.2 p.p.).

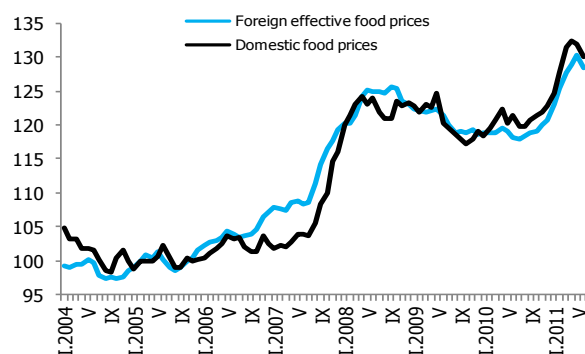
The annual inflation rate continued to grow in the second quarter of 2011, but with a smaller intensity than in the previous quarter. Thus, the annual inflation rate was 4.7% (4.1% in the first, and 2.9% in the last quarter of 2010), and its more moderate increase corresponds with the gradual cessation of pressures by food and energy world prices. Given the similar contribution of the energy prices, the increased annual inflation rate is a consequence of the greater contribution of food prices. The domestic inflation development corresponds with the foreign effective inflation, which registered an increase of 4.7% in the second quarter (against 3.6% in the previous quarter).

The 4.7% annual inflation in the second quarter is mostly (by 3.2 p.p.) explained with the food prices increase, which reached 8.4% (7.1% annual growth in the previous quarter), due to the quarterly price increase and the lower comparison basis. Analyzed by price subcomponents of food, the increase results from the higher prices of processed foods (mostly bread, bakery products, and edible oils), with a significant contribution of fresh foods (fruits and vegetables), as well. Simultaneously, the foreign effective food prices in the second quarter of 2011 were higher by 8.7% (5.6% in the preceding quarter). **The energy price annual growth moderately decelerated from 7.1% in the first quarter to 6.9% in the second quarter of 2011.** The slowdown mainly results from the more moderate oil derivatives price increase (from 18.4% to 10.9%), due to the excise decrease, in an environment of a relatively high level of crude oil price on the world markets. On the other hand, the electricity price increase from March contributed for an intensified annual

⁵⁹ On April 14, 2011, a temporary measure was adopted on reducing the excise on petrol and diesel fuel (by 4 and 2 Denars, respectively), as well as on reduction of the payment for obligatory oil reserves (by 0.5 and 0.2 Denars, respectively), with a four month validity period (by mid-August). This measure became effective with a Decision of the Energy Regulatory Commission of April 15, 2011.



Foreign effective food prices* and domestic



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

growth of this energy component in the second quarter by 5.4% (1.8% in the preceding quarter).

Individual Price Categories (annual changes in %)

	2007	2008	2009	2010				2010	2011	
				Q1	Q2	Q3	Q4		Q1	Q2
Consumer price index - all items	2.3	8.3	-0.8	0.4	1.1	1.8	2.9	1.6	4.1	4.7
Food	3.9	15.4	-1.6	-2.4	-1.0	1.2	3.3	0.3	7.1	8.4
Fresh food	3.8	19.7	-0.6	-3.0	-2.4	0.2	1.6	-0.9	4.6	6.7
Processed food	4.1	12.0	-2.2	-1.9	0.4	2.0	4.7	1.3	8.5	9.9
Energy	4.7	9.3	-2.0	12.6	11.8	9.9	10.3	11.2	7.1	6.9
Fuels and lubricants	1.4	14.6	-20.9	26.0	23.5	13.1	14.6	19.3	18.4	10.9
Electrical power	8.0	2.6	10.8	9.9	9.8	9.8	9.9	9.8	1.8	5.4
Heating power	2.2	16.0	-0.9	6.4	5.3	7.2	7.1	6.5	6.3	5.7
Food and energy (volatile prices)	4.1	13.9	-1.7	1.1	2.1	3.3	5.1	2.9	7.1	8.0
Goods	3.0	9.2	-0.8	0.6	1.4	2.0	3.5	1.9	4.5	5.4
Services	-0.3	5.1	-0.7	-0.2	-0.2	0.6	0.0	0.1	1.0	1.1
Core inflation (inflation excl. food and energy)	0.6	2.6	0.3	-0.2	0.1	0.2	0.6	0.2	1.0	1.2
Industrial producer prices	2.5	10.1	-7.2	7.3	10.5	8.4	8.6	8.7	13.6	11.6

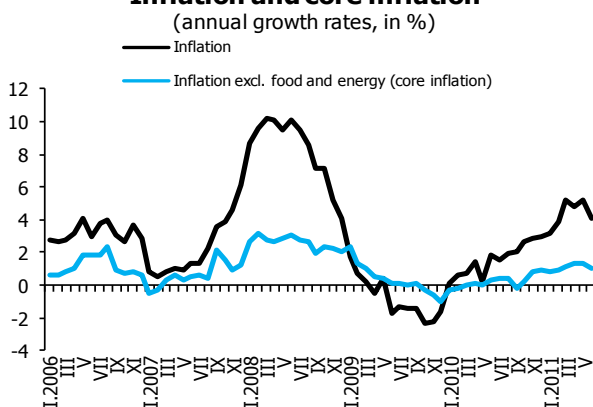
Source: State Statistical Office and NBRM computations.

Contributions to Inflation (in p.p.)

	2007	2008	2009	2010				2010	2011	
				Q1	Q2	Q3	Q4		Q1	Q2
Consumer price index - all items	2.3	8.3	-0.8	0.4	1.1	1.8	2.9	1.6	4.1	4.7
Food	1.4	5.9	-0.7	-1.0	-0.4	0.4	1.3	0.1	2.7	3.2
Fresh food	0.6	3.5	-0.1	-0.6	-0.4	0.0	0.3	-0.2	0.8	1.2
Processed food	0.8	2.5	-0.5	-0.4	0.1	0.4	1.0	0.3	1.7	2.0
Energy	0.6	1.2	-0.3	1.5	1.4	1.2	1.3	1.4	0.9	0.9
Fuels and lubricants	0.1	0.6	-0.9	0.7	0.7	0.4	0.5	0.6	0.6	0.4
Electrical power	0.5	0.2	0.6	0.6	0.6	0.6	0.6	0.6	0.1	0.4
Heating power	0.1	0.5	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Food and energy (volatile prices)	2.0	7.1	-0.9	0.5	1.1	1.7	2.6	1.5	3.6	4.1
Core inflation (inflation excl. food and energy)	0.3	1.3	0.2	-0.1	0.1	0.1	0.3	0.1	0.5	0.6

Source: State Statistical Office and NBRM computations.

Inflation and core inflation



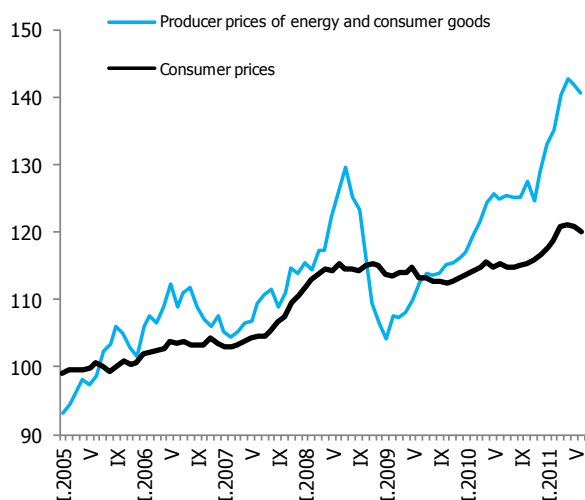
Source: State statistical office and NBRM calculations.

The long term inflation component was retained at a low level also in the second quarter of 2011, in absence of inflationary pressures by the domestic demand⁶⁰. The basic inflation in the second quarter of 2011 was 1.2% and registered a small increase of 0.2 p.p. from the preceding quarter. The annual fall of transport services prices and the decelerated price increase in restaurants and hotels contributed for the basic inflation growth to slow down in June and to reduce to 1% annually.

⁶⁰ The NBRM estimates show that production is still below its full potential level (negative production gap), which indicates an absence of pressures by the demand.



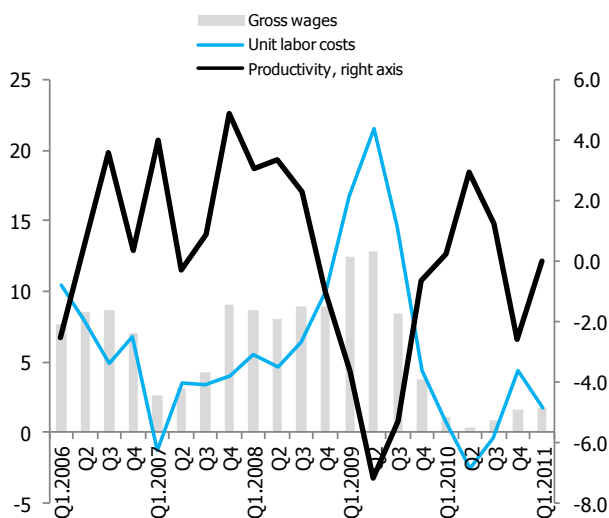
Producer prices with influence to consumer prices (indices, 2005=100)



Source: State statistical office and NBRM calculations.

The trend of price increase of industrial product producers continued in the second quarter of 2011 with a quarterly growth of 3.2% (0.4% growth, according to seasonally adjusted data). Nevertheless, the quarterly change intensity was weaker than the one registered in the previous quarter (6.6%). The quarterly growth was mostly due to increased prices of oil derivatives producers (1.8 p.p. contribution), electricity (0.9 p.p. contribution), and to a lesser extent, to price changes of food products and metals. **Moderate slowdown on annual basis was registered in producers' price growth, which reduced to 11.6% in the second quarter (compared to 13.6 in the first quarter).** The growth is explained primarily with the prices increase of oil derivatives, food products, electricity and basic metals. Considering the production prices that influence the domestic component of the inflation⁶¹, they increased by 4.2% compared to the preceding quarter. The intensity of the increase, however, is smaller than in the previous period and indicates smaller inflationary pressures in the forthcoming period.

Unit labor costs (annual growth rates, %)



Source: State statistical office and NBRM calculations.

After registering quarterly growth for three successive quarters, in the first quarter of 2011, the labor costs per product unit decreased by 2.7% compared to the preceding quarter. This change was due to the gross wages reduction, while labor productivity increased. **Analyzed annually, the labor costs per product unit registered a decelerated annual growth of 1.7% (4.4% in the previous quarter).** Given the unchanged labor productivity, the annual growth of the costs fully results from the gross wages movement. The annual growth of the labor costs slowed down due to the gradual cessation of the negative growth rates of productivity (0% annual change compared to the -2.6% in the preceding quarter). The downward trend in labor costs per product unit is expected to have a potential downward effect on the consumer prices development.

The projections for the second half of the year indicate a gradual slowdown of the domestic prices annual growth, according to the current estimates for gradual cessation of the global pressures made by the prices of crude oil and food (a trend that was particularly visible in June 2011). The higher comparison basis related to the price growth from a year ago will have an additional impact on the expected deceleration of the annual price growth,

⁶¹ Joint consumption products (durables and non-durables) and energy

especially in the last quarter. The inflation projection risks still correlate with the uncertain development of the world prices of food and oil and their transferred effect on the domestic prices.

Annex 4: Inflation Expectations of the Economic Entities in the Republic of Macedonia

In the April Survey, the economic entities mainly expected a higher inflation growth in the second quarter of 2011 than realized. According to the Survey results, most of the participants (53.3%) expected the annual inflation rate at the end of the second quarter of 2011 to be higher than the one in March 2011 (of 5.2%), about one third of the participants (35.6%) did not expect a change in the inflation rate, and only a small portion (8.9%) expected the inflation to decrease⁶². On the average, the participants forecasted the annual inflation in June to reach about 5.4%, which was higher than the realized rate of 4.1%. **Regarding the inflation development by end 2011, the expectations were also that it would continue to increase.** Namely, 66.7% of the participants expected an inflation increase compared to the average one in the first quarter of the year⁶³, as a result of the anticipated further growth of energy and food prices on the world stock exchanges, expected new electricity price rise, and possible upwards pressures on prices after the parliamentary elections. The April Survey participants estimated an average inflation of 4.6% for 2011, which was higher than the estimates for 3.5% inflation in the previous Survey conducted in February 2011.

According to the Survey on inflation expectations conducted in July 2011⁶⁴, the forecasts for the inflation in the forthcoming period stabilized. Most of the participants (41.3%) forecasted a stable annual inflation rate at the end of the third quarter of 2011 that would remain at the June 2011 level of 4.1%. Almost one third of the participants (30.4%) expected the inflation to decline, and a smaller portion (21.7%) of them expected it to increase. Analyzed by participant groups, almost half (48.5%) of *companies* surveyed expected a stable inflation, 24.2% forecasted an inflation decrease, and 21.2% anticipated a higher inflation. Similar to the companies, most of the *banks* surveyed (42.9%) also expected a stable inflation, and the rest of the answers were split between inflation increase and decrease. Unlike the banks and companies, the *analysts* predominantly (66.7%) expected a lower inflation than the one realized in June, while 16.7% of them forecasted an inflation increase. *The economic entities expect the annual inflation rate in September 2011 to be at about 4.1%.*

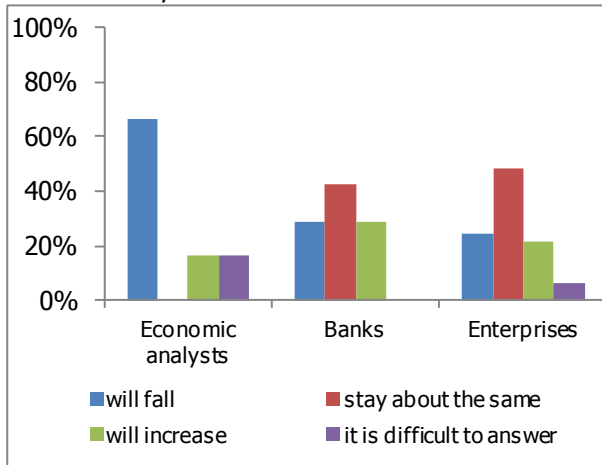
⁶² The percentage remaining to 100%, throughout the text, refers to the participants who chose the option "difficult to determine".

⁶³ Of the remaining participants, 17.8% expected a stable inflation by end 2011, 11.1% expected a lower inflation, while the rest considered it difficult to determine the inflation development.

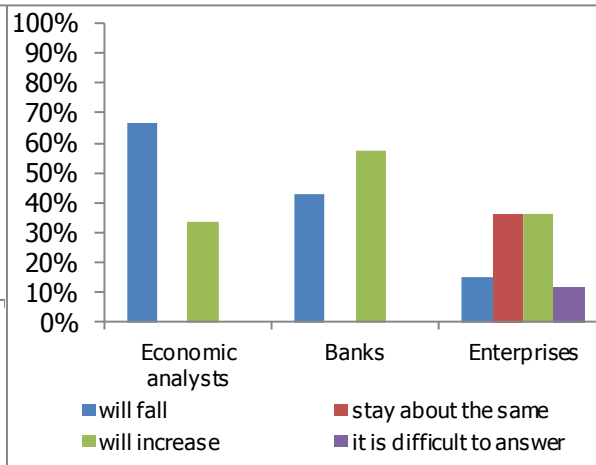
⁶⁴ The survey had 63% responsiveness, i.e. 46 out of 73 respondents answered the survey. Analyzed by groups, the banks' responsiveness was 100%, the enterprises' 62.3%, and the smallest responsiveness was registered in the group of economic analysts (46.2%).

Distribution of answers about inflation expectations by groups of respondents

for the third quarter of 2011



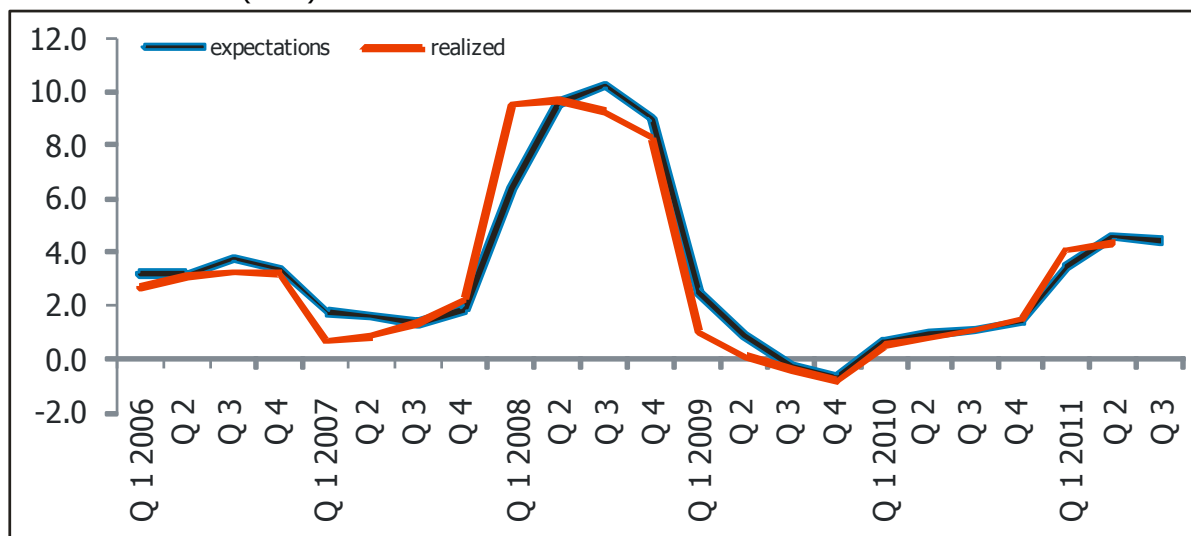
for the whole 2011



Source: NBRM, Survey about inflation expectations.

Regarding the expectations for the whole 2011 (from the July Survey), a reduced percentage of respondents (only 39.1%) expected a higher inflation than the average one realized in the first half of the year, while 26.1% of the participants expected an inflation decline, and the same percentage forecasted stabilization of the inflation. Most of the surveyed **banks** (57.1%) forecasted a rise, and 42.9% anticipated a decline of inflation by year end. Also, 36.4% of the surveyed **companies** expected a higher inflation; the same percentage forecasted a stable one, and 15.2% anticipated a decreased inflation. Unlike the banks and companies, two thirds of the **analysts** (66.7%) expected a lower inflation by year end, while one third of them forecasted an inflation increase. *The average inflation rate in 2011, based on the economic entities' expectations, would be at about 4.4%⁶⁵, which is a slowdown compared to the previous survey (about 4.6%).*

Expectations regarding the average inflation rate for the whole year and the realized average cumulative inflation (in %)



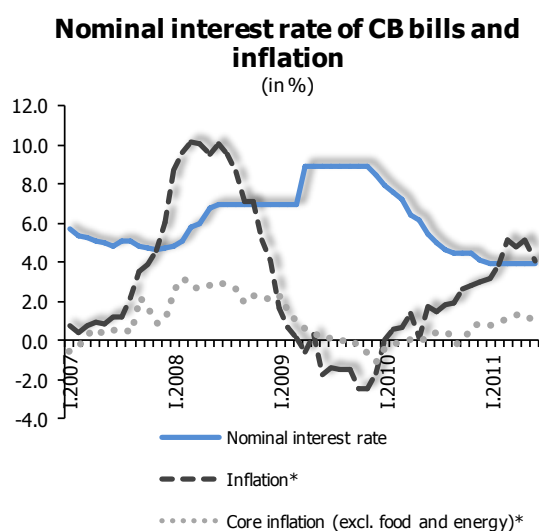
Sources: NBRM, Survey about inflation expectations, and the SSO

⁶⁵The slowdown of the expected average inflation rate by end of 2011, compared to the same previous survey, was a result of the smaller percentage of respondents who opted for an inflation increase (39.1% of respondents, compared to 66.7% in the previous survey).

The most frequently stressed factors that influenced the economic entities to forecast a higher inflation were: the global geopolitical situation, i.e. the unrests in North Africa and the Middle East, which created expectations for uncertain movements of energy resources prices; assumptions that the external shock of the food and oil prices growth on the world markets is not exhausted yet; and the expectations for a possible upward pressure on the prices because of the increased public consumption. On the other hand, the recent stabilization of the crude oil price and the reduction of the domestic and world food prices resulted in predictions for inflation stabilization or decline.

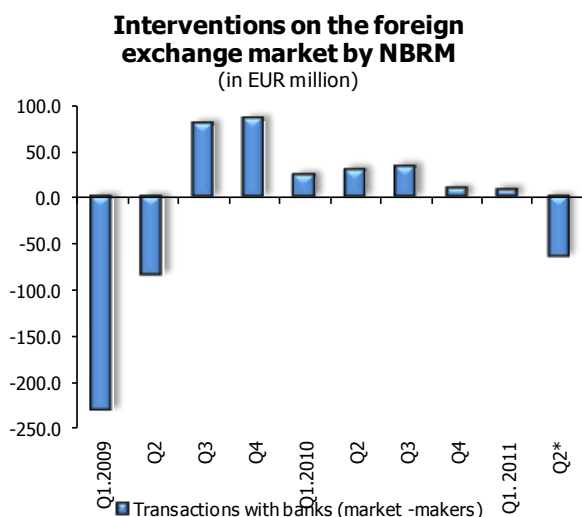
II. Monetary Policy

During the second quarter of 2011, the NBRM introduced no changes to the monetary policy positioning due to the estimates that the current level of the key interest rate is adequate considering the realizations and expectations for the movements of the main macroeconomic variables in the forthcoming period. Thus, the realized annual inflation rate in the second quarter was lower than expected, showing the first signs of calming of inflationary pressures in the country. The basic inflation remained stable, indicating further retaining of stable inflation forecasts. The exchange market trends and the foreign reserves dynamics were greatly within the framework of the latest NBRM macroeconomic projections, and, as expected, the recovery phase of the domestic economic activity continued. The macroeconomic projections reevaluation in July indicated more favorable prospects for the external sector compared to the earlier projections, and confirmed the expectations for a gradual exhausting of inflationary pressures and for stabilization of the inflation rate in the second half of the year. Nevertheless, this does not mean that negative risks, which were constantly stressed previously, and that correlate with the uncertain dynamics of the global economic growth (particularly in the Eurozone due to the debt crisis) and of the food and oil world prices, are exhausted. For these reasons, it is still necessary to carefully monitor the developments so that the monetary policy is adjusted timely and adequately.



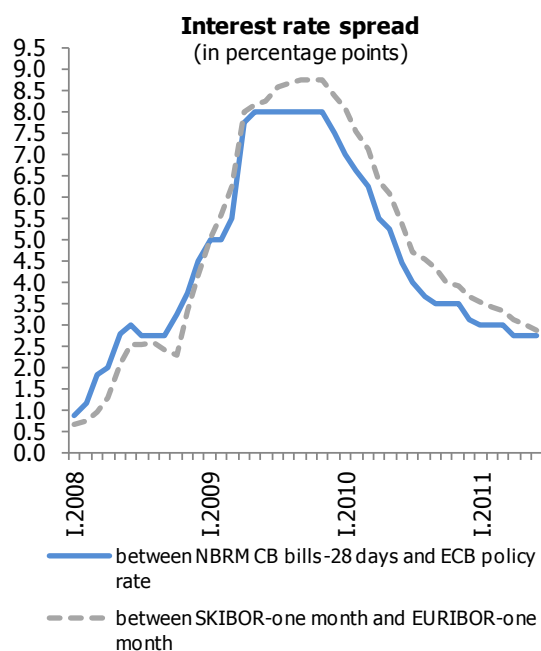
**Current month/same month of the previous year.
Source: State Statistical office and NBRM.

In the second quarter of 2011, the NBRM retained the key interest rate unchanged, i.e. at 4%. The realized and expected future trends in the key macroeconomic variables and the risks estimations for the following quarter pointed to such monetary positioning. Thus, the initial signals of calming of inflationary pressures in the country appeared in the second quarter. Namely, after continuous nine months increase, the inflation rate in May for the first time registered a monthly decline, a trend that continued in June with an increased intensity. These developments were realized in an environment of a fading import prices pressure on the domestic inflation, given the registered stabilization of the world oil price and tendencies for world food prices decrease. The average annual inflation rate in the second quarter was 4.7% and was below the lower limit of the projected NBRM interval (between 5%-5.5%). The basic inflation rate that excludes the effect of food and energy prices remained stable



* Refers to April and May 2011.

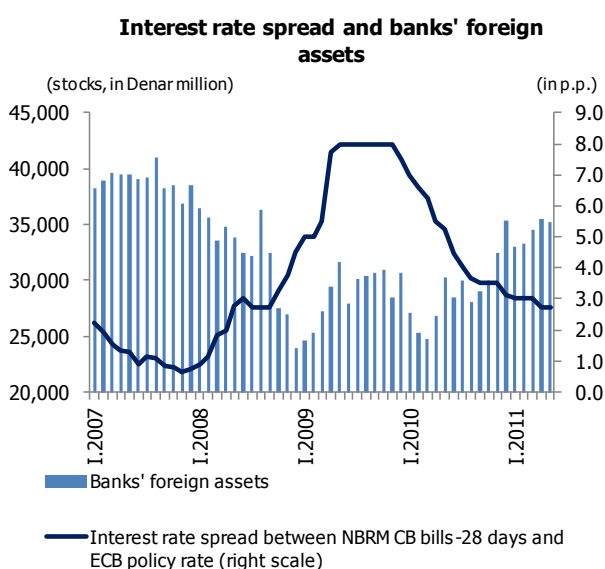
Source: NBRM.



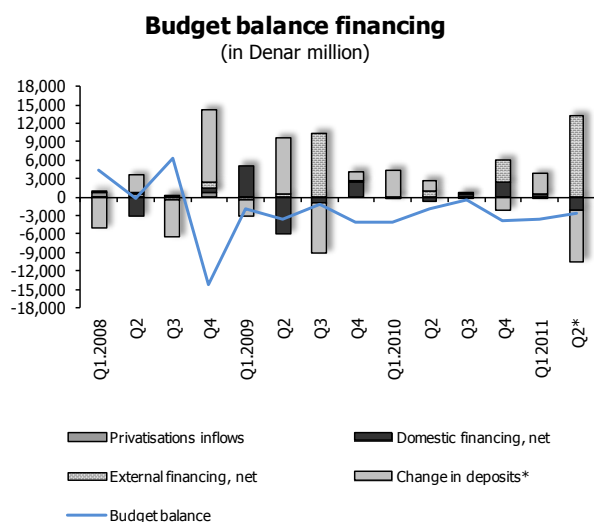
Source: NBRM, ECB (www.ecb.int) and De Nederlandsche Bank (www.statistics.dnb.nl).

and was on average 1.2%, endorsing the estimates for a temporary and controlled increase of domestic prices and for stable inflation expectations. The observation for stable inflation expectations was also confirmed with the further decline of the foreign currency demand by households on the exchange market in the second quarter, as well. As expected, the recovery of the domestic economic activity strengthened in the first quarter. That trend is expected to continue, but is not strong enough to cause any inflationary pressures. The currently available data indicate relatively positive developments in the external sector in general also in the second quarter, enabling further retaining of foreign reserves on an adequate level. On the foreign exchange market, in the second quarter, the NBRM effectuated a net sales of Euro 64 million in foreign currency, mainly as a result of the impact of one-time factors (dividend repatriation made by domestic companies). **The movements of the key macroeconomic parameters in the second quarter were to a great extent within the NBRM's latest projections, whereas the economic entities' expectations about the foreign exchange rate and the inflation remained stable. On the other hand, the negative risks that were identified in the NBRM's April projections neither materialized, nor were exhausted, and continued to create uncertainty in the following period, as well. In such circumstances, the NBRM estimated that the current and evaluated macroeconomic setting in the forthcoming period indicated no need to change the monetary policy positioning. Consequently, the NBRM's key interest rate was retained at 4% in the second quarter, as well.**

In April 2011, the ECB reacted with monetary policy tightening by increasing the key interest rate by 0.25 p.p. after keeping it for two years at a historically the lowest level of 1%. This monetary reaction was a response to estimates for increased upward risks for the prices stability, considering that as of December 2010 the inflation rate in the Eurozone is continuously at a level higher than the targeted 2%. The aim of the key interest rate increase is to prevent any secondary effects from the primary products growth on the inflation on medium term, and to keep the inflationary expectations anchored around the 2% target. Despite the tightening, however, the key interest rate still remains low, which indicates further upholding to the adjustable character of the monetary policy, which helps to



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



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

** Refers to April and May 2011.

Source: Ministry of finance of the Republic of Macedonia.

support the economic growth. The ECB's increase of the key interest rate, given the unchanged interest rate of the NBRM, resulted in narrowing of the interest rate spread between the key interest rates of the NBRM and the ECB, which in June 2011 reduced to 2.75 p.p., against the 3 p.p. in March. The change in the ECB's monetary policy positioning affected the interest rates movements on the financial markets, which is perceived from the dynamics of the EURIBOR of all periods, which in the second quarter registered an upward trend. On the domestic financial market, stable developments were registered in the SKIBOR⁶⁶, which contributed for further narrowing of the interest rate spread between the one-month SKIBOR and the one-month EURIBOR to 2.9 p.p. in June, compared to the 3.3 p.p. in March. The interest rate spread, however, remains in favor of the domestic financial instruments which, combined with the stable expectations for the exchange rate and inflation, contributed for retaining the attractiveness of the domestic instruments compared to the instruments of the European financial market. This is observed from the foreign currency assets dynamics of the banks, which has registered relatively stable movements since the beginning of the year, with a moderate growth tendency in certain months, whereas in end May 2011, the status of this category almost equals the level registered in December 2010. Nevertheless, despite the absence of any indications for changes in the banks' investment preferences, the narrowing of the interest rate spread carries risks from possible pressures on the foreign exchange rate (especially considering the additional tightening of the ECB's monetary policy in July⁶⁷), which imposes the need to carefully monitor the changes in the banks' investment portfolio in the forthcoming period.

With respect to the factors that influence the banking sector liquidity, in the second quarter of 2011 the Government acted in the direction of creating liquid funds, with a total liquidity effect of Denar 6 141 million. Within that framework, the Government Denar deposits with the NBRM had an effect of creating liquidity funds of Denar 261 million on cumulative basis in the second quarter. In the Budget of the Republic of Macedonia (central and funds budgets) in the period April-May 2011, a deficit was realized of Denar 2 725 million, which was mostly financed with increased inflows from foreign loans, given the funds withdrawn from the

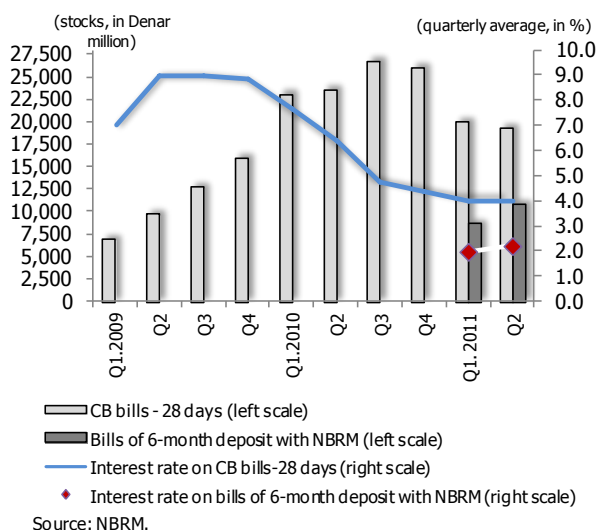
⁶⁶Interbank interest rate for Denar deposits, accrued from the quotations of reference banks.

⁶⁷On July 7, 2011, the ECB again increased the key interest rate by 0.25 percentage points, so it amounted to 1.5%.



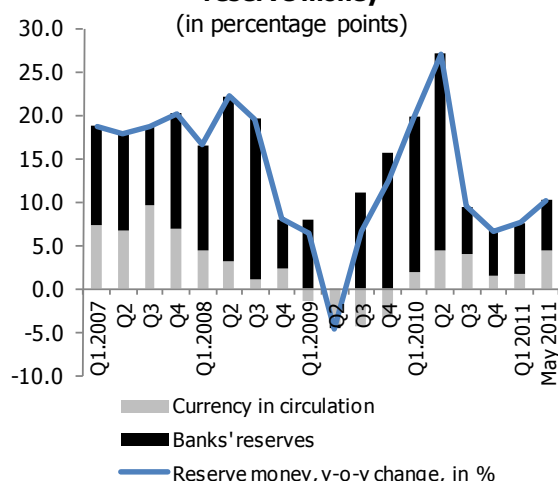
IMF's Precautionary Credit Line (at the amount of Euro 220 million).

Monetary policy instruments



During the second quarter of 2011, on the auctions of CB bills, the banks claimed by 1.1% lower amount relative to the due amount, by which the CB bills contributed for creation of liquidity of Denar 657 million in total. In the instrument six-month deposit bill⁶⁸, which became effective in February 2011, the banks placed a total of Denar 2 190 million in the second quarter. With that, the situation with the NBRM's monetary instruments (CB bills and six-month deposit bills) in end June was at Denar 30 030 million, compared to Denar 25 984 million in end December 2010, which means that in this period the NBRM with the monetary instruments withdrew an additional liquidity from the banking sector at an amount of Denar 4 046 million.

Contribution to annual change in reserve money



In the second quarter of 2011, the average daily liquidity of the banks was relatively stable and on the average it was higher by 1.6% compared to the preceding quarter. In the second quarter, the banks allocated on the average 2.1% above the obligatory reserve requirement (in Denar s)⁶⁹, compared to 1.9% average in the first quarter. The surplus of allocated liquid assets above the obligatory reserve requirement was higher on the average by 0.7 p.p. in the second quarter of 2011 compared to the same period of the preceding year. In May 2011, the annual growth rate of the reserve money⁷⁰ amounted to 10.2% against the 7.6% in the end of the first quarter of 2011.

The latest global and domestic macroeconomic achievements, as well as the forthcoming period estimates, indicate continuation of a relatively favorable ambiance for the monetary policy implementation. The global economy continued to recover with a sustaining pace, despite the natural disaster in Japan, political tensions in North Africa and the Middle East, and the fiscal sustainability issues in several Eurozone member countries. The global growth expectations in the forthcoming period stay positive, with the IMF's latest (June) projections for the global growth

⁶⁸ For the features of the new NBRM instrument see more detailed in the Decision on Six Month Deposit Bill with NBRM, Official Gazette of RM, No. 14/2011.

⁶⁹ The period for maintaining (fulfilling) the bank's reserve requirement covers the period from the 11th in the current month to the 10th in the following month.

⁷⁰ Includes the foreign currency obligatory reserve requirements.



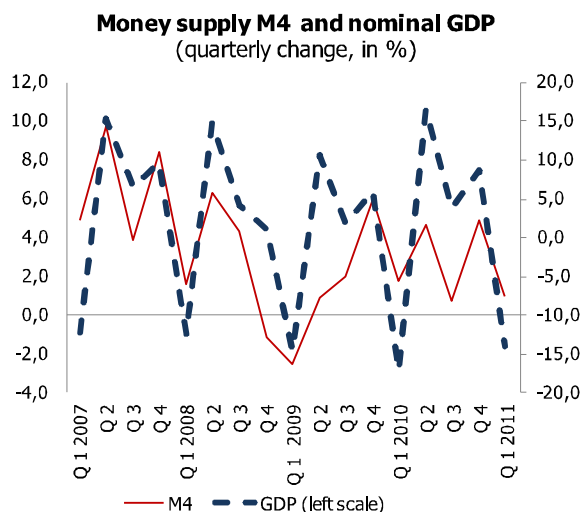
remaining almost unchanged. Positive movements have been registered from the aspect of inflation, as well, considering that the period May-June 2011 was characterized by stabilized growth of the world oil prices. Also, from March onwards, the food prices have shown a declining tendency, which supports the estimates for a gradual exhaustion of the inflationary pressures on the domestic economy and the possible realization of a lower annual inflation rate compared to the earlier forecasts. From the aspect of the foreign exchange rate stability, as an indirect objective of the monetary policy, the latest reevaluation of July macroeconomic projections pointed to somewhat improved prospects for the external sector compared to the April projections, which indicates an absence of more significant pressures on the foreign reserves by the payment balance transactions. **Nevertheless, the risks that have been constantly stressed by now, have not been exhausted yet and continue to create uncertainty for the macroeconomic scenario in the forthcoming period.** Given the problems with the public finances in some European countries, the economic perspectives of the global economy, although currently favorable, still remain uncertain and create risks from potential negative effects on the domestic export segment and the level of capital inflows. The dynamics of primary products prices on the world stock markets also remains uncertain, which implies further presence of potential negative risks for the expected dynamics of the domestic inflation in the forthcoming period. In such circumstances, the NBRM shall continue to carefully monitor the situation and show ongoing readiness to react adequately in case the objectives for maintaining the stable foreign exchange rate and the price stability impose such a need.

2.1. Monetary Aggregates

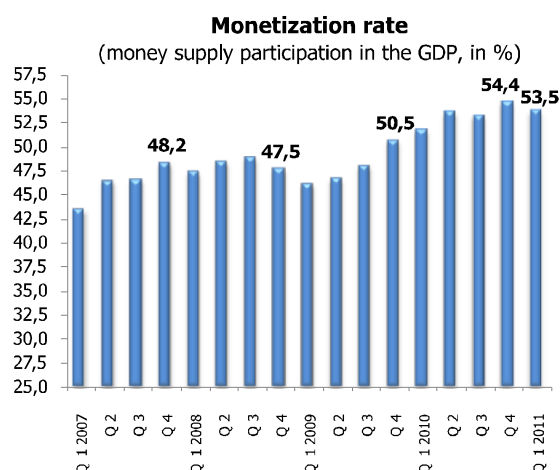
During the first quarter of 2011, the broadest money supply M4 continued to grow quarterly, but with a decelerated pace compared to the previous quarter. Such broadest money supply dynamics reflects the usual seasonal reduction of the cash in circulation and of the deposit money, given the continuation of the generally positive tendencies in private sector savings. The new savings in the banking sector in the first quarter of 2011 was mostly generated by the households sector. In the following period (April and May) the banks' deposit potential was under influence of dividend repayment toward a foreign investor and the Government, which caused a high one-time outflow from the enterprises' accounts in April. Nevertheless, this effect was greatly compensated with the new inflows on households' and enterprises' accounts, which resulted in a moderate reduction of the time deposits base in May, compared to the first quarter end. In the forthcoming period further expansion is



expected of the money supply, as well as continuation of the savings growth trend, which dynamics will still mostly depend on the domestic economy's capacity to generate additional income, i.e. on the economic recovery intensity in the forthcoming period.



Source: NBRM



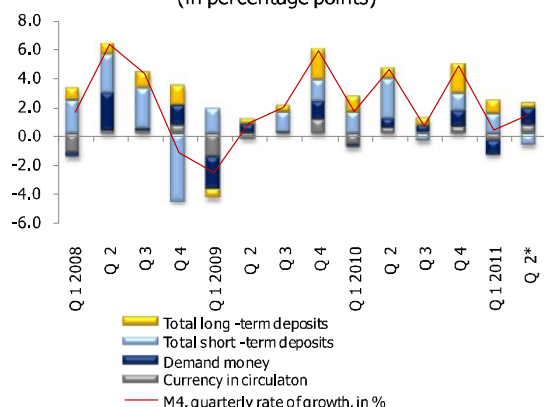
Source: NBRM

In the first quarter of 2011, the money supply in the economy registered a quarterly growth of 0.9%, which was a slowdown compared to the previous quarter's growth (of 4.8%). In such circumstances, the monetization rate, measured with the money supply participation in the GDP, was 53.5% in the first quarter, compared to 54.4% in the previous quarter. The slowdown of the money supply growth is a usual seasonal dynamics, mainly resulting from the normalization of the higher demand for the most liquid money funds (circulating cash and deposit money) from the end of the preceding year, before the New Year and Christmas holidays. Concerning the private sector savings, positive tendencies continue, which can to a great extent be explained with the impact of the generally stable macroeconomic ambiance, the economic activity growth and the positive trends in the external sector. Households deposits growth, however, decelerated compared to the previous quarter, which, given the intensified inflation rate and the slowed down annual growth rate of nominal wages in the first quarter, suggests the possibility that a greater part of households' available income is needed to cover consumption costs and that their capacity for savings in the banking sector has decreased. This observation is supported by the structure of the realized GDP growth in the first quarter, which shows a relatively high nominal and real private consumption annual growth, opposite to the registered fall in the preceding quarter. In April, the broadest money supply was impacted by the dividend repayment by a large company to the foreign investor and the Government, which resulted in a large amount outflow from the enterprises' deposit accounts. This outflow, however, was greatly compensated with additional inflows on households' and enterprises' accounts in April-May period. In such circumstances, and given the registered increase of the most liquid monetary aggregate M1, in May the broadest money supply registered a 1.4% growth compared to the first quarter end. Annually, the money supply M4 was higher by 8.5% in May (11.4% in March).

In the first three months of 2011, the creation of the new money supply fully results from the positive dynamics of its time deposits component. The most liquid elements (circulating cash and deposit

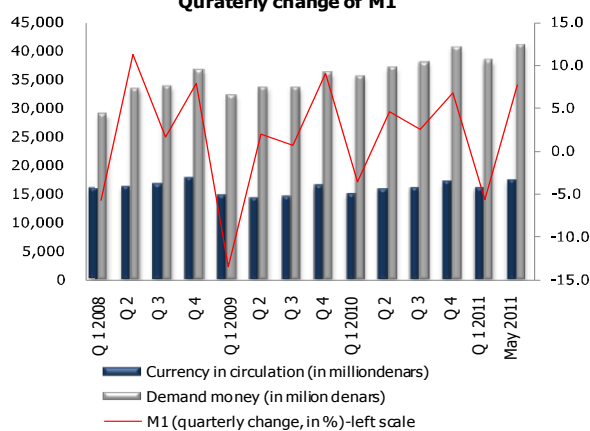


Contribution to quarterly change in broad money M4
(in percentage points)



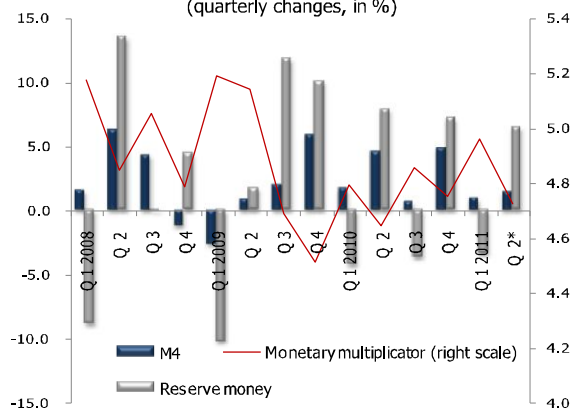
*change May 2011/March 2011
Source: NBRM

Quarterly change of M1



Quarterly rate of M1, May / end of March
Source: NBRM

Quarterly change of broad money M4 by components
(quarterly changes, in %)



*change March/May 2011
Source: NBRM

money) negatively contributed to the M4 growth, in line with their quarterly decrease.

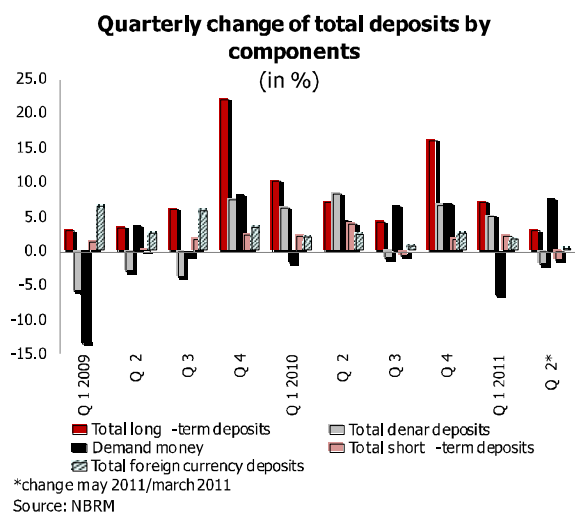
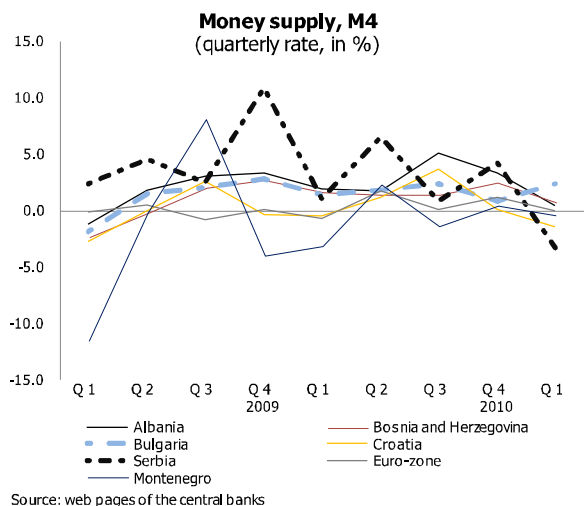
Also, in this period the private sector showed a greater inclination toward saving on a short term, unlike in the fourth quarter when long-term deposits played a dominant role in the money supply creation. Consequently, the short term deposits registered an accelerated quarterly growth, whereas their contribution for the money supply growth increased by 1.4 percentage points (1.2 p.p. in the preceding period). Long term deposits, on the other hand, registered a quarterly growth deceleration and their contribution to the money supply growth reduced from 2 p.p. to 0.9 p.p.

The most liquid money supply M1 registered a 5.8% quarterly fall, contrary to the 6.7% growth in the fourth quarter.

The negative dynamics of the M1 money supply mostly results from the deposit money decline, mainly due to the reduction of funds on the enterprises' transaction accounts. Decrease of the circulating cash was also registered as a regular seasonal occurrence, which represents stabilization after their increase at year end due to the New Year and Christmas holidays. In the following two months (April and May) growth was registered of the components of the most liquid money supply, with the M1 money supply increasing by 7.6% compared to March 2011.

In the first quarter, acceleration of the monetary multiplication was registered, whereas the monetary multiplier of money supply M4 equaled 5 in March, compared to 4.7 in December 2010. The monetary multiplier acceleration is explained with the quarterly fall of the primary reserves, given the moderate growth of the broadest money supply. Nevertheless, primary reserves increase was registered in April and May, which slowed down the monetary multiplier, reducing it in May to the level from end of 2010 (of 4.7).

The broadest money supply M4 slowdown in the first quarter of 2011 was mainly registered in all countries included in the comparative analysis, and in some of them a quarterly decline was registered. Bulgaria represents an exclusion from these developments. It registered an acceleration of the primary reserves quarterly growth from 0.8% to 2.4% in the first quarter, primarily resulting from the deposits increase overnight, especially in the companies sector. On the other hand, a slowdown of the broadest money supply quarterly growth



was registered in Albania, Bosnia and Herzegovina, and the Eurozone. This slowdown in Bosnia and Herzegovina occurred in circumstances of decreased circulating cash and demand deposits in foreign currency, whereas the fixed term saving deposits increased. The Eurozone registered a modest monetary growth, given the mounting inflationary pressures. In Croatia, Serbia and Montenegro, negative quarterly growth rates of the broadest money supply was registered in the first quarter of 2011. In Croatia, in an environment of unfavorable real sector developments, manifested by a minor industrial production decline and retail turnover stagnation, 1.5% reduction of the reserve money was registered on quarterly basis (opposite to the 0.1% growth in the previous quarter). In Serbia, considering the increased inflationary pressures and nominal appreciation of the domestic currency against the Euro, 3.3% quarterly decline of the money supply was registered, against the 4.2% increase in the previous quarter.

The total deposit potential of the banks⁷¹ in the first quarter of 2011 registered a decelerated quarterly growth of 3.1%, compared to the 4.2% in the previous quarter. Quarterly growth slowdown was also registered in the two currency components of the total deposits, whereas the Denar and foreign currency deposits in the first quarter increased by 5.1% and 1.9% respectively, compared to the 6.8% and 2.7% respectively in the previous quarter. Denar deposits still remain the driving force of the new savings and contributes with 64.5% in the total deposit growth. The contribution of the foreign currency deposits to the total deposit quarterly growth, on the other hand, decreased (37% compared to 41% in the preceding quarter), which was insufficient to cause more significant changes in the currency structure of the total deposit potential. Thus, the Euroization level⁷² in March 2011 was 61.3%, compared to 62.1% in December 2010. Considering the deposits maturity structure, their contribution has changed compared to the last quarter of 2010. Namely, unlike in the preceding quarter when the long-term deposits were the driving force of the total deposit increase, in the first quarter the short-term deposits took over that function. To be precise, given the accelerated quarterly increase of 2.2% (1.8% in the preceding quarter), the short

⁷¹Refers to the total deposits without deposit money. With deposit money included, the quarterly growth of the total deposits in the first quarter of 2011 would equal 1.4%, compared to 4.7% in the previous quarter.

⁷² Measured through the share of the foreign currency deposits in the total deposit potential (excluding the deposit money).



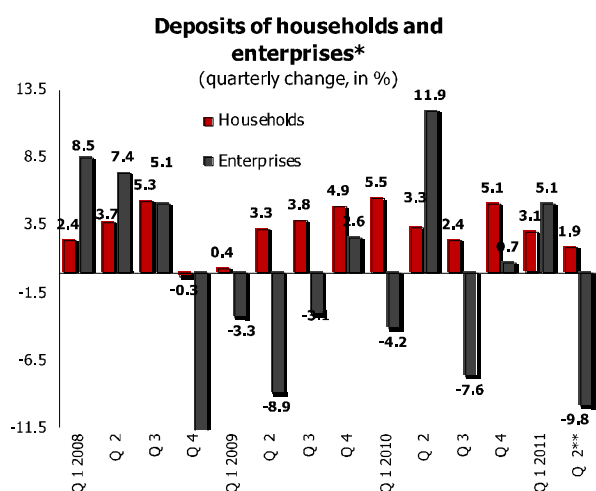
term deposits participated with 57.4% in the total deposit increase. This contributed for the short-term deposits to retain their high participation in the total deposits, at a level of about 80%. The long-term deposits registered a quarterly growth slowdown from 16.2% in the last quarter of 2010 to 7.1% in the first quarter of 2011. In April and May, due to one-time factors (effect of dividend repayment of a large company), the total deposits in May registered a 0.5% decrease compared to the first quarter end. Annually, the total deposits in May were higher by 8% (12.6% at the first quarter end).

Average share in total deposits, in %

	2009				2010				2011	
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2**
Total denar deposits	39.4	36.7	33.9	35.1	35.7	36.9	36.6	37.9	38.6	38.1
Households	22.0	19.5	19.0	19.5	21.1	22.4	24.2	25.0	25.9	26.5
Enterprises	13.8	13.5	10.9	10.9	9.9	9.7	7.7	8.1	8.2	7.0
Total foreign-currency deposits	60.6	63.3	66.1	64.9	64.3	63.1	63.4	62.1	61.4	61.9
Households	46.9	50.9	53.3	52.3	52.2	50.0	50.3	49.2	48.9	50.1
Enterprises	12.9	11.5	11.9	11.7	11.2	12.3	12.2	12.1	11.8	11.0
Total deposits	100	100	100	100	100	100	100	100	100	100

*October and November

** demand money are not included in total deposits and total denar deposits



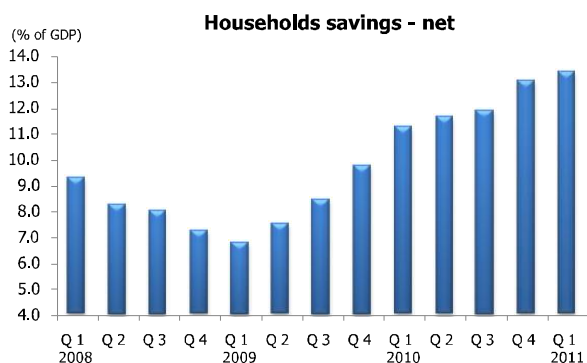
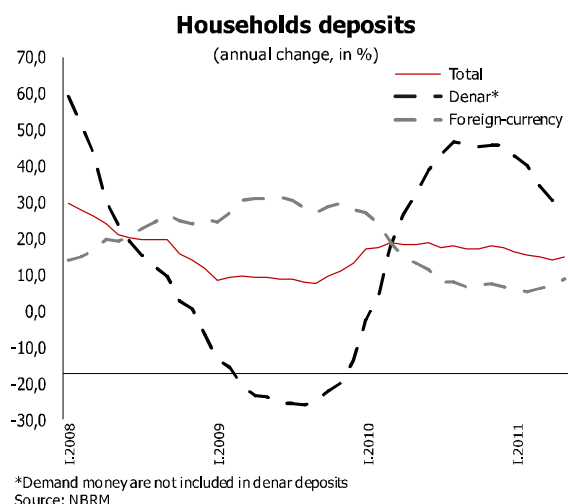
*Demand deposits are not included in the deposits

**Change may 2011/march 2011

Source: NBRM

In the first quarter of 2011, the household deposits (excluding the deposit money)⁷³ continued to grow, although with a slower pace, and reached a quarterly growth rate of 3.1% (5.1% in the previous quarter). Such movements of household deposits correspond with the real sector realizations, where a high nominal and real growth of private consumption was registered (opposite to the decline in the preceding quarter), in circumstances of intensified inflation and nominal wage annual decrease. In the first quarter, the quarterly growth of all household deposits components slowed down. Hence, the Denar and foreign currency deposits increased by 4.6% and 2.3% respectively, compared to 9.5% and 2.9% respectively in the previous quarter. Considering the contribution of household deposits to the total deposit growth, Denar deposits remained the more significant category by contributing 51% in the first quarter of the year. In the last three quarters, however, their contribution to the total deposit growth has decelerated, while the contribution of the foreign deposits has increased. In the same period, the households showed a greater interest in short-term saving, unlike in the preceding quarter when they inclined more towards long-term deposits. The short-term deposit contribution to the total deposit growth by the households registered an increase from 36.4% to 52%, in an environment of a moderate quarterly growth slowdown (2%

⁷³ If the deposit money is included, the quarterly growth rate of the total household deposits in the first quarter of 2011 was 2%, compared to 6.3% in the preceding quarter.

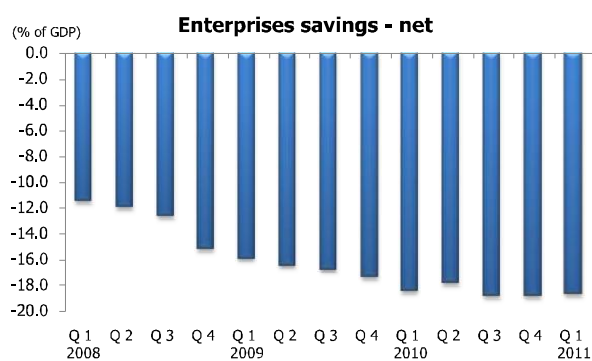
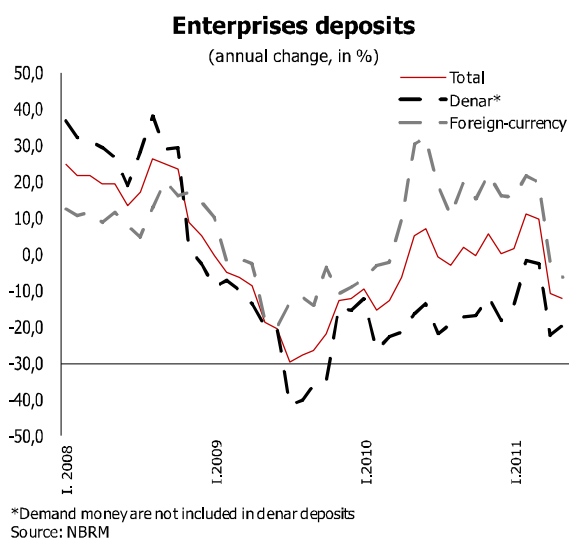


Source: NBRM and DZS

compared to 2.3% in the preceding quarter). Long-term deposits, on the other hand, registered a quarterly increase of 6.9% against the 16.9% in the previous quarter. In April and May, the total household deposits continued to grow (by 1.9% in May compared to the end of the first quarter of 2011). In that period, the repayment of the regular installment of the bond of the old foreign currency savings in April somewhat affected the households. In April and May, the contribution of Denar deposits for the total household deposits growth continued to decline, while the foreign currency deposits took over the dominant role in the growth. These developments are to a certain extent probably a reaction of the intensified inflation, which in the first quarter registered the highest growth since the domestic prices increase started in the second half of 2010. The experience shows that when negative shocks in the Macedonian economy occur, the households almost always react with an increased demand for foreign currencies. Nevertheless, the fact the Denar deposits, although with a generally slower pace, continued to grow in this period, can be considered an indicator of retaining the generally stable expectations by the households, i.e. their perception of the prices increase as a temporary shock, without more significant negative effects on the price stability on medium term. This observation is supported by the fact that the foreign currency savings in the most recent period have mostly been placed as short-term deposits, which leaves space for their possible conversion into Denar deposits in the forthcoming period. Since the second quarter, the inflationary pressures on the country have been decreasing and the expectations have been that inflation rate would stabilize in the second half of the year. These developments, with a certain time delay, will most probably affect the currency preferences of the households and motivate increased savings in the domestic currency, which is economically justified considering the higher income from Denar deposits than from foreign currency deposits. Short-term deposits still make a greater contribution, while the long-term deposits contribution continues to decline. The household deposits registered an annual growth of 14.6% in May (14.5% in March).

In the first quarter of 2011, intensified quarterly growth of enterprises' deposits⁷⁴ was registered from 0.7% to 5.1%. A stimulating factor for such development

⁷⁴ Refers to the total deposits without deposit money. With deposit money included, the quarterly growth registered is 0.2%, compared to 1.9% in the previous quarter.



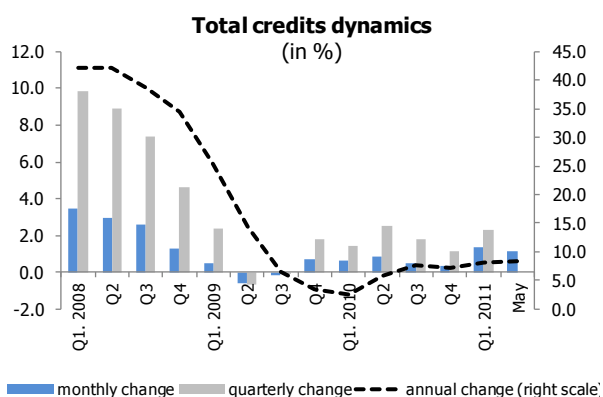
of corporate deposits was the increased credit activity of the banks towards this sector. Also, cumulating of funds on the enterprises' accounts corresponds with the economic activity strengthening in the first quarter, with direct positive effects on the enterprises' cash flows. In the first quarter, a change was registered in the currency and maturity structure of enterprises' deposits. Namely, unlike the preceding quarter when the corporate deposits growth fully resulted from the foreign currency deposits, in the first quarter of 2011 the denar deposits had a dominant role in the growth of the total enterprises' deposits. More precisely, denar deposits registered a quarterly growth of 11% (against the 0.3% decline in the preceding quarter), thus contributing with 84.7% to the total enterprises' deposits growth. The foreign deposits quarterly growth, on the other hand, marginally slowed down from 1.4% to 1.3%. In maturity structure, a change was also registered in the components positioning compared to the previous quarter. Hence, short-term deposits, given a quarterly growth of 4.6% (0.1% in the preceding quarter), registered an increased contribution to the growth of total corporate deposits of 86.3% (12.4% in the preceding quarter). Consequently, the long-term deposits lost their dominant role in the total corporate deposits growth they had in the last quarter of 2010. In addition, the long-term deposits registered a minor slowdown of the quarterly increase from 12.8% to 12.7%. Nevertheless, the registered changes in the currency and maturity structure of the new savings by enterprises in the first quarter cannot be treated as an indicator of a possible change in the character of the realized inflows (from currency aspect) or as preferences for corporate sector investments, considering that in the last quarter of 2010 the deposits of enterprises registered a very small quarterly growth, which was about 14% of the growth in the first quarter. In the period that followed (April and May), the enterprises' deposits were impacted by the funds outflow due a dividend repayment by one large company toward the foreign investor and the Government, which contributed for a decline of the corporate deposits in May by 9.8% compared to the first quarter end. On annual basis, the total enterprises' deposits in May decreased by 12.3%, opposite to the 9.4% increase in March.

In the forthcoming period, further widening of the money supply is expected, according to the forecasts for continuation of the positive trends in the real and external sector. Namely, the positive economic developments are

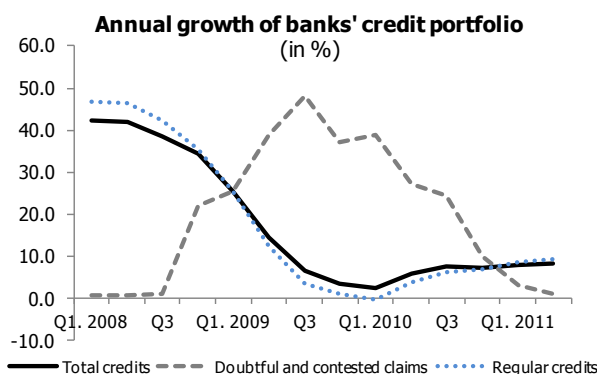
expected to contribute for the strengthening of households' capacity for saving, which combined with retaining the relatively stimulating income of saving instruments are expected to contribute for the total deposits increase. Risks still do exist, however, and they primarily relate to domestic economy's recovery pace and the external sector developments in the forthcoming period.

2.2. Credit Activity

The first three months of 2011 were characterized by an increased credit activity of the banking sector. According to the developments on the credit market, as well as the results of the Credit Activity Survey, these achievements result from the improved conditions both in supply and in demand. The domestic demand recovery and the positive prospects for the future economic activity began to materialize in the improved financial condition of the private sector, which resulted in an increased readiness of banks for crediting. As of January, the functional credits have continuously increased the growth dynamics against the relatively decelerated growth of doubtful and controversial claims, which indicates a gradual improvement of the credit portfolio quality and a credit risk reduction. By year end, those trends are expected to continue and the banks' support to real economy to continue growing. Also, in an environment of a stable and secure banking sector and a growing financial capacity, the bigger credit support will continue to be determined by the banks' estimates of the credit risk.

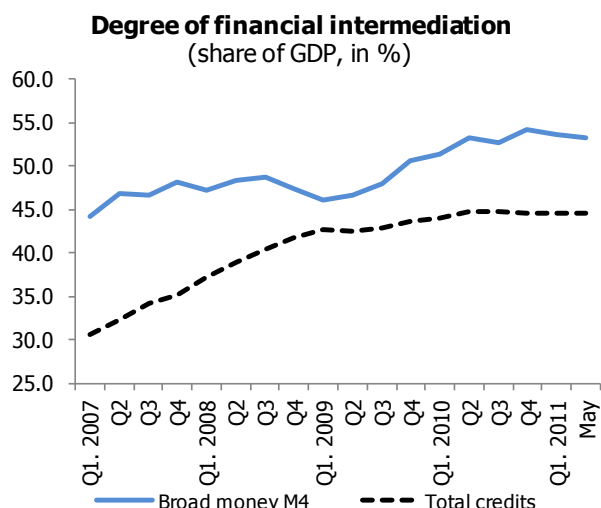


Source: NBRM



Source: NBRM.

The data about the first quarter of 2011 show an accelerated growth of crediting by banks compared to the preceding quarter. The credit flows toward the private sector doubled, and the quarterly growth rate reached 2.3% (1.2% in the last quarter of 2010). On annual basis, the total credits in May were higher by 8.4%. Besides the enlivened credit activity of banks from the aspect of quantity, since the beginning of the year the banks have also registered a qualitative improvement of credit portfolios. This is particularly evident on annual basis (functional portfolio growth reached 9.2% in May, while the non-functional growth, after decelerating for eight successive months, reduced to 0.9% in May). The results point to a conclusion that the positive trends continuity in the domestic economy is already reflected on the credit market, contributing for an increased crediting readiness of banks, as well as an enlarged capability of the economic agents to become indebted. This observation is supported with the data of the Survey on Credit Activity for the first quarter of 2011, which show that more banks have loosened the terms for credit approval. Simultaneously, positive developments were registered in credit demand both by households and by the enterprises. From



Source: NBRM and SSO.

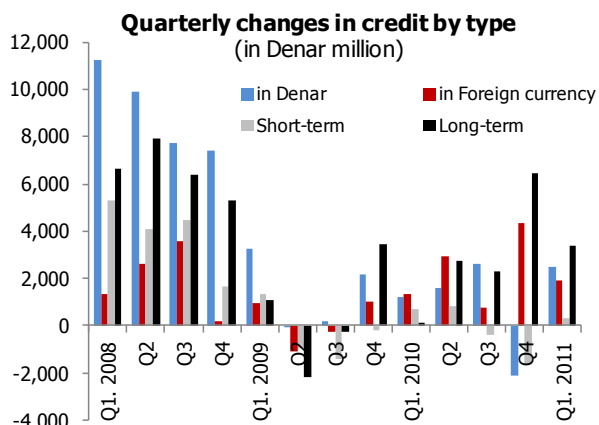
the aspect of financing sources, the banks' deposit potential continued to increase and, at the same time, the foreign currency liabilities grew with a more intensive pace compared to the banks' foreign currency assets, which indicates an increased core for credit activity financing. In this context the reduced NBRM's sterilization with monetary instruments should be mentioned in the period January – May 2011 (despite the redirecting of some of the CB bills in the six-month deposit bill), compared to the same period the previous year, for the expense of an increased crediting of the private sector. Besides the impact of the reduced income of CB bills, such movements also show the banks' improved perception of the credit risk.

Total credit

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

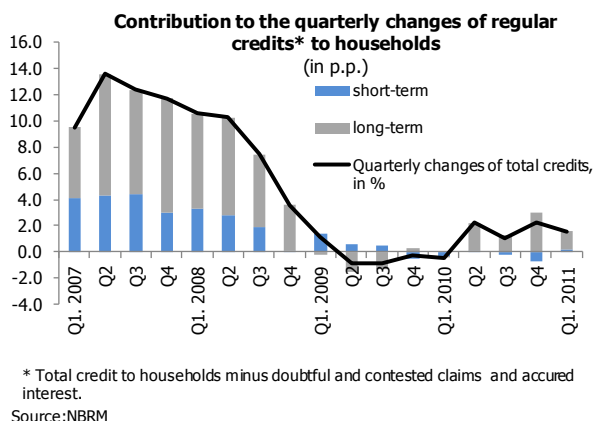
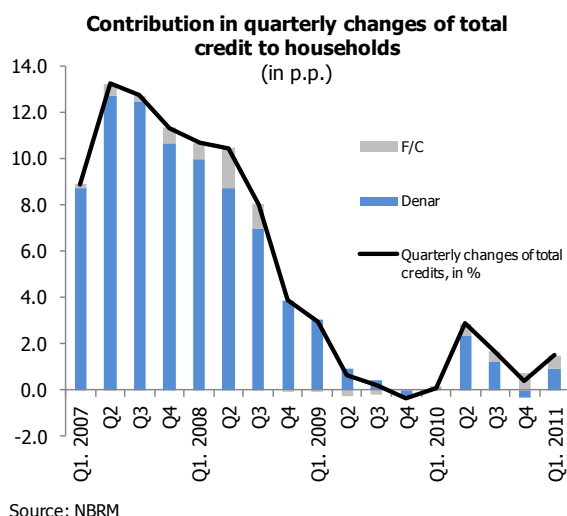
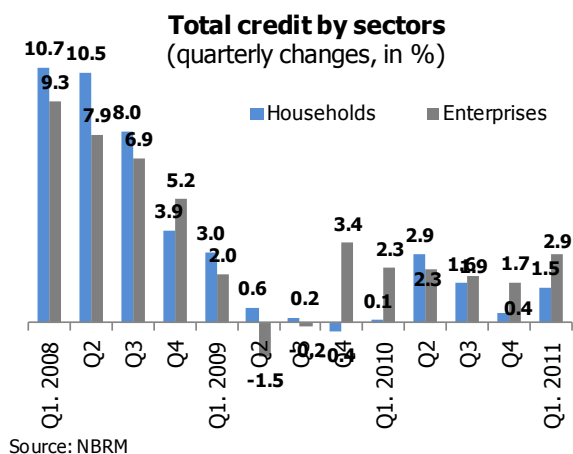
Annual growth rates of the total credits (in %)

	2007	2008	2009				2010				2011		
	Q 4	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	January	February	March
Macedonia	39.2	34.4	25.3	14.3	6.4	3.5	2.5	5.8	7.7	7.1	6.8	7.2	8.0
Romania	61.3	33.7	23.1	11.2	2.4	0.9	-1.6	6.4	4.5	4.7	4.3	3.7	2.3
Albania	50.1	34.8	31.7	20.0	13.2	11.1	7.8	9.5	7.8	9.7	8.7	9.4	10.6
Eurozone	9.8	5.8	3.4	1.7	-0.3	-0.7	-0.7	0.8	1.4	1.9	2.5	2.5	2.6
Croatia	14.6	11.6	9.9	5.1	2.2	-0.7	-0.5	3.1	5.2	7.0	5.7	-	-
Bosnia and Hercegovina	27.9	20.9	12.7	4.0	-1.9	-3.8	-2.9	-1.3	-0.1	2.7	3.2	3.1	-
Bulgaria	63.7	32.5	24.5	11.2	5.0	3.6	2.3	2.2	1.4	1.2	1.5	1.6	1.6
Serbia	38.3	33.7	33.8	27.7	22.3	16.0	14.4	25.0	27.1	26.9	22.7	19.8	19.3
Montenegro	175.0	25.1	8.8	-3.5	-10.5	-15.5	-13.3	-11.9	-12.3	-7.9	-9.2	-8.9	-



Source: NBRM

From the aspect of currency structure, both Denar and foreign currency credits registered positive quarterly changes in the first quarter. Denar credits, however, registered a significantly higher dynamics of growth and registered a 1.8% increase, after the 1.5% decline in the preceding quarter. Thus they stepped back into the growth path, characteristic for this crediting component in the last few years. Foreign currency credit growth, on the other hand, slowed down, and the quarterly growth rate was 3.9% (9.8% in the preceding quarter). More dynamic growth of Denar and slower pace of



growth of foreign currency credits were also characteristic on annual basis (in the period January-May).

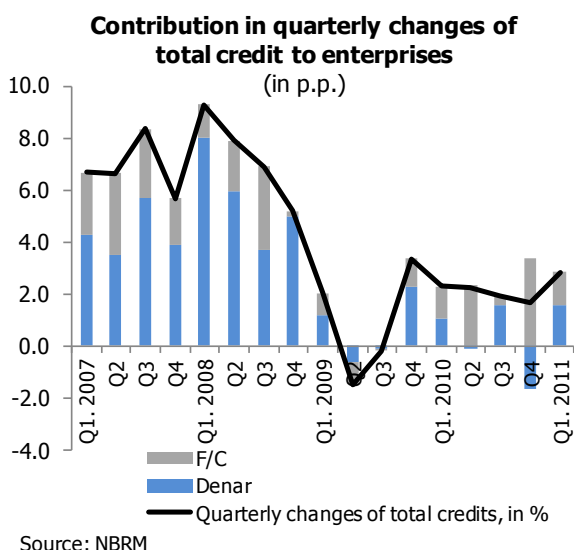
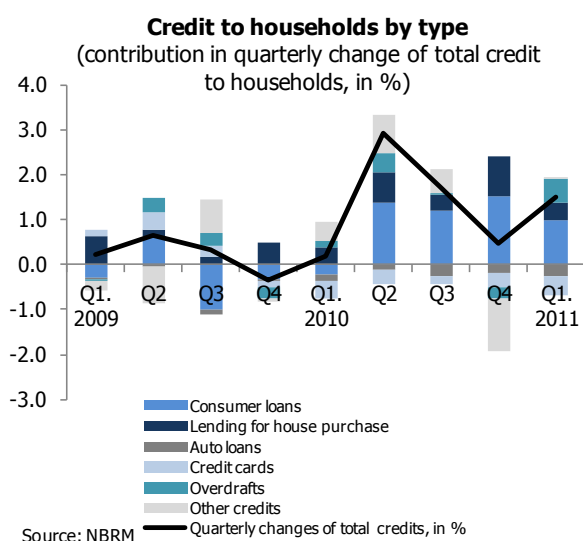
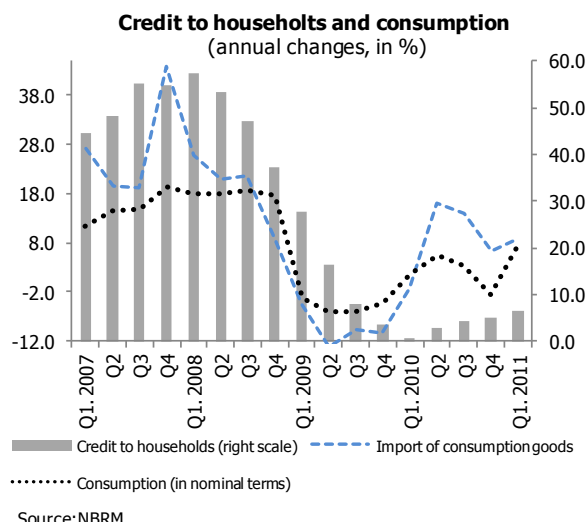
From the aspect of maturity structure⁷⁵, what is characteristic is the change in short-term credits that, after the decline in the two preceding quarters, in the first quarter of 2011 stepped back into the positive zone and increased by 0.6%. Long-term credits, however, continue to be the driving force of the total credit growth, despite their decelerated growth rate (from 5.7% in the last quarter of 2010 to 2.8% in the first quarter of 2011). On annual basis, the trend of negative annual developments in short-term loans, which started in December 2010, continued also in the first five months of 2011, whereas the long-term credits growth intensified.

From the aspect of credit distribution by sectors, despite the dominant growth of corporate crediting, enlivening of the households credits⁷⁶ growth was also registered in the first quarter of 2011. Lending to households increased quarterly by 1.5%, compared to 0.4% in the preceding quarter. Such developments result from a qualitative change in this segment expressed with a more intensive growth of the functional portfolio against the minimum increase of suspicious and doubtful claims. These movements have a positive impact primarily on the banks' perceptions of the credit risk degree in this sector, and consequently on the banks' readiness for a greater credit exposure toward households in future. The Credit Activity Survey also showed that most banks have loosened the loan approval terms in the first quarter of 2011. In circumstances of a continuous economic recovery and positive prospects for the future, the lending terms loosening contributed for an increase of the credit offer. The increased competition is an additional factor in this direction, which indicates that banks are stepping back into the phase of an increased activity in this crediting segment.

From the aspect of currency, the accelerated increase of households loans was to a great extent (60.7%) led by the Denar crediting (which realized 1.5% growth, unlike the negative contribution in the previous quarter). Simultaneously, the foreign currency credit growth decelerated and was 8.7%. From the aspect of

⁷⁵ Suspicious and doubtful claims and the accrued interest are excluded from the maturity analysis.

⁷⁶ Refers to natural persons and self-employed professionals.



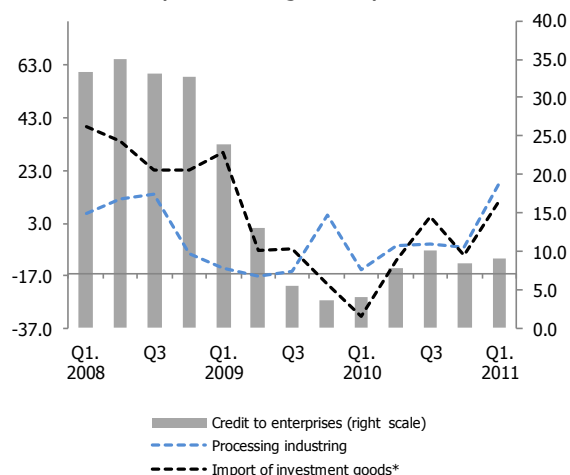
maturity, long-term credits still had a dominant contribution to the growth, but the positive contribution of the short-term loans should also be pointed out, as they returned to the growth path after two quarters.

Concerning the dynamics of **individual types of households credits**, the growth in the first quarter mostly referred to consumer credits (3% realized growth and 67.1% contribution), and although further, although twice slower growth (of 2%) was registered by housing credits. According to the results of the Credit Activity Survey, these credits' growth occurred in circumstances of a reduced credit price and an increased demand for credits. Data also show the increased confidence and the household savings as factors that stimulated the demand, and the increased consumption of durable goods as a stimulating factor for the consumer loans demand. Simultaneously, the negative balances on current accounts registered a relatively high quarterly increase of 9.9%. This indicates a growing need for financing the increased current spending of households, which corresponds with the private consumption growth registered in the first quarter of 2011. Considering the other credit categories, car credits decrease deepened further by 5.6% and the change in the credit cards remained negative. The Survey shows that banks' expectations for the forthcoming period are in the direction of retaining the current loan approval terms, given the anticipated further growth of the credit demand.

Concerning the annual dynamics, the analyzed quarterly developments by individual category were reflected on annual basis, as well. Hence, the total household credits growth rate in May was 6.9% (5.1% in December). From the aspect of currency, both Denar and foreign currency credits follow an upward trend of movement in the first five months of the year. Concerning the maturity, long-term loans had a continuous upward growth in the analyzed period, while short-term credits registered an oscillating pace of the annual change. In any case, they continue to decline on annual basis (an ongoing trend in the last twelve months).

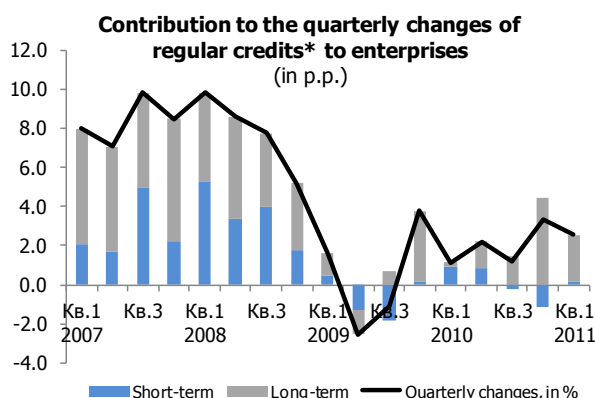
The credit support to the corporate sector continued to grow in the first quarter and registered a quarterly growth rate of 2.9%. Like in the households sector, in the enterprises sector the factors for an accelerated crediting growth are also found both in the supply segment and in the demand segment. The real

Credit to enterprises and economic activity
(annual change, in %)



*Includes import of capital goods and transport equipment, parts and accessories.
Source: NBRM

sector developments (according to data on industrial production, trade and export) indicate an improved economic environment in the country, which is in favor of the further credit growth in the corporate segment. In the same direction are also the perceptions of the manufacturing industry enterprises⁷⁷ which show more positive estimates of the current economic situation of the companies and production volume. **From the aspect of currency**, the new crediting in the first quarter is almost equally distributed in Denars and in foreign currencies (with a slightly higher contribution of Denar loans with 56%). The registered growth of Denar credits (2.6%) is important to be mentioned, as it is occurring after the decline in the last quarter of 2010. On the other hand, foreign currency credit growth decelerated by 3.3% (9.6% in December). **From the aspect of maturity**, dominant contribution to growth is still made by the long-term credits (with 3.6% growth and 74.9% contribution), which indicates further strengthened support by the banking sector to the production capacities growth in the economy and increased dynamics of the investment cycle. Minor, but positive growth was registered also in short-term loans (0.5%, against the 3.1% fall in the preceding quarter), which conforms with the results of the Credit Activity Survey, according to which the increased need for current assets is one of the factors for an increased demand. In general, a growing trend of corporate credits with certain monthly oscillations in the growth pace is also characteristic from the aspect of annual changes. The short-term credits represent an exception, as they registered an annual decline in March, April and May.



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

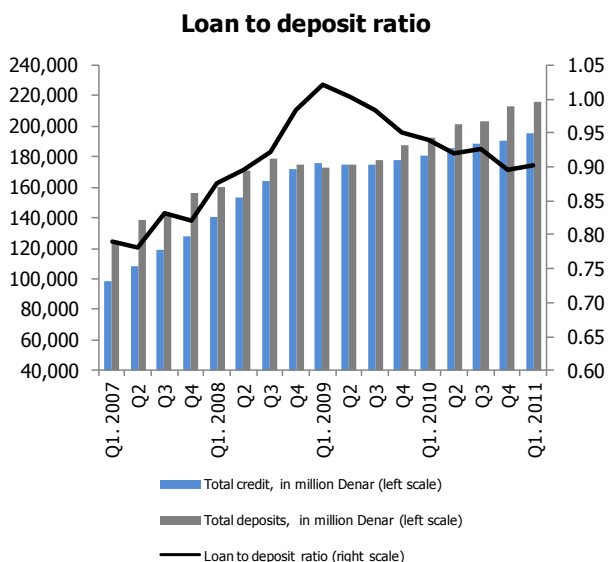
Concerning the credit portfolio quality, (unlike in the households segment) the functional portfolio made of corporate credits increased more slowly compared to the increase of suspicious and doubtful claims, which caused a moderate growth of the non-functional credits participation the total of corporate loans. These data suggest a moderate deterioration in this portfolio's quality on quarterly basis. Given these circumstances, the banks seem to retain the precaution in cases of additional exposure toward this market segment. This is supported with the results of the Credit Activity Survey, where the factors of the risk perceptions group were evaluated by most of the banks as having restrictive effects on the loan approval terms, i.e. most of the banks find the risk related to this sector still higher than in the pre-crisis period. The annual trend since early this year,

⁷⁷ According to the Surveys for business tendencies in the manufacturing industry.

however, shows an increasing recovery of the functional portfolio compared to the continuous deceleration of the suspicious and doubtful claims, which gives space for an accelerated incitement of this credit market segment in the forthcoming period.

To summarize, the first quarter of the year was characterized by positive developments on the credit market.

Credits increased with an accelerated dynamics which was stimulated by demand related factors, and, even more important, by supply related factors. The domestic economy recovery and the gradual improvement of credit portfolios' quality improved the banks' perceptions about the risk degree, especially about the credit risk, which positively influenced the credit supply. Data from the Credit Activity Survey also point out the competition as a factor that influences the supply, primarily in the sector "households". In addition, the deposit potential, as an essential financing source, continued to grow despite the inflation acceleration. Given the circumstances, the indicator of credit coverage with deposits moderately increased (to 90.3% in the first quarter of 2011). It is still below 100% which indicates that there is room for further use of the deposit base for more intensive crediting of the economy. **These developments show that there are already preconditions for increased activity of banks in the crediting segment, and that increased engagement can be expected from banks in supporting the economy's recovery process in the forthcoming period. Nevertheless, the risks still exist, although they are smaller.** Despite the increased risk taking readiness, the stability in working and security in investments will remain the leading principles in the banks' work. Hence, the credit demand quality will remain the most significant factor that directly impacts the credit growth dynamics.



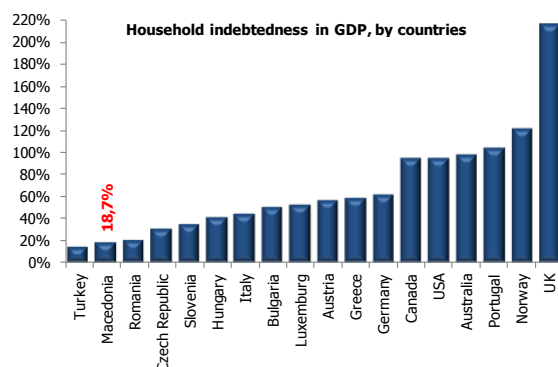
Source: NBRM

Annex 5: Analysis of households' indebtedness

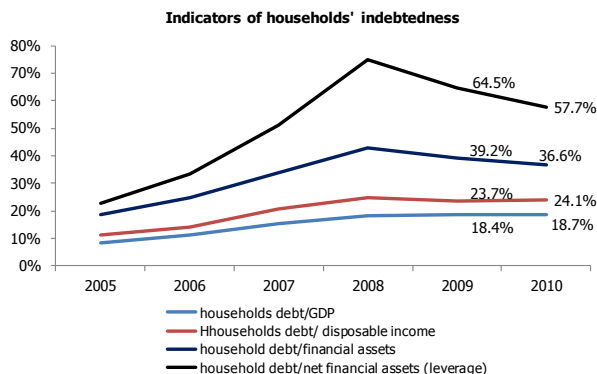
- Specifics for the Republic of Macedonia and implications when comparing the indebtedness degree with other countries -

Households' indebtedness in the Republic of Macedonia, measured as participation of this sector's debt in the GDP, is at a relatively low level compared to the other European countries. This indicator and the indicator of the indebtedness participation in the households' available income indicate that, after the several years of growing trend, in the last two years the households' indebtedness is maintained on a relatively stable level. Data also show the households' capability for debt repayment is constantly improving, considering the larger growth of the financial assets compared to the growth of indebtedness in this sector, as well as the loosening loan approval terms

throughout the year, which ultimately expands the room for its further indebtedness (measured as debt participation in the net financial assets⁷⁸).



Source: NBRM, Financial Stability Report 2010.



Source: NBRM, Financial Stability Report 2010.

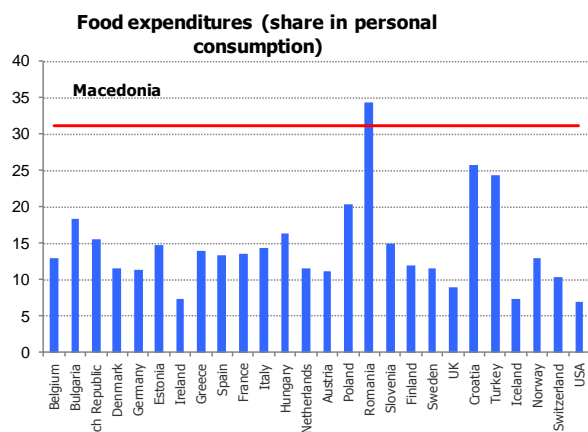
Nevertheless, when analyzing the households' indebtedness degree and the further indebtedness potential, it is usual to also take into consideration the influence of the factors which determine the households' available income, the financial assets of households, the changes in interest rates and inflation, as well as the changes in the financial regulations. This Annex's objective is to consider one specifics of the Macedonian economy which can potentially distort the image of the households' capability for debt repayment, and consequently for further indebtedness.

The analysis refers to the effect of the high participation of food costs in the private consumption and the households' available income. Namely, unlike in most European countries, the food expenses in Macedonian households make a considerable portion of their personal consumption (about 31.2%⁷⁹). Considering the low, and in some time periods even negative households saving⁸⁰, it can be concluded that these expenses consume about one third of the total households' available income. These are stable and constant expenses from the available income of the households, no matter the economic cycle phase of the economy. That is, this is a fixed component of the households' expenses which not only is not adjustable to crisis conditions, but it even has tendency to grow.

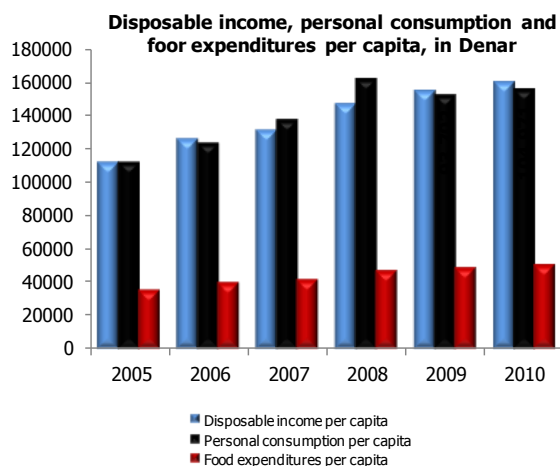
⁷⁸ More details can be found in the Report on the Financial Stability in Macedonia in 2010. In fact, this indicator shows that in the last two years the room for additional indebtedness of the households has expanded, considering the more intensive growth of the available financial funds adjusted (reduced) by the debt amount which has been increasing with more moderate growth rates.

⁷⁹ For comparability purposes, for the data about Macedonia and the other countries, one source of data was used, i.e. the database of the US Department of Agriculture.

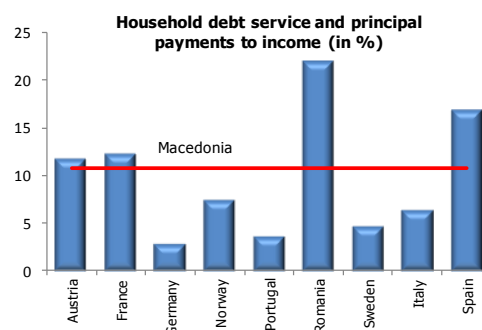
⁸⁰ Measured as difference between the available income and the private consumption.



Source: US Ministry of agriculture

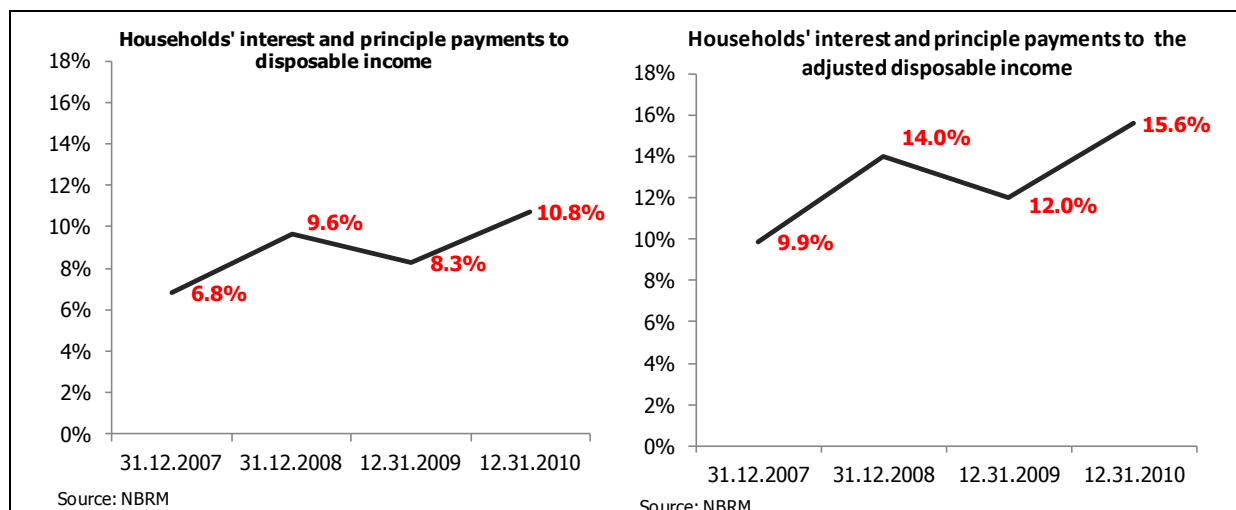


Unlike the domestic households, in most of the analyzed countries, with a higher standard of living, the income portion spent on satisfying the basic living needs is much smaller (food expenses participate with about 15% or less in the total personal consumption). The portion is also smaller in the analyzed countries with a similar standard of living (Croatia, Turkey, Poland, Bulgaria and Hungary, excluding Romania where food expenses participate in the private consumption with about 34%), which leaves a larger portion of the expenses to adjust to a possible negative shock from an income reduction. Considering this effect, the direct comparison of the domestic households' indebtedness with the other countries by considering the basic indicators (such as the debt participation in the GDP and the participation of outflows for debts in the available income) can distort the realistic image of the debt burden the households carry in case of an income change. This imposes a need for adjusting the available income to the expenses for satisfying basic living needs, to analyze the debt burden on the income portion that remains for covering of these expenses.



Source: MF, NBRM-based on data submitted by banks and NBRM and SSO calculations

After making the adjustment of the available income of the households in the RM, data show that in case the available income declines by 10%, the income portion earmarked for other spending, including the banking debt repayment, reduces by 15%. This increasing effect of the available income change on the adjusted available income (reduced by food costs) is significantly smaller in the developed economies and countries with a high standard of living where the fixed component of households' expenses is relatively small. Namely, a 10% reduction of the available income causes a 10.6% reduction of the adjusted available income in the USA, or 10.9% in the United Kingdom.



The analysis shows that, despite the relatively low indebtedness level of the households in the RM, the low standard of living can have significant effects on the capability for debt repayment and for further indebtedness of households, which imposes a need for precaution during the analysis of the level of indebtedness and when comparing the indebtedness of this sector with other countries. Namely, the high income portion that remains constantly attached to payments of basic living needs makes the domestic households more vulnerable to any downward changes of the available income, and consequently relativizes the comparison of the indebtedness level with the other countries, which realistically have more room for adjustments in such cases. Although the effects of this specific in the household sector in RM are expected to deplete, due to the expected improvement of the living standard, this aspect must not be omitted during the analysis.

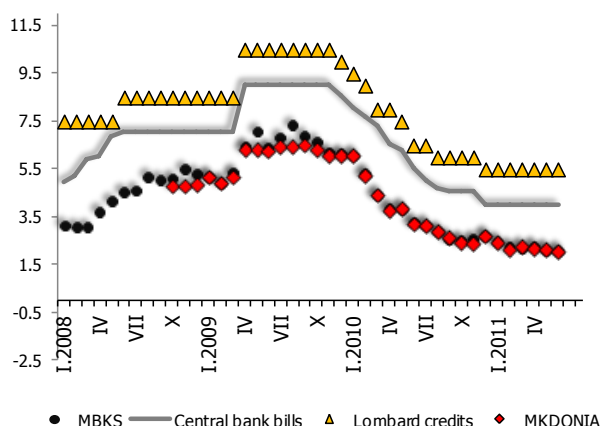
2.3. Interest rates

The interest rate on the CB bills in the first half of the year remained unchanged at the 4% level, in an environment of a stable macroeconomic setting and balanced out monetary policy risks. The favorable macroeconomic developments and improved banks' perceptions of risks, in circumstances of a gradual qualitative improvement of the credit portfolios, contributed for loosening of credit approval terms and for a downward movement of interest rates on the credit market. The passive interest rates simultaneously registered a decreasing trend, particularly evident in the newly received Denar deposits. This unveils the banks' perceptions of the temporary character of the higher domestic prices, and thus the absence of need for an upward adjustment of the interest rates to stimulate savings. In the forthcoming period, the banks are still expected to be oriented towards an increased credit activity and, consequently, to continue with loosening of credit approval terms, primarily the interest rate. Anyway, the credit demand quality, the general economic setting, and economic entities' financial condition are expected to continue to be the main determinants of the banks' interest policy.

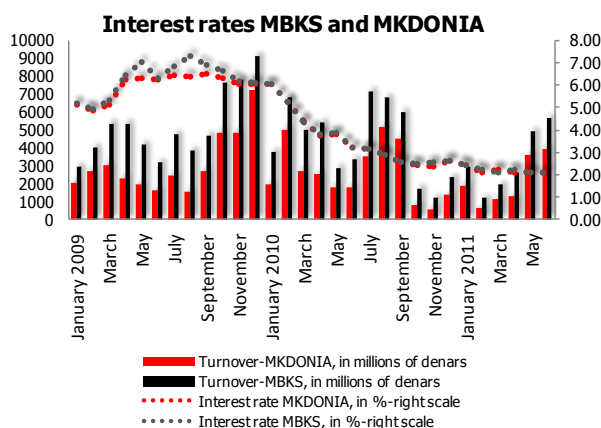
After reducing the key interest rate on several occasions during 2010, in the first half of 2011 the NBRM kept it unchanged, at a level of 4%. The estimates for adequate level of the key interest rate reflect the current macroeconomic setting, i.e. the stable developments on the exchange market, the



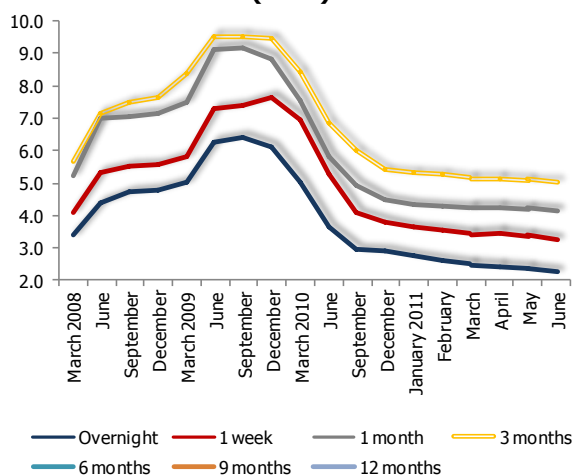
Interest rates (in %)



Source: NBRM



Source: NBRM

Interest rate SKIBOR
(in %)

Source: NBRM

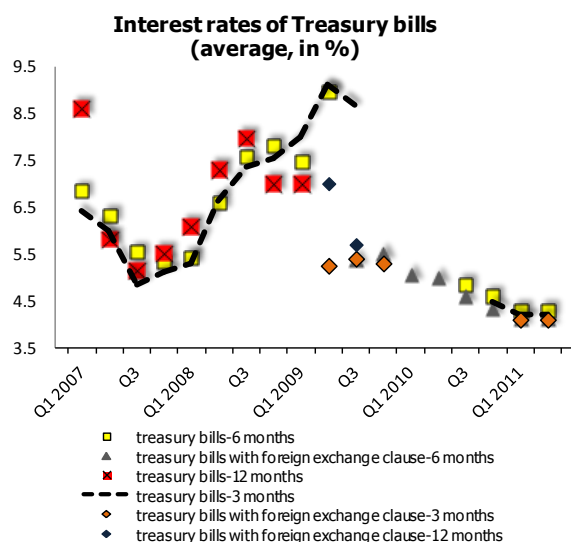
satisfactory level of foreign reserves, and the continuation of the trend of domestic economic activity recovery. On the other hand, the higher general price level, despite considered to be under control, **imposed a need for precaution in the monetary policy setting.**

On the financial markets, **the interbank interest rate (MBKS)⁸¹** followed a downward trend, but more moderate than the one in 2010, when the changes of the key interest rate contributed for an accelerated decline of the MBKS. In June, this interest rate was 2.1% (2.23% in March and 2.69% in December 2010). The **interbank interest rate for concluded overnight transactions (MKDONIA)** moved in the same direction and reduced to 2.09% in June (2.29% in March and 2.69% in December 2010). Given the unchanged key interest rate and the moderate downward movements of the interbank interest rates MBKS and MKDONIA, **the listed interbank interest rate on the deposits market (SKIBOR)** registered a moderate drop of all maturities.

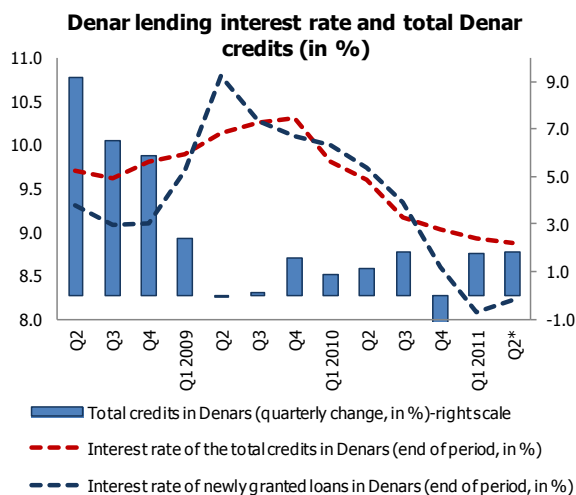
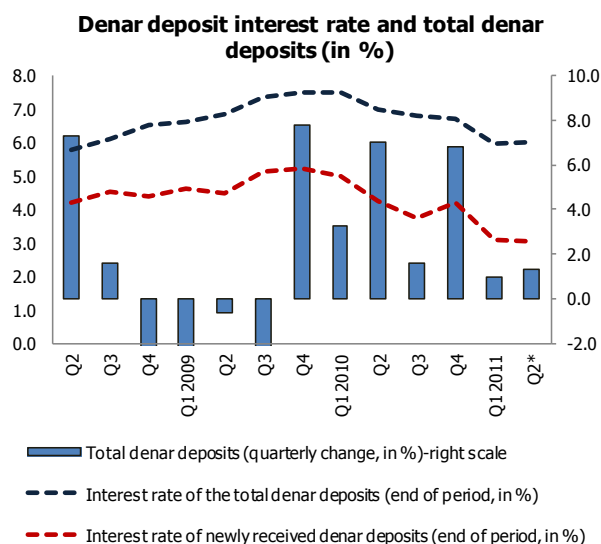
At the auctions of Government securities, organized by the same principle as previously, as "tender with amounts and fixed interest rate", the volume of government securities offered in the second quarter was by 15% bigger than in the preceding quarter. In addition, the interest rates on all types of securities were kept at the same level as in the preceding quarter, and the interest for these securities is still high, with 91% degree of realization of the offered amount (93% in the previous quarter). The interest rates on three-month Treasury bills in Denars (without FX clause), on three-month with FX clause, on six-month in Denars (without FX clause) and on six-month with FX clause were 4.20%, 4.10%, 4.30% and 4.10% respectively. In the greatest volume were offered the three-month Treasury bills without FX clause (about 49% of the total offer), followed by the six-month Treasury bills with FX clause with about 35%.

The lending interest rates in the first five months of 2011 continued to drop, although with a slower dynamics than in 2010. The interest rate decline was partly due to the necessary legal adjustment of the reduced key interest rate in December for calculation of the penal interest (which effectuated in January). The interest rates drop in the following months, however, was probably a result not only of the unchanged monetary policy, but also of the

⁸¹ MBKS - average interest rate on the interbank money market.



Source: NBRM

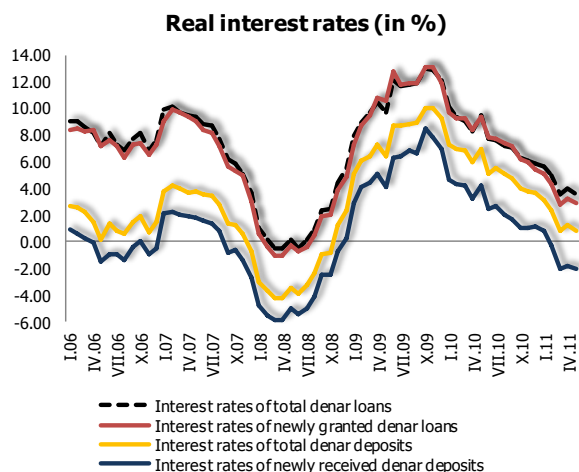
*May
Source: NBRM*May
Source: NBRM

improved banks' perceptions regarding risks in a favorable macroeconomic setting and gradual improvement of the credit portfolios quality. Anyway, the pace of loosening the credit prices was slow, which indicates that risks, especially the credit risk, although diminished, still remained higher than they were in the pre-crisis period. In such circumstances, **the weighted interest rate of the total Denar loans** reduced from 9% in December 2010 to 8.9% in May 2011. Banks' reaction to the improved macroeconomic setting is more evident in the **interest rate on the newly approved Denar loans** which reduced to 8.2% in May 2011 from the 8.6% in end 2010.

The passive interest rates developed in the same direction, but with a more intensive decelerating pace. Thus, the weighted **interest rate on total Denar deposits** reduced from 6.7% in December 2010 to 6% in May 2011. The change of the **interest rate on the newly accepted deposits** was even greater, as it reduced from 4.2% in December to 3% in May.

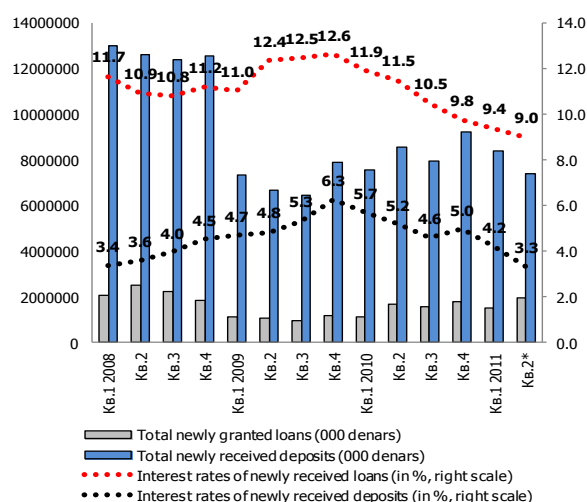
The trend of a more intensive drop of the passive compared to the active interest rate is representative for the households' interest rates. Thus, *the active weighted interest rate on the total denar lending* was rather stable and was at 9.2% in the end of May (9.4% in December 2010). At the same time, *the weighted interest rate on the newly approved Denar loans* registered a more prominent drop and reduced to 8.9% in May (9.4% in December 2010). Within the framework of this weighted interest rate, the interest rates on long-term household credits extended in Denars and in Denars with FX clause registered more prominent downward changes. Such developments of interests for the households sector are in accordance with the Credit Activity Survey, in which most of the banks pointed to loosening of the lending terms for this market segment, given the improved perspectives of the economic activity and the increased competition on the credit market. In the *weighted interest rate on the total denar deposits* a declining trend was registered in the first five months of the year, and in May it reduced to 6.3% from 7.3% in the end of the preceding year. Simultaneously, *the interest rates on the newly accepted deposits* were dropping even more rapidly, and the weighted interest rate on these deposits reduced to 3.3% from 5.3% in December 2010.

Unlike the downward trend of development in both active and passive interest

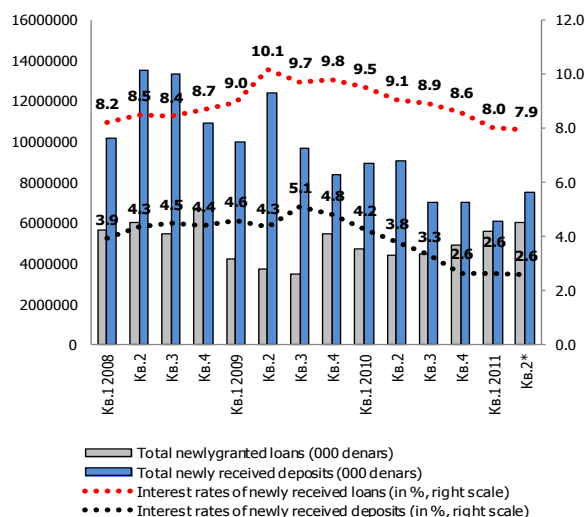


Source: NBRM

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

*refers to July and August
Source: NBRM

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

*refers to July and August
Source: NBRM

rates in the households segment, **in the enterprises segment the active interest rates were characterized by a decline, given the revenues from Denar savings.** Thus, in the first five months, the *weighted interest rates of the total and newly approved loans* reduced by 0.2 p.p. and 0.3 p.p., respectively, compared to the end of the preceding year, and were at 8.6% and 8%, respectively, which still represents a more moderate decline compared to the interest rates adjustment in the sector households, especially on newly approved credits. The slower adjustment in the corporate sector results from the lower interest rates level in this sector, but also from the banks' prudent and more reserved attitude, given the banks' perceptions of the economic situation in general and of the situation of individual enterprises⁸² which suggest a still relatively higher risk level in this sector observed by the banks. On the other hand, in weighted *interest rates of the total and newly accepted denar deposits*, despite the monthly oscillations, registered an upward trend of movements. Hence, in May these interest rates were at 4.7% and 2.8%, respectively (4.5% and 2.6%, respectively, in December 2010).

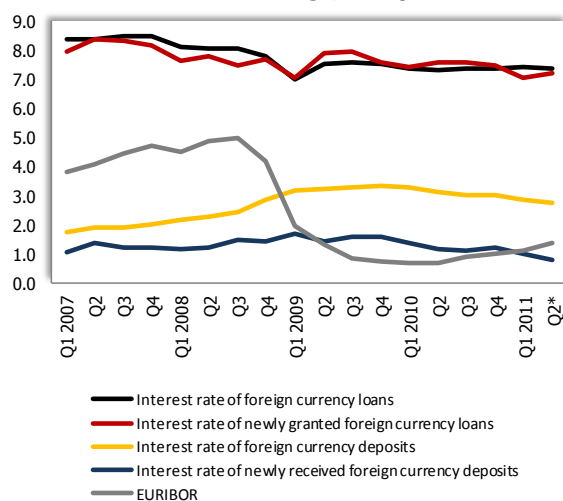
In the first five months of 2011, the weighted interest rate on the total foreign currency lending was 7.4%, a level that has not changed since July 2010. Moderate slowdown, however, with monthly oscillations in both directions was registered in the **interest rate on the newly approved foreign currency loans**, which was at 7.1% in May (7.3% in December 2010). Concerning the passive interest rates, the movement of the **interest rate on the total foreign currency deposits** was more stable and reduced from 3% in December to 2.8% in May. The interest rate on the newly accepted foreign currency deposits registered a more prominent monthly variability both in upward and in downward direction, and it was at 0.8% in May (1.3% in December 2010).

Given the more stable expectations for the economic developments, further relaxation of the banks' interest rate policy is expected in the forthcoming period. Such expectations are partly justified by the positive signals coming from the banking credit portfolios and the gradual decrease of the credit risk. The expectations for further expansion of the deposit base are also in favor of this view. Regarding the inflation, the data show that in the first and second quarters (by the end of May) the banks considered

⁸² Survey on Banks' Lending Activity, May 2011.



Interest rates of foreign currency loans and deposits and three month EURIBOR (quarterly average, in %)



Refers to April and May
Source: NBRM

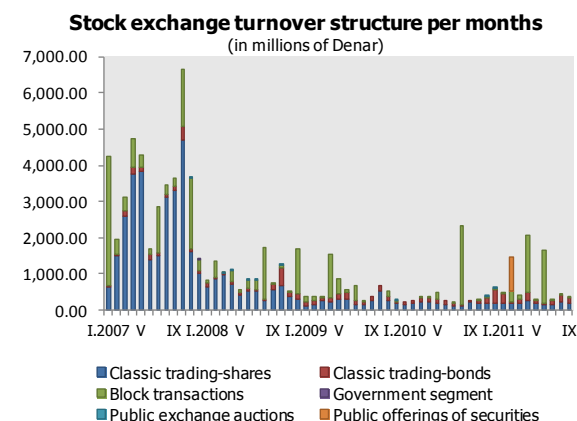
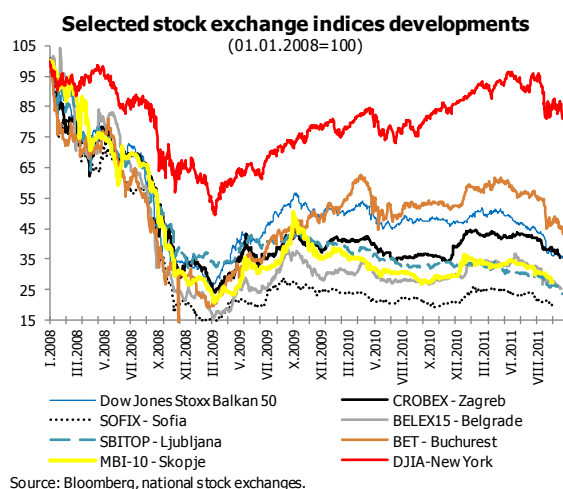
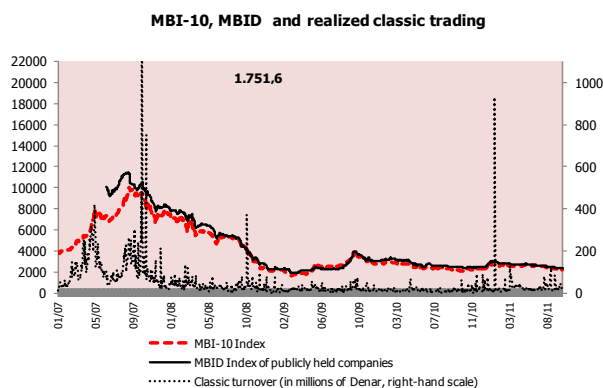
the inflation growth a temporary factor which caused no need for any upward adjustments of the interest rates in the analyzed period. Considering the expectations for inflation decline, this factor is not expected to produce any more significant risks in the forthcoming period either. In any case, the quality of the credit demand, the general economic setting and the financial condition of the economic entities are still expected to be the key determinants of the banking interest rates movements.

III. Capital Market

In the first quarter of the year, the total stock exchange turnover registered a quarterly increase mainly as a result of the public offer of securities and block transactions⁸³. Simultaneously, the turnover through classical trading registered a quarterly drop caused by the reduced turnover of shares and bonds. Such trends also remained in the second quarter. In the first quarter end, the Macedonian Stock Exchange Index registered a 12.8% growth, a trend that considerably decelerated in the second quarter of the year. Considering the expectations, the increased economic growth, the gradual returning of foreign investors in the countries in this region, and the expectations for an increased inflow of foreign investments create room for the capital market to revive in the forthcoming period. Nevertheless, the further dynamics of this market will greatly depend on the situation in Greece, which still represents the greatest factor of uncertainty that might cause restraining from investments by the potential investors.

In the first quarter of 2011, the capital market registered an increased activity, with an increased total stock exchange turnover, and further growth of the Macedonian stock exchange indices. MBI-10 throughout January and in early February 2011

⁸³ On February 11, 2011, public offering of securities started on the Macedonian Stock Exchange (MSE) - ordinary shares from the VIth issue of Komercijalna banka AD Skopje. On the first day of subscription 265.000 ordinary shares were offered and all 265.000 shares were subscribed at price of 3.500,00 MKD per share, in total value of Denar 927.5 million. The dominant buyer of the shares was the non-resident from Sweden (East Capital Explorer Investments), who with this transaction became an owner of 9.252% of the basic principal of Komercijalna banka AD Skopje. Also, a considerable block transaction was realized on February 2, 2011 with ordinary shares of Komercijalna banka AD Skopje, whereas a total of 77 753 shares were traded, with a total worth of Denar 272.8 million.



registered continuous upward movements, after which it was characterized by a gradually decreasing trend by the end of March. Compared to the end of 2010, the MBI-10 positioned at a level higher by 12.8%. The value of the publicly owned company index (MBID) registered a similar quarterly growth, of 12%.

The regional stock exchange indices, excluding Ljubljana SBITOR, registered a quarterly growth in the first quarter of 2011, which corresponds to the favorable economic results and to the domestic markets recovery in these countries during the analyzed period. In addition, the increase of the regional stock exchange indices was partly due to the gradual return of the foreign investors in these countries, which increased the turnover on the regional capital markets and raised the share prices. The highest quarterly growth of 22.8% and 17% was registered on Sofia SOFIX and Sarajevo SASX-10, respectively. The relatively high quarterly growth on Sofia SOFIX resulted from the increased turnover on Sofia stock exchange market, but also from the relatively low comparison base of the end of the preceding quarter, when a quarterly decrease of 6.3% was registered. Zagreb CROBEX realized a more moderate quarterly growth of 8.5% relative to 10.2% in the previous quarter. Ljubljana SBITOR, on the other hand, registered a quarterly drop of 3.2%, which was due to the decreased turnover on the Ljubljana stock exchange.

In the first quarter of the year, the total stock exchange turnover (including the block transactions and the Government segment) was Denar 2 356.6 million, and was higher by 91.8% on quarterly basis. Such increase of the total turnover on the Macedonian stock exchange was mainly a result of the increased public offers of securities that contributed with 82% in the quarterly growth of the total stock exchange turnover. Additional contribution on the total stock exchange turnover growth was made by the block transactions, while the turnover based on classical trading registered a drop of 16.7%.

In the period January-March 2011, the turnover on the Macedonian Stock Exchange results from the investment activity by domestic investors, in circumstances when the non-residents realized considerably smaller net sales. Namely, compared to the previous two quarters, when foreign investors realized net sales of securities at the amount of Denar 140.5 and 255.4

million respectively, in the analyzed period the volume of net sold securities was considerably smaller and amounted Denar 27.2 million⁸⁴. In addition, the share of the foreign investors in the total principal of companies and in the total nominal value of bonds on March 31, 2011 remained unchanged compared to the previous quarter, and equaled 24.9% and 2.3%, respectively⁸⁵.

The total bonds turnover realized on the official market of the MSE in the analyzed quarter equaled Denar 391.8 million, which was a drop of 29.7% compared to the preceding quarter. The most common in the turnover were the denationalization bonds from the fourth and the ninth issue (with share of 36.6%). The OMB registered a moderate growing trend in the quarter, despite short periods of stagnation and decline. Thus, compared to end 2010, the OMB value increased by 0.9%.

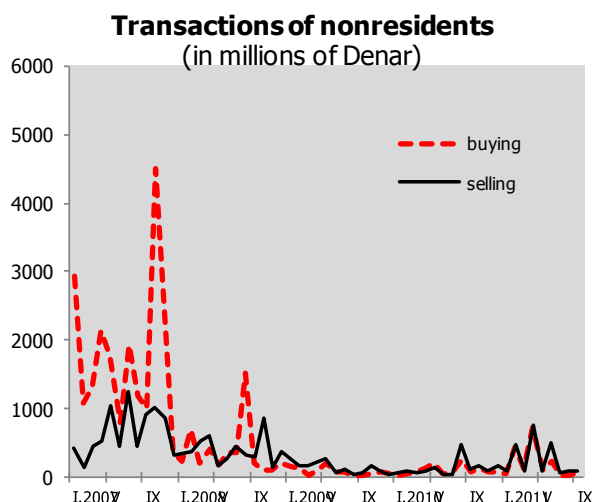
During the first quarter of 2011, on the Over the Counter Market a total of three transactions were realized with Treasury bills of a total nominal value of Denar 60 million, and one transaction with a Treasury bill with a one to three months maturity and a nominal value of Denar 30 million. Considering the other segments of the Over the Counter Market (Treasury bills with maturity over one year and Government bonds), no transactions were realized.

During the second quarter of 2011, the total stock exchange turnover and the stock exchange indices registered growth. The total stock exchange turnover increased by 69.4% on quarterly basis, which was mostly due to the realization of three block transactions⁸⁶. Unlike the turnover increase based on block transactions, the turnover realized by classical trading registered a 3% drop due to the decreased turnover based

⁸⁴ These information are based on the official data published in the monthly statistical bulletin of the Macedonian Stock Exchange – Skopje for January, February and March 2011, and do not include the transaction of the public offering of securities by Komercijalna Banka A.D. Skopje. If the public offering of securities by Komercijalna Banka A.D. Skopje is included, in the first quarter the non-residents realized a net buyout of securities of Denar 741.8 million.

⁸⁵ Source: CSD.

⁸⁶ Two more significant block transactions were realized on April 6 and 7 with the ordinary shares of the Izvozna i kreditna banka AD Skopje, when total of 38 337 of ordinary shares with a total value of Denar 1 505 million. The third more significant block transaction was realized on June 7, when 228 165 ordinary shares of Tutunska banka AD Skopje, with a total value of Denar 1 444 million were traded.



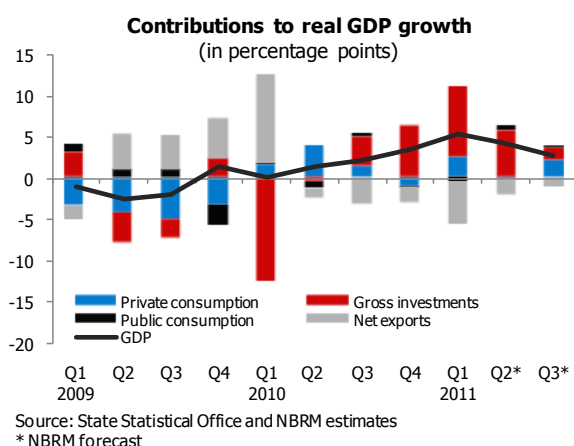
on bonds, while the turnover based on shares increased by 6.1% quarterly. Following that, the Macedonian Stock Exchange index MBI-10 positioned at a level higher by 0.9% compared to the level of December 31, 2010, while the OMB index remained at the same level (minimal growth of 0.1%). During the period April-June 2011, the foreign investors sold shares in the value of Denar 251.7 million. In early June 2011, **the Securities Committee announced an agreement for introduction of supporters of the capital market** that is expected to contribute to the trading volume increase, the capital market depth, and the securities liquidity. According to the amendments of the Trading Procedures of the Macedonian Stock Exchange, a supporter of the capital market can be any broker's house and authorized bank that are authorized to trade on their behalf and for their account, and that have signed a contract with the Stock Exchange for supporting the market capital. By end of June 2011, five commercial banks and one broker's house had signed a contract with the Stock Exchange for supporting the market capital.

Strengthening of the domestic economic activity, the gradual return of the foreign investors in the countries in the region, as well as the expectations for an increased inflow of foreign investments in the country, are the factors expected to entail a moderate revival of the turnover on the Macedonian Stock Exchange and a moderate increase of the share prices. Nevertheless, such positive perceptions concerning the capital market can be partly counterbalanced by the unfavorable economic and financial situation in Greece, which is still the greatest risk factor in the region that might cause an increased aversion towards a risk of investment in the region in the forthcoming period.

IV. Macroeconomic projections

As expected, the domestic economy expanded in the first quarter of 2011. The perceptions for real annual GDP growth of 5.1% became realistic, with certain deviations in the contributions of some components. The contribution of domestic demand was higher (due to higher investments and personal consumption), yet being offset by the higher negative contribution of the net-exports. The next two quarters expect the GDP to increase annually by 4.3% and 2.7%, respectively, in real terms, which is an upward revision compared to the April projection. Expectations for more dramatic economic growth arise from the improved investments and personal consumption, and the expectations for further favorable trends of these two components, in environment of expected negative contribution of the net-exports. Growth risks are perceived to be

moderately downward, and mainly related to the potential negative effects of the flare-up of the debt crisis in the Euro area on the exports and investments. The rise of food and oil prices slower than projected resulted in 4.7% lower inflation rate in the second quarter than expected (from 5% to 5.5%). The performances in the first half of the year and the downward revisions of the expected global food and oil prices suggest depletion of some risks identified in the April projection and expectations for about 4.5% inflation rate in 2011 (threshold of the previously expected inflation range from 4.5% to 5%).



As projected in April, the first quarter of 2011 witnessed a 5.1% real annual GDP growth. The GDP growth structure meets the expectations, with some deviations being registered in terms of growth level of each component. The improved domestic demand, and its positive contribution higher than projected in April, was offset by the net-exports, which was more negative than projected in April. Observing the components, the investment activity made the greatest contribution to the growth of domestic demand. The high inflow of foreign direct investments and the substantial amount of government capital investments were major drivers for such investment activity. The relatively high annual and quarterly growth of the total volume of industrial output probably indicates higher investment of the domestic companies. Additionally, investments were properly supported through the banks' enhanced lending to the private sector. Such developments resulted in higher investments than expected. Personal consumption experienced similar developments. Its recovery was faster than projected in April, suggesting smaller effect than expected compared to perceptions for higher price level and their effect on the consumption. **Net-exports made more negative contribution to the growth**, since the more negative contribution of imports exceeded that of the exports, which corresponds with the higher consumption in the period under observation.

Annex 6: Assumptions for exogenous variables⁸⁷

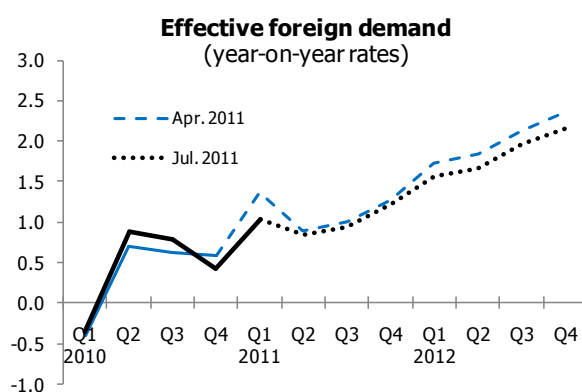
In the first quarter of 2011, **the external effective demand⁸⁸** was by 1% higher, which is a downward deviation from the April projection that assumed a growth of 1.4%. The downward deviation primarily results from the steeper economic fall than expected in Greece and in Croatia where the GDP decreased opposite to the expectations for economic growth. However, the external demand is expected to keep on recovering throughout the year, without remarkable changes in their trajectory compared to April projection. Thus, the second quarter expects annual growth of 0.8%, and

⁸⁷EUROSTAT and state statistical offices are used as sources of historical data on external demand, external inflation and US Dollar / Euro rate. The US Energy Information Administration (EIA) is used for oil prices. The external demand, external inflation and US Dollar rate projections are based on Consensus Forecast, while the oil price projections are based on Blumberg projections.

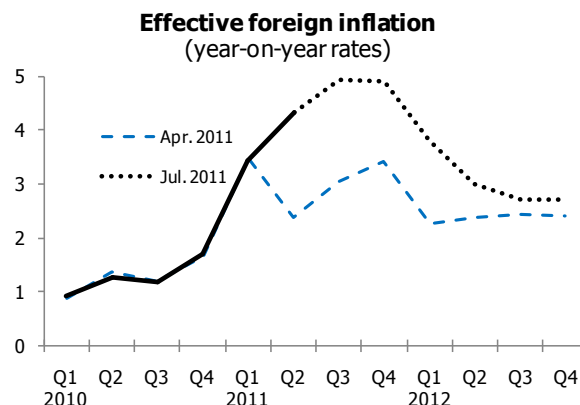
⁸⁸ This indicator is a sum of weighted GDP indices of the most important countries - importers from the Republic of Macedonia, through the normalized share in the exports of these countries in the 2006-2009 period. The calculation of this indicator includes Germany, Greece, Italy, the Netherlands, Belgium, Spain, Serbia, Croatia and Bulgaria.

the average growth rate for the entire 2011 of 1%, unlike the projections of 1.1% in April 2011, mostly due to lower performances in the first quarter of 2011.

In the second quarter of 2011, the growth of **external effective inflation**⁸⁹ accelerated compared to the assumptions. In spite of the April projection of 2.4% price growth, in April-June 2011 period, external prices registered an annual growth of 4.3%, primarily due to the high inflation in Serbia. The external effective inflation is expected to keep on increasing in the third quarter of 2011 and reach 4.9%, and to hold on to such level to the end of 2011, opposite to the April inflation projections for the third and the fourth quarter of 3% and 3.4%, respectively.

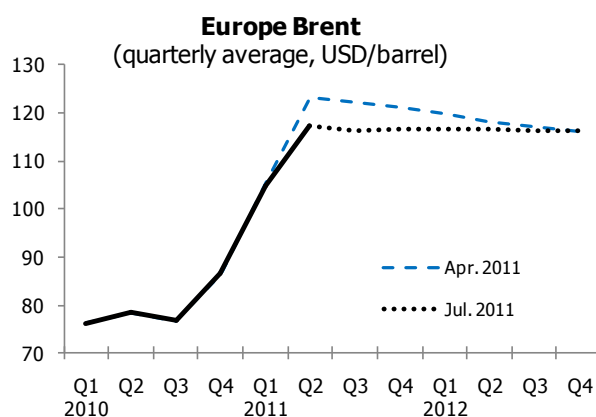


Source: Statistical offices and Consensus Forecast (March, April and June 2011); actual data up to and including 2011 Q1 are in solid black line.



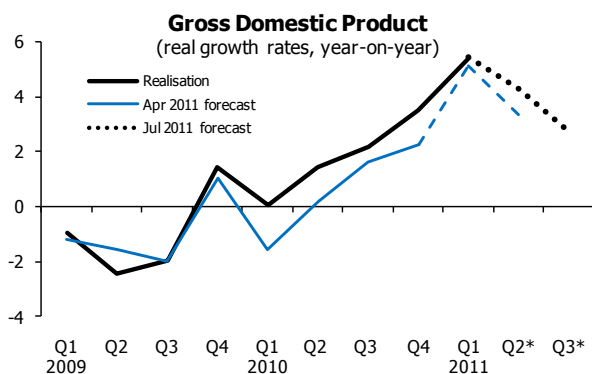
Source: Statistical offices and Consensus Forecast (March, April and June 2011); actual data up to and including 2011 Q2 are in solid black line.

In the second quarter of 2011, **the average oil price** went up by 49.5% annually and reached US Dollar 117.4 per barrel. Yet, such crude oil price growth on the global markets was lower than the assumption used in the preceding projection that expected annual oil price growth of 56.7%. In the second half of 2011, oil prices are expected to reduce slightly to around US Dollar 116.5 per barrel, on average. Accordingly, in 2011, the oil price is expected to amount to US dollar 113.8, on average, i.e. to increase by 43.1% on annual basis, unlike the April projection for average price growth of 48.2% in 2011.



Source: Energy Information Agency and Bloomberg; actual data up to and including 2011 Q2 are in solid black line

⁸⁹ This indicator is a sum of weighted price indices of the most important countries - exporters of joint consumption goods to the Republic of Macedonia, through the normalized share in the imports of these countries in the 2006-2009 period. The calculation of this indicator includes Bulgaria, Germany, Greece, France, Italy, Austria, Slovenia, Croatia, the United States and Serbia.



Source: State Statistical Office and NBRM estimates
* NBRM forecast

The latest projections for the second quarter of 2011 suggest **economic activity faster** than projected in April. **In the second quarter of 2011, the annual GDP growth rate is perceived to reach 4.3% (3.3% April projection),** while GDP to remain unchanged on quarterly basis. **The upward growth revision fully reflects the stronger positive contribution of the domestic demand,** i.e. more positive expectations for investments and personal consumption. The favorable performances of the **investments** in the first quarter, the assumptions for maintaining relatively high amount of government capital investments, plus the expectations for a private domestic investment growth⁹⁰ faster than projected, brought about upward revision of this component of the domestic consumption compared to April projection. Thus, the annual and quarterly growth is expected to reach 26.7% and 11.3% respectively (April projection of 12.2% and 1.3% respectively). The improved performances in the first quarter also contributed to upward revision of the personal consumption. Unlike the perceptions in the April projection for annual fall of 1%, the more positive household perceptions since the beginning of the year are perceived to remain the same, and accordingly, the **personal consumption to remain unchanged** on annual basis. Budget data indicate **3.4% real annual growth of public consumption** (5.2% April projection). While the April projection expected positive contribution of the net-export demand to the annual GDP growth, the present estimations illustrate negative contribution to the growth of this component. The performances in the first quarter and the expectations for higher domestic demand (personal and investment consumption) suggest **10.7% annual growth rate of imports,** that is higher than projected in April (7.2%). On the other hand, the minor downward revision of the growth of external effective demand and the deteriorated price competitiveness of domestic export commodities compared to April projections resulted in **a marginal downward revision of the annual growth rate of exports of 11.2%** (12.6% April projection).

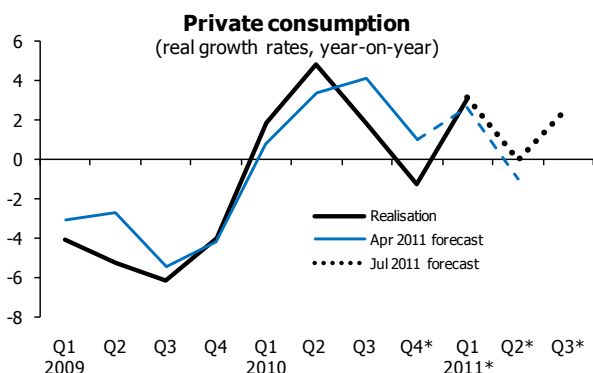
The relatively fast economic growth is expected to continue in the third quarter, but in a moderately slower pace compared to the first half of the year. The annual growth rate is expected to equal 2.7%, demonstrating unchanged level of economic activity on quarterly basis. The general growth structure is similar to the preceding

⁹⁰ Also demonstrated through the rapid growth of industrial output in April and May 2011, of 9.3%.



period, with expectations for some changes in the components. Conversely to the previous developments dominated by the positive contribution of investments, the positive contribution of personal consumption is expected to exceed that of the investment demand. On the other hand, the negative contribution of net-exports continues, but it is less negative than in the first half of the year.

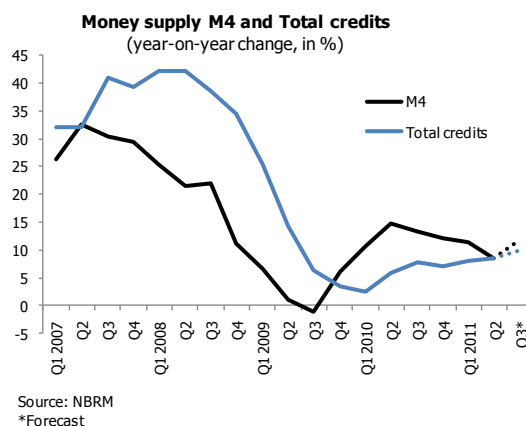
In the third quarter, the personal consumption tends to register an annual growth of 2.6%, which is a moderate recovery of 0.3% on quarterly basis. Notwithstanding the lower base effect, the annual household consumption growth reflects the expected continuation of favorable developments on the labor market and slower inflation, which will, accordingly, stabilize the households' expectations. The annual employment uptrend is expected to continue, but in a slower pace. This effect tends to be offset partially by the continuous real annual fall of wages. However, on quarterly basis, both factors would improve, and gradually recover the household perceptions for the economic flows. Moreover, the third quarter expects accelerated bank lending to households.



Source: State Statistical Office and NBRM estimates
* NBRM estimates and forecast

Annex 7: Bank lending projections in the third quarter of 2011

In the second quarter of 2011, the total money supply in the economy kept on increasing, as expected. Thus the annual growth rate of the broadest money supply M4 equaled 8.6% in June 2011, as projected by the NBRM in April. The maintenance of generally favorable external sector performances, along with the further recovery of economic activity and started inflation alleviation, and the relatively stimulating return on savings instruments, drive the growth of new savings in the banking sector, and consequently, increase the total money supply in the economy. **The changes in initial assumptions of July revision of the macroeconomic projections aim towards further acceleration of the money supply growth in the period that follows. In consistence with the expectations for economic expansion and more favorable external sector developments than expected, the monetary growth to the year-end is moderately revised upward relative to the April projection. Thus, the annual growth rate of money supply M4 is expected to equal 11.9% in the third quarter (11.7% as projected in April). At the end of 2011, the annual monetary growth rate is expected to equal 11.4% (10.7% April projection).** As projected, risks clouding the monetary growth dynamics in the future period still depend on the pace of recovery of the domestic economy, i.e. the capacity of our economy to generate additional income. Observing the inflation, this revision is expected to mitigate the risk of potential adverse effects of the domestic price growth on the volume of new savings in the banking sector, in line with the started alleviation of inflation pressures in the second



Source: NBRM
*Forecast

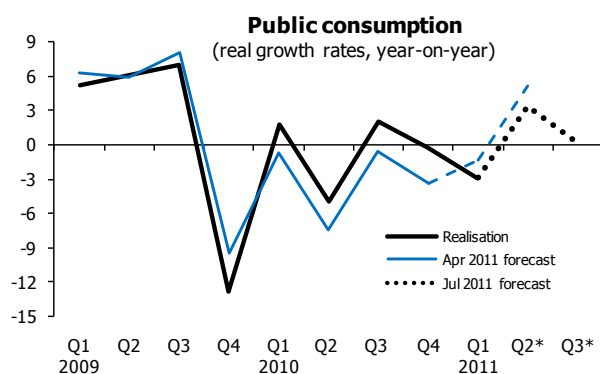


quarter and expectations for inflation rate lower than projected in April. Yet, this risk has not been fully depleted and still follows the monetary growth projection, taking into account the uncertain dynamics of global oil and food prices.

In the second quarter of the year, the credit market also experienced positive developments. The favorable factor developments on both the supply and the demand side resulted in faster credit growth relative to the preceding quarter. Consequently, **at the end of June, the annual growth rate equaled 8.6%, as projected in April.** Credit growth was registered in environment of slower growth of suspicious and disputed claims in the last two quarters (3.1% in March and 9.9% in December) and their moderate annual fall in June 2011, for the first time since May 2008. These positive trends of credit portfolios alongside the improved domestic economy prospects made positive impact on the banks' perceptions for the risk level, and hence, made the banks take more active role on the credit market. In such circumstances, the credit-deposit coverage ratio increased moderately (from 90.3% in March to 91.6% in June), demonstrating greater exploitation of the current banks' deposit potential for support of the domestic economy.

The upward revision of economic growth, and perceptions for extension of deposit potential more than projected in April, under assumption for continuation of the favorable developments of credit portfolios and bank risks perceptions, revised the credit growth moderately upward to the end of the year. At the end of the third quarter, the annual credit growth is expected to equal 10% (as projected in April), expecting to accelerate and reach 12.5% growth rate to the end of the year (12% April projection). **As before, however, the risks arising from the intensity of lending activity, although mitigated, still exist.** The business stability and investment security are principles that will further play a leading role in the bank activities. Hence, the quality of credit demand remains most significant factor that directly influences the credit growth pace.

Maintenance of high investment activity also in the third quarter is expected, although less dynamically compared to that characteristic for the first half of the year. In conditions of expected quarterly drop of 4.4%, the annual growth rate is expected to slow down and to equal 6.7%. These movements are reflection of the high comparison base, as well as the gradual lessening of the increase in the factors that move the investment consumption, which was especially strong in the last several quarters. The expected investments growth is mostly due to the assumption for further high government capital investments, supported also by investments of the private sector. Namely, the surveys of the managers of the enterprises in industry point to constant improved expectations regarding the production volume in future, which is expected to reflect favorably on the private investments. Also the improved sources of financing are expected to act towards investments support. In particular, maintenance of the positive movements with the foreign direct investments in future is expected, with additional effect being also anticipated through the strengthened credit support provided by the banking sector. Furthermore, through the export demand, the



Source: State Statistical Office and NBRM estimates
* NBRM forecast

recovery of the global economy will also influence stimulating on the investments.

In line with the planned Budget expenditures, **the public consumption is expected to register moderate annual increase of 0.3% in the third quarter of the year, which is a rise of 1.2% on a quarterly basis.**

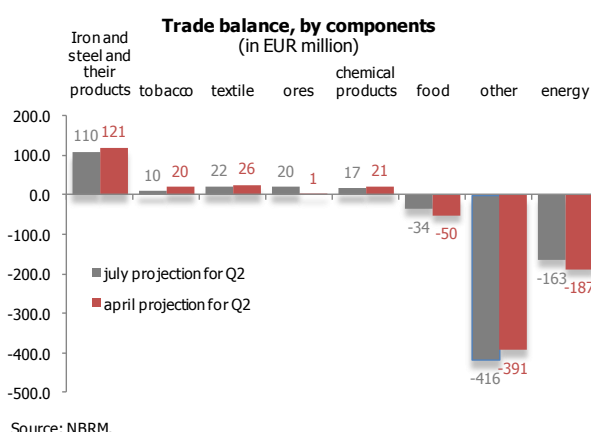
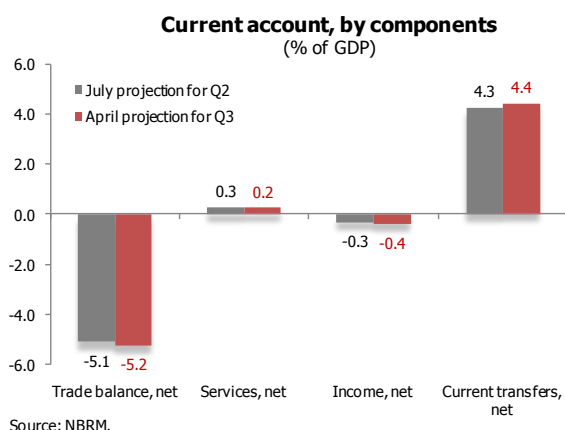
In the third quarter, the trend of **positive, but considerably slower export growth** from the beginning of the year, will continue. **The export is expected to register real annual rise of 2.6%, i.e. quarterly increase of 0.9%.** The decelerated annual increase in the exports mostly mirrors the base effect, given small improvements with the movements of the fundamental factors. Namely, further recovery of the external demand is expected although with relatively slower pace. Additionally, minimal improvement of the price competitiveness of our export products is expected (due to the higher rise of the world compared to the domestic export prices). As a result of the movements of the export and the domestic private demand, **deceleration of the annual real growth rate of the imports of 3.3% is expected, which is quarterly drop of 0.7%.** In conformity with these expectations, the negative contribution of the net export in the economic growth will continue, although it will be lower than in the first half of the year.

The achievements for the macroeconomic indicators for the first half of the year and the expectations for the future movements conditioned **upward revision of the projected economic growth in 2011 from 3% to 3.5%.** This is mostly due to the higher positive contribution of the domestic demand, i.e. the faster growth of the investments in the first half of the year and the anticipated faster recovery of the personal demand in the second half. Consequently, faster import growth is expected, because of which the contribution of the net export will be considerably more negative compared to the previous projection. **However, the GDP projection is accompanied with high uncertainty, with the risks being estimated as moderately downward.** The largest negative risk is the possible negative movements of the global economy due to the debt crisis in the Euro area, which would have negative effect on the domestic economic activity through smaller investments and export. Furthermore, the possible faster growth in both the food and the energy sources prices and the higher inflation would impact negatively the

personal demand. The uncertainty on the labor market, which arises from the possibility for production intensification through higher productivity rather than employment can also have additional stimulating effect.

Annex 8: Projection of the movements of the external sector

According to the latest available data for the external sector⁹¹, for the second quarter of 2011 current account deficit of 0.9% of GDP is estimated, which is slight improvement compared to the April projection (estimated 1% of GDP). Revisions towards current account deficit contraction with all sub-components of the current account, except the transfers were made. Thus with the **balance of the foreign trade of goods**, the increase in the deficit with the non-energy balance (due to the higher import of other products⁹²) was fully compensated with the narrowed deficit in the energy balance, which is mostly due to the higher export of electricity and oil derivatives than expected within April - May 2011 period, compared to the April projection. Simultaneously, the performances point to higher surplus with **services**, while smaller deficit relative to the April projection is expected in **income**. The only subcomponent influencing towards widening of the current account deficit are the net inflows from **private transfers**, i.e. net cash from the currency exchange operations⁹³. Namely, the last available data (as of June 30, 2011) from the currency exchange operations show that in the second quarter the net purchase of cash registered annual decrease of 12.2%, opposite to the expected annual rate of decrease of 9.5%, according to the April projection.



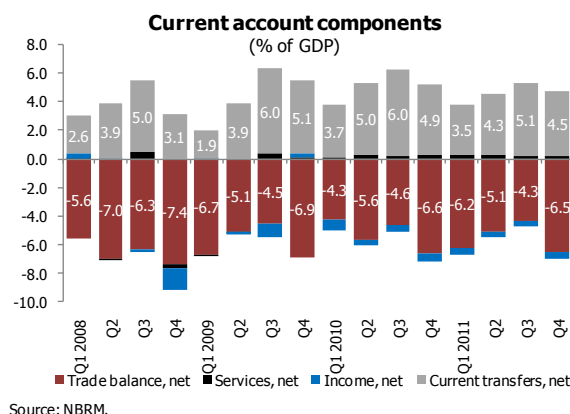
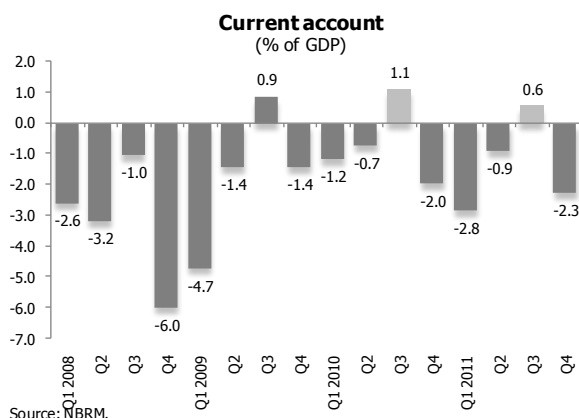
In the third quarter of 2011, realization of positive balance on the balance of payments' current account is expected, which corresponds to the common seasonal dynamics. The surplus on the current account is expected to reach 0.6% of GDP, which is a decrease of 0.6 p.p. of GDP and it mostly reflects the estimate for lower net inflows from **current transfers** (by Euro 34 million or by 1 p.p. of GDP). The estimate for deeper deficit in the foreign trade of goods, although with smaller contribution, also acts in this direction (by Euro 9 million more

⁹¹ The last available data on the external sector used in July projection are as follows: balance of payments, April 2011, foreign trade, May 2011 and currency exchange operations, as of June 2011.

⁹² In conditions of smaller import of vehicles and machines and equipment than expected in the preceding projection, one of the reasons for widening of the non-energy balance is the single effect of the import of medical equipment.

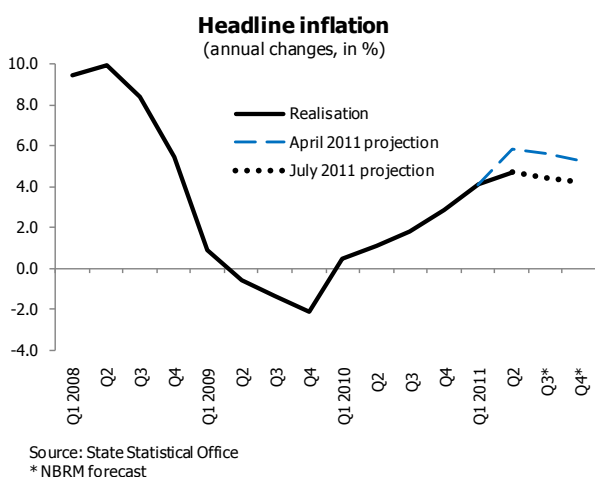
⁹³ The data on the currency exchange market serve for assessment of the net inflows based on private transfers in cash.

compared to the third quarter of 2010), with which it will equal 4.3% of GDP⁹⁴. The small annual deepening of the **trade deficit** mainly arises from the expected widening of the energy balance. Namely, the higher level of the world prices of crude oil compared to the third quarter of 2010, given relatively non-flexible demand, is expected to result in higher import of oil and oil derivatives, on annual basis. Simultaneously, the intensified domestic activity and hence, the larger need of energy will result in higher quantitative import of electricity. However, these movements are expected to be neutralized through the improvement of the non-energy balance, because of the higher net export from the free economic zone, as well as the deficit reduction with other products on net basis (considerable annual drop with the import of vehicles). As for the trade of **services**, slight annual rise in the surplus is expected, while the **income** sub-balance expects no substantial annual changes.



Until the end of 2011, the total negative gap in balance of payments' the current account is expected to reach 5.5% of GDP, which is downward correction of 0.6% of GDP compared to the April projection. However, it is expected that in 2011 compared to 2010, the current account deficit will enlarge by 2.7 p.p. of GDP, mainly because of the trade deficit deepening and slightly, because of the expected fall with the private transfers.

From the aspect of the foreign reserves, as key variable of the monetary policy, in conditions of expectations for better realization on the current account and larger inflows with the capital and financial account (in accordance with the assumptions for larger external debiting of the Government), it is expected that they will remain on adequate level and provide about 4-month coverage of the import in the following year.



In the second quarter, the inflation equaled 4.7% on annual basis, mainly as a result of the intensification of both food and oil prices, in conditions of higher foreign inflation. However, **the registered inflation is lower than the expectations for the price growth between 5% and 5.5%.** The lower inflation, compared to the projected one, mainly arises from the lower annual growth realized with the food prices (8.4%, compared to the projected 9.4%), because of considerable slowdown of the growth of the prices of fresh vegetables in conditions of smaller export demand (related to the emergence of extraordinary factors). Also, the deviation from the projection, in small part arises from the lower

⁹⁴ The analysis of the relative indicators shows contraction of the trade balance, as GDP percentage, because of the higher growth rate of the nominal GDP.



increase in the prices of non-food component (2.4%, compared to the projected 2.9%), partially because of the excise on oil derivatives (contribution for smaller total inflation of 0.2 p.p.). In the second quarter, the core inflation was stable and it equaled 1.2%, annually.

In the third quarter of the year, slowdown in the growth of the foreign food prices is expected, as well as stabilization of the oil prices. This will contribute towards slowdown of the domestic inflation, which **is expected to equal 4.4%, annually in the third quarter**. The lower realized than anticipated domestic prices for the second quarter, as well as the downward revisions to the projections pertaining to the rise in the world food and oil prices, indicate that the identified risks in the April projection are partially depleted. Hence, **it is expected that the average inflation rate in 2011 will be closer to the bottom limit of the interval in the April projection and it will equal about 4.5%**. As for the factors explaining the domestic price growth, as in the previous projection, those are mainly the factors on the side of the supply. On the other hand, despite the expected faster recovery of the domestic demand, until the end of the year no pressures on the inflation by the demand are expected (because of the maintenance of the domestic economic activity below the potential). Consequently, the core inflation will be relatively low and it is expected to equal about 1.2%. In conditions of high uncertainty and incompletely depleted upward pressures, **the risks for the inflation projection are estimated as dominantly downwards and they are related to the possible slower growth in the foreign food prices and energy**.



STATISTICAL APPENDIX

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Methodological explanations

Table 1

Gross Domestic Product (by production approach)

In millions of denars (at constant prices - reference year 2000) and real annual growth rates (in %)

	GDP total	%	Agriculture, hunting, forestry and fishing	%	Mining and quarrying, manufacturing and electricity, gas and water supply	%	Construction	%	Wholesale and retail sales	%	Hotels and restaurants	%	Transport, storage and communications	%	Financial intermediation, real estate and other business and service activities	%	Public administration and defence	%
			A+B		C+D+E		F		G		H		I		J+K+L		M+N+O+P	
1997 ¹	209671	1.4	22497		47087		10949		23839		2920		13227		29107		30001	
1998	216761	3.4	23238	3.3	47764	1.4	11791	7.7	23928	0.4	3134	7.3	16732	26.5	29107	0.0	30364	1.2
1999	226185	4.3	23448	0.9	48576	1.7	13018	10.4	24654	3.0	3907	24.7	19604	17.2	29663	1.9	31610	4.1
2000	236451	4.5	23686	1.0	53119	9.4	13357	2.6	25404	3.0	3465	-11.3	21265	8.5	30465	2.7	31640	0.1
2001	225751	-4.5	21128	-10.8	50691	-4.6	11429	-14.4	25191	-0.8	3310	-4.5	19496	-8.3	31101	2.1	30898	-2.3
2002	227677	0.9	20699	-2.0	50280	-0.8	11500	0.6	26557	5.4	3860	16.6	19154	-1.8	29953	-3.7	31969	3.5
2003	234098	2.8	21698	4.8	52831	5.1	13028	13.3	27028	1.8	4232	9.6	19237	0.4	28866	-3.6	33542	4.9
2004	244867	4.6	23087	6.4	54310	2.8	13771	5.7	30190	11.7	4160	-1.7	18314	-4.8	32850	13.8	33341	-0.6
2005	255523	4.4	23164	0.3	56790	4.6	13728	-0.3	35058	16.1	4360	4.8	20178	10.2	32556	-0.9	34535	3.6
2006	268377	5.0	24266	4.8	58247	2.6	14383	4.8	36763	4.9	4425	1.5	22157	9.8	35240	8.2	35070	1.5
2007	284880	6.1	23550	-3.0	65615	12.6	14862	3.3	39174	6.6	4803	8.5	24480	10.5	36673	4.1	35896	2.4
2008	298986	5.0	24884	5.7	67189	2.4	14045	-5.5	41739	6.5	5087	5.9	27456	12.2	39088	6.6	37511	4.5
2009 ²	296235	-0.9	25544	2.7	59995	-10.7	14664	4.4	44424	6.4	4650	-8.6	27148	-1.1	40905	4.6	38394	2.4
2010 ³	301686	1.8	26681	4.5	58677	-2.2	16863	15.0	47090	6.0	4220	-9.2	28530	5.1	41832	2.3	38897	1.3
2005 Q1	55163	2.3	3955	-2.6	12960	9.1	1858	-21.7	7012	14.4	931	-0.7	4350	0.7	8143	-0.9	8624	3.8
Q2	64549	8.2	5136	0.3	14961	15.6	3446	-5.9	8980	25.7	1049	3.7	5061	10.7	8198	-0.6	8686	4.5
Q3	65005	4.4	5561	2.2	14228	0.1	3994	6.3	8773	14.2	1262	8.6	5493	17.9	8072	-1.8	8630	3.7
Q4	70806	2.6	8513	0.5	14642	-4.2	4430	11.4	10294	11.5	1118	6.7	5274	10.7	8142	-0.2	8594	2.3
2006 Q1	58552	6.1	4047	2.3	12195	-5.9	2419	30.2	8929	27.3	947	1.7	5132	18.0	8507	4.5	8764.0	1.6
Q2	66849	3.6	5572	8.5	14485	-3.2	4199	21.9	8807	-1.9	1075	2.5	5450	7.7	8918	8.8	8752.0	0.8
Q3	69369	6.7	5933	6.7	15353	7.9	4036	1.1	9354	6.6	1271	0.7	5790	5.4	8872	9.9	8753	1.4
Q4	73607	4.0	8715	2.4	16214	10.7	3729	-15.8	9673	-6.0	1132	1.3	5785	9.7	8944	9.9	8801	2.4
2007 Q1	62426	6.6	4338	7.2	14795	21.3	2270	-6.2	8492	-4.9	948	0.1	5440	6.0	8763	3.0	8887	1.4
Q2	70248	5.1	5631	1.1	16031	10.7	4148	-1.2	9588	8.9	1217	13.2	5889	8.1	9068	1.7	8961	2.4
Q3	73174	5.5	5632	-5.1	16935	10.3	4276	5.9	10102	8.0	1428	12.4	6293	8.7	9332	5.2	8981	2.6
Q4	79033	7.4	7949	-8.8	17854	10.1	4168	11.8	10993	13.6	1210	6.9	6858	18.5	9509	6.3	9067	3.0
2008 Q1	66296	6.2	4399	1.4	15973	8.0	2128	-6.3	9334	9.9	1084	14.3	6213	14.2	9467	8.0	9262	4.2
Q2	74866	6.6	6024	7.0	16962	5.8	3929	-5.3	10472	9.2	1258	3.4	6909	17.3	9968	9.9	9356	4.4
Q3	77425	5.8	6364	13.0	17742	4.8	3797	-11.2	10653	5.5	1495	4.7	7080	12.5	9815	5.2	9420	4.9
Q4	80398	1.7	8098	1.9	16512	-7.5	4191	0.6	11281	2.6	1251	3.4	7253	5.8	9838	3.5	9472	4.5
2009 ² Q1	65398	-1.4	4516	2.7	13821	-13.5	2222	4.4	9783	4.8	1029	-5.1	6230	0.3	10120	6.9	9455	2.1
Q2	73065	-2.4	5885	-2.3	14899	-12.2	4266	8.6	10847	3.6	1165	-7.4	6749	-2.3	10238	2.7	9634	3.0
Q3	75773	-2.1	6593	3.6	15122	-14.8	3872	2.0	11381	6.8	1382	-7.6	7098	0.3	10353	5.5	9619	2.1
Q4	81998	2.0	8550	5.6	16153	-2.2	4304	2.7	12414	10.0	1073	-14.2	7070	-2.5	10195	3.6	9686	2.3
2010 ² Q1	65060	-0.5	4718	4.5	13025	-5.8	2325	4.6	10258	4.9	869	-15.5	6241	0.2	10384	2.6	9764	3.3
Q2	74158	1.5	6144	4.4	14689	-1.4	3882	-9.0	11535	6.3	1084	-7.0	7111	5.4	10452	2.1	9667	0.3
Q3	77361	2.1	6872	4.2	15110	-0.1	4708	21.6	12236	7.5	1268	-8.2	7008	-1.3	10588	2.3	9678	0.6
Q4	85107	3.8	8946	4.6	15854	-1.9	5948	38.2	13061	5.2	1000	-6.8	8170	15.6	10408	2.1	9788	1.1
2011 ³ Q1	68352	5.1	4826	2.3	14806	13.7	2819	21.2	10953	6.8	900	3.6	6699	7.3	10189	-1.9	9911	1.5

¹ Real value of GDP and value added by sectors from 1997q1 to 2002q4 are calculated on the basis of annual growth rates derived from values of constant prices with reference year 1997.

² Provisional value.

³ Estimated data.

Source: State Statistical Office.

Table 2
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	2.6	2.2	3.8	4.2	-3.9	-1.6	1.7	0.3	3.8	1.6	-0.5	-8.6	19.4	-	-	4.2	
1998	-0.1	0.0	-0.4	-0.2	3.6	2.4	0.4	0.0	0.4	2.0	0.1	-10.3	2.4	-	-	4.0	
1999	-0.7	-1.1	0.5	-1.6	0.2	1.2	0.3	0.1	1.1	-1.9	-1.4	-2.2	-0.8	-	-	-0.1	
2000	5.8	5.2	8.9	-0.4	13.9	-2.3	19.3	8.8	27.4	1.7	-1.7	-1.6	22.4	-	-	8.9	
2001	5.5	4.5	10.9	6.9	2.3	1.3	5.5	11.3	3.9	0.1	-0.7	1.9	9.5	-	-	2.0	
2002	1.8	1.2	5.0	1.8	1.0	6.8	1.7	4.1	1.0	-0.6	-3.8	3.6	2.1	-	-	-0.9	
2003	1.2	0.3	5.9	-1.4	3.4	2.2	3.9	3.9	4.4	1.1	3.9	2.2	4.2	-	-	-0.3	
2004	-0.4	-1.1	3.3	-3.1	1.1	0.9	2.2	-0.3	3.0	4.2	0.4	1.3	4.0	-	-	0.9	
2005	0.5	0.3	1.3	-1.2	5.5	2.2	0.4	0.3	1.0	-1.2	-3.5	0.9	3.7	-	-	3.2	
2006	3.2	3.7	1.3	2.2	17.8	0.2	2.0	-0.7	3.7	-0.8	2.0	6.4	1.8	-	-	6.9	
2007	2.3	3.0	-0.3	3.9	1.8	1.8	4.7	6.3	5.8	-0.7	0.3	2.4	-3.1	4.7	8.6	2.5	
2008	8.3	9.2	5.1	15.3	4.0	1.8	6.0	6.1	7.3	1.4	1.5	0.2	3.2	11.4	2.2	10.2	
2009	-0.8	-0.8	-0.8	-1.6	4.0	0.0	4.5	2.0	6.3	1.7	2.1	-3.8	-7.9	2.2	-5.8	-7.0	
2010	1.6	1.9	0.0	0.3	0.5	0.8	5.1	0.6	8.7	0.4	0.4	0.4	3.7	0.4	-5.6	8.7	
2006 Q1 ^{/2}	2.7	3.2	0.9	1.6	17.7	-0.5	0.9	-0.2	1.6	-0.5	0.3	6.0	2.6	-	-	7.2	
Q2	3.4	3.8	2.0	2.3	17.5	0.3	1.1	0.2	1.9	-0.5	1.9	6.8	3.8	-	-	9.0	
Q3	3.6	4.0	1.9	2.9	17.9	0.5	1.7	-0.6	3.2	-0.9	2.7	6.9	2.3	-	-	6.9	
Q4	3.1	3.7	0.4	2.1	17.9	0.6	4.2	-2.2	7.9	-1.1	2.9	5.7	-1.5	-	-	4.4	
2007 Q1	0.7	1.3	-1.1	0.7	0.1	1.8	5.1	1.6	8.8	-1.8	0.0	3.5	-5.0	3.0	-2.8	1.3	
Q2	1.1	1.6	-0.5	0.7	2.2	1.0	5.9	6.6	7.8	-0.9	0.5	3.1	-4.3	3.6	11.6	0.5	
Q3	2.4	3.0	0.2	3.8	2.3	1.1	5.2	7.5	6.0	-0.1	0.9	3.6	-3.1	3.9	12.5	1.3	
Q4	4.9	6.2	0.4	10.4	2.4	3.5	2.8	9.6	1.1	0.0	0.0	-0.5	-0.6	8.0	13.0	7.1	
2008 Q1	9.5	11.0	3.9	19.0	4.2	1.6	3.6	8.5	2.7	0.4	1.5	-0.3	4.4	11.8	16.7	10.3	
Q2	9.9	11.4	4.5	19.5	3.5	3.6	3.4	4.7	3.7	1.0	1.1	0.5	5.8	12.0	1.9	13.7	
Q3	8.4	9.0	6.1	14.7	4.1	1.9	6.3	5.7	7.9	1.6	1.2	-0.2	5.1	13.1	-1.1	15.3	
Q4	5.5	5.4	5.8	8.6	4.3	0.3	10.4	5.8	14.4	2.7	2.1	0.9	-2.4	8.9	-6.6	1.5	
2009 Q1	0.9	0.8	1.2	0.9	4.5	1.6	7.4	3.8	9.9	3.8	2.1	-1.7	-9.1	5.1	-7.3	-6.6	
Q2	-0.6	-0.7	0.0	-1.0	4.2	-0.9	6.7	2.4	9.7	2.4	2.7	-2.3	-10.9	3.1	-8.6	-10.0	
Q3	-1.4	-1.3	-1.8	-2.2	3.8	0.2	4.1	1.3	6.2	1.0	2.3	-4.4	-9.1	1.0	-5.8	-11.0	
Q4	-2.1	-2.0	-2.4	-4.2	3.3	-0.8	0.2	0.6	0.3	-0.3	1.4	-6.9	-2.1	-0.1	-0.9	-0.8	
2010 Q1	0.5	0.6	-0.2	-2.4	1.2	-0.4	4.9	0.3	8.7	-0.2	1.2	-0.1	4.0	-0.4	-2.3	7.3	
Q2	1.1	1.4	-0.2	-0.9	0.1	0.9	4.7	-0.2	8.3	0.2	-0.3	0.8	5.2	-0.1	-7.1	10.5	
Q3	1.8	2.0	0.6	1.2	-0.2	1.1	5.2	0.0	8.9	0.7	0.0	1.6	2.6	0.5	-6.8	8.4	
Q4	2.9	3.5	0.0	3.3	0.8	1.6	5.8	2.5	8.9	1.1	0.7	-0.8	3.1	1.6	-6.2	8.6	
January	0.1	0.1	0.2	-3.5	2.4	-1.2	5.4	0.4	9.5	-0.2	1.2	-0.5	3.7	-0.4	-0.2	6.5	
February	0.6	0.8	-0.3	-1.9	0.7	-0.3	4.8	0.3	8.6	-0.3	0.9	-0.3	4.0	-0.4	0.8	7.4	
March	0.7	0.9	-0.6	-1.9	0.5	0.4	4.5	0.3	7.9	-0.2	1.6	0.4	4.2	-0.5	-7.6	8.7	
April	1.4	1.8	-0.5	-0.3	0.3	0.7	4.7	0.0	8.3	0.0	0.2	1.1	5.4	-0.5	-7.4	10.5	
May	0.2	0.3	-0.7	-3.4	0.0	1.1	4.7	-0.3	8.3	0.2	-0.4	0.0	5.7	-0.1	-6.9	10.9	
June	1.8	2.0	0.7	0.9	0.0	1.0	4.6	-0.4	8.2	0.4	-0.6	1.2	4.5	0.3	-6.9	7.6	
July	1.5	1.6	0.8	0.2	-0.2	1.0	4.7	-0.2	8.2	0.6	-0.1	2.1	3.6	0.6	-7.1	7.5	
August	1.9	2.0	1.4	1.0	-0.3	1.2	5.5	-0.2	9.5	0.7	-0.1	3.0	2.8	0.7	-6.8	7.7	
September	2.0	2.5	-0.3	2.3	-0.2	1.2	5.4	0.4	9.1	0.7	0.1	-0.3	1.3	0.2	-6.4	7.8	
October	2.7	3.5	-0.8	3.4	0.7	2.0	5.7	1.6	9.1	1.0	-0.1	-2.5	3.1	0.7	-6.5	8.7	
November	2.9	3.5	0.4	3.4	0.9	1.5	5.9	3.0	8.9	1.3	0.6	0.3	2.5	2.2	-6.1	7.1	
December	3.0	3.5	0.3	3.2	0.7	1.3	5.7	3.0	8.6	1.0	1.5	-0.3	3.6	1.9	-6.1	9.3	
2011 Q1	4.1	4.5	1.0	7.1	1.0	1.0	3.0	6.0	3.3	0.4	1.4	-0.8	4.8	1.5	-5.5	13.6	
January	3.2	3.6	0.7	5.3	0.8	0.9	2.3	4.8	2.3	0.7	1.2	-0.9	5.0	1.0	-8.3	12.7	
February	3.9	4.2	0.9	6.8	1.1	1.0	2.3	6.5	2.0	0.4	1.4	-0.5	4.6	1.1	-8.3	12.8	
March	5.2	5.7	1.5	9.1	1.2	1.2	4.3	6.7	5.6	0.1	1.6	-1.0	4.9	2.3	0.1	15.3	
April	4.8	5.3	1.6	8.3	0.9	1.5	4.2	6.9	5.4	-0.1	3.3	-2.2	3.7	2.0	2.3	13.3	
May	5.2	5.9	1.5	9.6	1.1	1.6	4.3	6.8	5.5	-0.1	3.4	-2.8	2.9	1.6	2.3	10.8	
June	4.1	5.1	0.2	7.2	1.1	1.2	4.3	7.0	5.5	-0.1	3.9	-2.8	1.7	1.2	2.5		

^{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

Annual growth rates (%)

		By sectors			By group of products					
		Total	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		5.9	11.1	6.4	0.8	3.2	10.1	6.1	-17.1	4.7
2007		3.9	10.0	5.5	-9.5	-6.9	11.8	25.0	9.3	-1.3
2008		5.1	9.4	5.9	-3.1	-0.1	7.5	-1.0	64.6	2.8
2009		-8.7	-12.4	-10.4	8.7	2.5	-14.9	-23.1	-21.6	-3.3
2010		-4.8	-3.8	-7.5	14.4	6.8	-12.8	-10.8	-1.0	-1.8
2005 Q1 ^{1/}		4.8	-19.7	5.8	3.7	2.0	14.0	-1.7	-19.3	0.7
	Q2	13.5	14.0	16.3	-0.3	5.8	24.6	-2.2	10.0	8.8
	Q3	6.0	62.4	5.5	2.0	3.8	9.8	-5.4	-10.7	5.1
	Q4	4.1	95.1	2.5	3.7	6.9	9.5	-7.1	-26.3	0.1
2006 Q1		3.0	37.9	2.4	-0.7	4.7	5.8	-18.0	2.1	2.2
	Q2	4.2	23.6	3.9	1.0	-2.9	4.1	27.3	-37.9	7.4
	Q3	10.5	2.8	11.5	4.6	5.2	18.6	11.6	-5.4	6.2
	Q4	5.4	-4.8	6.9	-0.4	5.3	11.3	1.0	-16.7	2.4
2007 Q1		11.0	14.3	15.2	-9.0	-2.1	20.9	60.3	10.3	6.0
	Q2	-2.6	16.6	-1.2	-20.7	-16.7	6.9	-1.2	25.3	-7.3
	Q3	1.5	16.0	1.9	-8.6	-4.5	7.0	30.2	-2.3	-4.9
	Q4	6.9	-3.7	8.6	-1.1	-6.3	15.3	27.0	7.7	2.9
2008 Q1		6.0	10.5	6.9	-0.8	1.7	9.2	28.5	74.6	-1.3
	Q2	11.4	13.1	12.3	1.8	15.9	13.0	29.9	73.7	2.4
	Q3	12.4	2.5	13.8	1.9	3.4	26.8	-16.7	52.1	2.9
	Q4	-8.2	11.9	-8.6	-12.1	-15.3	-18.3	-31.5	60.3	6.1
2009 Q1		-12.3	-12.2	-14.0	-1.6	-0.1	-27.2	-22.7	-16.1	-0.6
	Q2	-14.5	-18.8	-16.9	15.5	-0.9	-25.1	-39.7	-31.7	-1.0
	Q3	-13.4	-11.4	-15.4	10.3	-5.2	-22.1	-17.7	-14.2	-4.1
	Q4	6.4	-7.4	6.3	14.2	16.1	22.2	-5.1	-22.4	-6.5
2010 Q1		-9.3	-6.4	-14.6	19.1	-2.5	-15.5	-27.7	-1.3	-6.2
	Q2	-0.9	-0.4	-5.8	38.5	28.6	-5.1	-5.9	1.9	-8.1
	Q3	-3.6	5.1	-5.1	6.9	8.5	-12.6	-12.7	-5.8	3.0
	Q4	-6.0	-12.5	-5.9	-3.8	-1.7	-17.6	5.1	1.1	2.9
January		-2.8	8.8	-8.0	16.8	6.6	-10.1	-36.7	5.9	0.0
February		-10.6	1.0	-17.9	31.3	7.2	-21.4	-26.5	0.0	-10.2
March		-13.3	-22.9	-16.6	10.6	-20.9	-13.8	-22.3	-8.5	-7.4
April		-7.2	-14.2	-11.4	29.6	2.5	-4.8	-24.3	10.3	-12.4
May		-1.1	-3.2	-6.1	37.6	55.1	-12.0	-21.4	-17.3	-6.9
June		5.5	20.6	0.1	49.7	33.3	2.1	31.3	14.1	-5.2
July		8.0	10.7	5.0	35.1	24.3	17.8	4.2	1.5	-4.0
August		-2.5	6.1	-3.2	-0.1	9.7	-13.2	-13.9	-3.3	6.2
September		-14.0	-0.5	-14.9	-10.8	-12.4	-29.0	-22.4	-13.2	7.9
October		-4.7	-7.5	-4.1	-8.2	-10.1	-9.3	2.9	-1.0	2.3
November		-2.9	-11.4	-1.0	-14.3	-4.3	-11.2	-16.7	-0.8	6.7
December		-10.0	-18.8	-12.2	10.0	8.7	-30.7	28.1	5.5	-0.6
2011 Q1		13.8	7.9	18.4	-3.1	6.8	19.9	64.5	65.2	3.8
January		4.9	2.4	8.0	-4.8	-6.1	16.8	72.6	19.5	-1.8
February		10.9	-2.7	16.6	-7.9	1.2	18.2	81.9	22.4	3.2
March		24.5	24.4	28.9	4.1	31.8	23.6	47.4	150.2	9.3
April		11.8	20.8	14.7	-6.3	12.9	4.7	44.8	107.0	7.3

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

Source: State Statistical Office.

Table 4
Employment and productivity of the economy

	Total population fit for work	Active population			Number of employees by economic activities:			Productivity /1
		Total	Employees	Unemployed	Agriculture	Industry	Services	
1996	1,436,602	789,081	537,591	251,489	100,067	193,975	243,548	-
1997	1,489,625	800,513	512,301	288,213	84,256	163,988	264,056	-
1998	1,503,365	823,826	539,762	284,064	107,249	190,674	241,839	-
1999	1,518,250	806,674	545,222	261,452	115,361	185,283	244,580	-
2000	1,534,256	811,557	549,846	261,711	119,971	187,066	242,809	-
2001	1,554,420	862,504	599,308	263,196	131,094	190,458	277,755	-
2002	1,566,953	824,824	561,341	263,483	134,293	186,917	238,868	-
2003	1,579,450	860,976	545,108	315,868	120,132	184,855	238,583	-
2004	1,594,557	832,281	522,995	309,286	88,050	171,390	261,810	-
2005	1,607,997	869,187	545,253	323,934	106,533	175,868	261,523	0.2
2006	1,618,482	891,679	570,404	321,274	114,777	186,085	268,117	0.5
2007	1,628,635	907,138	590,234	316,905	107,717	184,928	294,305	2.3
2008	1,633,341	919,424	609,015	310,409	119,749	190,530	297,189	1.9
2009	1,638,869	928,775	629,901	298,873	116,668	187,077	324,410	-4.2
2010	1,649,473	939,479	640,199	299,279	121,184	186,664	330,060	-0.7
2005 Q1	1,603,675	827,428	507,397	320,030	76,546	181,450	251,307	5.3
Q2	1,606,833	883,522	552,797	330,724	126,194	174,588	251,112	6.0
Q3	1,609,071	889,725	564,880	324,845	135,712	170,157	257,804	-1.7
Q4	1,612,410	876,074	555,938	320,136	87,921	180,089	286,837	-7.8
2006 Q1	1,615,584	877,798	559,702	318,096	103,319	190,355	264,550	-2.5
Q2	1,617,423	885,609	566,293	319,316	128,519	189,630	246,842	0.7
Q3	1,619,447	899,732	576,813	322,919	125,322	187,760	262,480	3.6
Q4	1,621,475	903,576	578,810	324,766	101,948	176,592	298,599	0.3
2007 Q1	1,624,611	902,588	579,301	323,287	95,384	186,975	293,629	4.0
Q2	1,627,216	906,199	589,254	316,944	112,982	184,622	288,104	-0.3
Q3	1,630,010	909,466	598,327	311,139	117,531	181,993	294,863	0.9
Q4	1,632,702	910,301	594,054	316,247	104,975	186,122	300,622	4.9
2008 Q1	1,635,058	920,512	600,593	319,919	121,238	178,848	298,110	3.0
Q2	1,633,339	917,566	607,125	310,441	129,711	186,184	289,783	3.3
Q3	1,631,646	925,073	619,802	305,271	119,149	198,499	301,415	2.3
Q4	1,633,321	914,547	608,541	306,006	108,896	198,590	299,451	-1.0
2009 Q1	1,634,986	919,026	618,189	300,837	120,186	181,567	314,199	-3.7
Q2	1,637,828	933,878	636,156	297,722	122,958	188,433	322,983	-7.2
Q3	1,640,302	940,661	642,541	298,120	119,474	189,239	333,028	-5.3
Q4	1,642,360	921,534	622,720	298,814	104,055	189,069	327,428	-0.6
2010 Q1	1,644,423	925,613	615,962	309,651	109,821	182,562	321,505	0.2
Q2	1,648,132	923,323	627,129	296,194	121,442	183,307	320,243	2.9
Q3	1,649,507	949,313	648,773	300,540	128,825	186,077	332,186	1.2
Q4	1,652,026	954,928	659,557	295,371	126,995	189,024	341,179	-2.6
2011 Q1	1,653,275	944,216	649,575	294,641	118,837	192,349	335,187	0.0

¹ Annual growth rates (%). NBRM staff calculations.

Source: State Statistical Office. Labour Force Survey.

Table 5
Salaries

Amount in denars, change in (%)

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

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

** Starting from January 2011 the State Statistical Office applied the new National Classification of Activities (NACE Rev.2) for collecting and processing data on the average monthly net and gross wages.

Source: State Statistical Office.

Table 6
Budget of the Republic of Macedonia (Central Budget and Budgets of Funds)

	2010				Total 2010	2011	2011	
	Q1	Q2	Q3	Q4		Q1	Apr.	May
TOTAL BUDGET REVENUES	29,521	32,322	36,134	34,173	132,150	31,422	14,545	10,911
Revenues base on taxes and contributions	25,295	28,151	29,176	29,818	112,440	27,332	10,418	9,632
Tax revenues (SRA)*	177	160	196	282	815	192	57	55
Tax revenues	16,009	18,528	19,209	19,192	72,938	18,002	6,880	6,439
personal income tax	2,111	2,116	2,085	2,560	8,872	2,242	837	733
profit tax	879	623	1,154	1,034	3,690	920	816	414
value added tax	8,204	9,734	9,929	9,827	37,694	9,834	3,491	3,328
excises	3,140	3,542	4,304	3,939	14,925	3,423	1,143	1,363
custom duties	953	1,772	903	1,084	4,712	809	317	332
other	722	741	834	748	3,045	774	276	269
Contributions	9,109	9,463	9,771	10,344	38,687	9,138	3,481	3,138
Pension and Disability Insurance Fund of Republic of Macedonia	6,162	6,385	6,613	6,977	26,137	6,188	2,351	2,126
Employment Biro	400	400	412	439	1,651	388	149	134
Health Fund	2,547	2,678	2,746	2,928	10,899	2,562	981	878
Non-tax revenues	3,703	3,020	6,284	3,563	16,570	2,996	1,633	1,054
Non-tax revenues (SRA)*	1,864	1,431	1,821	1,320	6,436	1,677	507	540
Profit from public financial institutions	495	63	3,157	764	4,479	12	22	0
National Bank of the Republic of Macedonia	408	0	0	0	408	0	0	0
Asset Management Agency	0	0	0	0	0	0	0	0
Other property revenues	77	37	632	748	1,494	1	22	0
Interests from assets deposited in NBRM	8	26	15	15	64	11	0	0
Dividend	2	0	2,510	1	2,513	0	0	0
Administrative taxes	448	474	381	472	1,775	439	192	206
Participation for health services	85	80	75	75	315	82	25	36
Other administrative taxes	133	137	115	158	543	127	69	69
Other non-tax revenues	247	289	145	203	884	319	666	55
Compensations for the Road Fund	358	446	574	449	1,827	340	152	148
Capital revenues	268	331	227	333	1,159	532	2,384	35
Donations from abroad	201	648	281	329	1,459	231	100	141
Revenues of recovered loans	56	173	166	130	525	331	10	49
TOTAL BUDGET EXPENDITURES	33,625	34,293	36,644	38,130	142,692	35,147	14,224	13,959
Current expenditures	30,396	31,563	31,703	33,696	127,358	31,151	11,985	12,764
Wages and salaries	5,751	5,636	5,588	5,663	22,638	5,755	1,928	1,917
Goods and services	3,728	3,179	3,785	3,989	14,681	3,515	1,523	1,304
Transfers	20,687	22,086	20,960	23,132	86,865	21,523	8,285	9,359
Transfers (SRA)*	264	309	369	243	1,185	173	54	95
Social transfers	15,620	15,931	16,079	16,156	63,786	15,919	6,095	5,524
<i>Pension and Disability Insurance Fund of Republic of Macedonia</i>	<i>9,231</i>	<i>9,380</i>	<i>9,378</i>	<i>9,625</i>	<i>37,614</i>	<i>9,521</i>	<i>3,276</i>	<i>3,262</i>
<i>Employment Agency</i>	<i>495</i>	<i>525</i>	<i>518</i>	<i>656</i>	<i>2,194</i>	<i>488</i>	<i>209</i>	<i>169</i>
<i>State benefit</i>	<i>1,267</i>	<i>1,336</i>	<i>1,215</i>	<i>856</i>	<i>4,674</i>	<i>1,058</i>	<i>876</i>	<i>443</i>
<i>Public health</i>	<i>4,627</i>	<i>4,690</i>	<i>4,968</i>	<i>5,019</i>	<i>19,304</i>	<i>4,852</i>	<i>1,734</i>	<i>1,650</i>
Other transfers	4,794	5,829	4,502	6,718	21,843	5,419	2,132	3,734
Refugees	9	17	10	15	51	12	4	6
Interest payments	231	661	1,370	912	3,174	358	249	184
Interest on domestic debt	99	464	185	271	1,019	196	107	92
Interest on external debt	131	198	1,185	641	2,155	162	142	92
Guaranties	0	0	0	0	0	0	0	0
Capital expenditures	3,229	2,730	4,941	4,434	15,334	3,996	2,237	1,195
Investments in fixed assets	2,387	1,816	3,623	3,301	11,127	3,358	1,908	914
Capital transfers	843	914	1,318	1,133	4,208	638	329	281
BUDGET DEFICIT / SURPLUS	-4,104	-1,972	-510	-3,957	-10,543	-3,725	323	-3,048
Financing	4,104	1,972	510	3,957	10,543	3,725	-323	3,048
Inflow	4,699	5,504	1,545	6,276	18,024	4,516	1,704	3,422
Revenues based on privatisation	0	0	0	0	0	0	0	0
Foreign loans	337	1,593	722	4,525	7,177	635	13,714	275
Deposits	4,440	1,616	129	-2,173	4,012	3,197	-12,390	4,013
Treasury bills	-78	2,295	695	3,884	6,796	615	379	-866
Sale of shares	0	0	0	40	40	69	0	0
Outflow	596	3,532	1,035	2,319	7,482	791	2,026	374
Repayment of principal	596	3,532	1,035	2,319	7,482	791	2,026	374
External debt	596	534	726	734	2,590	649	326	374
Domestic debt	0	2,998	309	1,585	4,892	142	1,700	0

*Specific Revenue Accounts.

Source: Ministry of Finance.

Table 7

REPORT FORM FOR THE CENTRAL BANK^{1,2,3,4)}**in millions of denars**

	2003	2004	2005	2006	2007	2008				2009											
	XII	XII	XII	XII	XII	III	VI	IX	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
A. ASSETS	52223	51352	75272	95647	99990	98510	99435	107770	96111	93073	91373	82366	78467	76168	78057	89571	96341	97643	98975	101631	102010
1. Foreign Assets	46078	44831	69588	88102	94979	93530	94492	103371	91908	88888	87201	78197	74290	72012	73904	85428	92219	93538	94889	97499	97807
1.1. Official Reserves Assets	44178	44423	68698	86664	93291	93085	94414	103314	91808	88543	86814	77859	73928	71658	73618	85235	92066	93387	94760	97380	97725
1.2 Other Foreign Assets	1900	408	890	1438	1688	445	78	57	100	345	387	338	362	354	286	193	154	151	129	119	83
2. Claims on Central Government	3890	3495	3549	2519	1271	1272	1272	1272	1304	1309	1305	1305	1306	1306	1305	1306	1306	1301	1294	1319	1327
2.1. In national currency	3815	3495	3549	2505	1264	1264	1264	1264	1296	1297	1297	1297	1297	1297	1297	1297	1297	1293	1286	1311	1318
2.2. In foreign currency	75	0	0	14	7	8	8	8	8	12	8	8	9	9	9	9	9	8	8	8	9
3. Other Assets	2254	3025	2135	5025	3740	3708	3671	3127	2898	2876	2867	2864	2872	2850	2847	2837	2815	2804	2792	2813	2876
B. TOTAL LIABILITIES	52223	51352	75272	95647	99990	98510	99435	107770	96111	93073	91373	82366	78467	76168	78057	89571	96341	97643	98975	101631	102010
1. Reserve money	22345	22683	28374	34018	41468	38826	44247	46424	48035	45654	45915	42550	42717	42016	44035	49041	49542	48875	52287	51188	51892
1.1. Currency in circulation	15010	15071	15813	17732	19894	17792	18454	18894	20799	18484	17856	17267	17388	17144	16822	18094	17599	17170	17243	17449	19482
1.2. Other Depository Corporations	6018	6043	10307	13769	17966	16718	20716	21740	21619	21246	22026	19686	19678	18742	20850	24377	25356	24860	28055	27171	26639
1.2.1. Transferable Deposits Excluded, NC	3248	2677	4984	7396	10689	8158	11700	10514	10288	10550	10787	8823	8444	7279	9281	12815	13470	12612	15759	14881	14245
1.2.2. Other Deposits Excluded from Broad money, NC						0	0	1467	1528	895	847	240	331	275	324	310	281	269	239	186	169
1.2.3. Other Deposits Excluded from Broad money, FC	2770	3366	5323	6373	7277	8560	9016	9759	9803	9801	10392	10623	10903	11189	11245	11252	11605	11978	12058	12104	12225
1.3. State and Local Government	0	0	679	635	1602	1953	2569	2858	2823	3080	3185	2655	2646	2992	3219	3157	3290	3467	3596	3241	2361
1.3.1. Transferable Deposits - State and Local Government NC	0	0	679	635	1602	1953	2569	2858	2823	3080	3185	2655	2646	2992	3219	3157	3290	3467	3596	3241	2361
1.4. Other Financial Corporations	1317	1569	1575	1882	2006	2363	2508	2932	2794	2844	2848	2942	3006	3137	3143	3414	3296	3379	3392	3327	3410
2. Currency held by Other Depository Corporations	844	921	1389	1545	1986	2074	2303	2369	3198	2569	2515	2621	2627	2700	2613	2795	2834	2714	2639	2979	3216
3. Other Depository Corporations - Other Liabilities	4581	4713	8945	9480	21040	21738	21641	20096	17451	13593	14103	7511	10502	9923	12489	8391	13054	15247	14830	17846	16676
3.1. Transferable Deposits Excluded from Broad money, FC	193	147	0	0	0	0	0	0	0	1	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	418	602	663	1557	2835	2110	3781	2618	2496	2526	814
3.3. Securities Excluded from Broad money, NC	4388	4566	8945	9480	21040	21738	21641	20096	17451	13593	13685	6909	9838	8366	9654	6280	9274	12629	12333	15319	15862
4. Restricted Deposits	0	0	0	0	0	0	1	1	11	2	1	1	13	17	17	8	2	12	7	0	0
5. Foreign liabilities	3982	3457	3863	3249	555	560	560	943	955	949	950	949	949	734	733	733	4158	4542	4484	4505	4561
6. Central Government Deposits	12348	12865	24025	34648	20833	22929	18749	24584	12334	13738	11696	14900	8287	7600	5445	16149	14595	13536	12103	11903	12692
6.1. In national currency	3997	6584	8399	16962	15313	17830	13343	19936	9208	10876	9055	12445	5757	4808	3485	3812	2170	1539	1523	1674	2775
6.2. In foreign currency	8351	6281	15626	17686	5520	5099	5406	4648	3126	2862	2641	2455	2530	2793	1960	12337	12425	11997	10580	10229	9917
7. Other liabilities	8967	7634	10065	14252	16094	14458	14237	15722	17324	19137	18708	16455	15999	15878	15338	15249	14989	15431	15264	16189	16189

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.

Table 7

REPORT FORM FOR THE CENTRAL BANK^{1,2,3,4)}**in millions of denars**

	2010												2011		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
A. ASSETS	103709	103882	103114	105478	107774	109433	105350	110091	112350	110622	111982	114473	113189	112959	138681
1. Foreign Assets	99515	99697	98935	101310	103590	105246	101212	105896	104160	102450	103745	105495	105025	104760	116919
1.1. Official Reserves Assets	99435	99595	98837	101209	103485	105138	101126	105844	104119	102408	103707	105451	104979	104715	116881
1.2 Other Foreign Assets	80	102	99	102	105	108	86	53	41	42	38	45	46	45	38
2. Claims on Central Government	1337	1347	1347	1355	1380	1394	1370	1381	5405	5402	5477	5493	5451	5468	19039
2.1. In national currency	1328	1338	1338	1346	1371	1383	1360	1371	5395	5392	5465	5479	5379	5395	5402
2.2. In foreign currency	9	9	9	9	9	11	10	11	11	10	12	13	72	74	13637
3. Other Assets	2857	2838	2832	2813	2804	2793	2768	2813	2784	2770	2760	3485	2713	2731	2722
B. TOTAL LIABILITIES	103709	103882	103114	105478	107774	109433	105350	110091	112350	110622	111982	114473	113189	112959	138681
1. Reserve money	52672	51077	50046	51684	52365	54127	52346	52903	51432	54313	53027	53917	53993	54389	61954
1.1. Currency in circulation	18431	17949	17995	17925	18576	18463	19752	19338	18879	19007	18507	20173	18875	19087	18744
1.2. Other Depository Corporations	28044	27090	26001	27345	27166	29001	27167	28000	26845	29445	28770	28830	29518	29633	37199
1.2.1. Transferable Deposits Excluded, NC	15704	14919	13761	14877	14760	16299	14479	15109	13804	16514	15849	15659	16123	15073	15083
1.2.2. Other Deposits Excluded from Broad money, NC	150	0	0	0	0	0	0	0	0	0	0	0	0	1070	8597
1.2.3. Other Deposits Excluded from Broad money, FC	12189	12171	12240	12468	12406	12702	12688	12891	13042	12931	12921	13170	13395	13490	13519
1.3. State and Local Government	2896	2622	2592	2930	3162	3179	3157	3370	3425	3532	3420	2505	3124	3177	3452
1.3.1. Transferable Deposits - State and Local Government NC	2896	2622	2592	2930	3162	3179	3157	3370	3425	3532	3420	2505	3124	3177	3452
1.4. Other Financial Corporations	3300	3415	3459	3484	3460	3484	2270	2195	2282	2328	2330	2409	2476	2492	2559
2. Currency held by Other Depository Corporations	2906	2862	3151	2702	3071	2801	3024	3135	2934	2939	2922	3215	3061	3025	2801
3. Other Depository Corporations - Other Liabilities	18194	21033	23201	23447	25012	23660	22878	25427	27618	25623	27118	26867	27142	27388	19874
3.1. Transferable Deposits Excluded from Broad money, FC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2. Other Deposits Excluded from Broad money, FC	417	215	246	215	197	185	62	985	986	924	984	923	923	923	0
3.3. Securities Excluded from Broad money, NC	17776	20817	22954	23231	24814	23475	22816	24441	26631	24698	26133	25944	26218	26465	19874
4. Restricted Deposits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Foreign liabilities	4638	4719	4722	4777	4812	4903	4724	4993	4816	4788	4872	4886	4786	4832	4761
6. Central Government Deposits	11385	9507	8242	7620	6112	6774	7807	8043	10435	8172	8024	9009	9659	8185	34240
6.1. In national currency	3110	3013	4206	2384	2384	2189	3995	4402	3485	2129	2875	5941	5515	4132	2906
6.2. In foreign currency	8274	6494	4035	5236	4566	4585	3812	3640	6950	6043	5149	3068	4144	4053	31334
7. Other liabilities	16820	17546	16904	17950	19474	19968	17594	18725	18049	17726	18941	19794	17610	18165	17852

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.

Table 8

REPORT FORM FOR OTHER DEPOSITORY CORPORATIONS (Banks and Saving houses) ^{1,2)}

in millions of denars

	2003	2004	2005	2006	2007	2008				2009											
	XII	XII	XII	XII	XII	III	VI	IX	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
A. ASSETS	128133	146283	171189	204745	254348	259638	275230	284799	283710	279841	283209	281636	284510	282706	284134	287565	293062	293358	298724	302720	306469
1. Currency and Deposits	40700	44136	49509	55860	59192	53142	56547	58007	50211	49414	50741	50913	53215	55682	54737	60173	62983	60786	63857	61073	60794
1.1. Currency	2368	2390	3332	3905	4791	3870	4782	4335	5667	5043	4812	4962	5203	5268	5025	6109	5512	5349	5200	5539	5912
1.1.1. Holdings of National Currency	844	921	1389	1545	1986	2074	2303	2369	3198	2569	2515	2621	2627	2700	2613	2795	2834	2714	2639	2979	3216
1.1.2. Holdings of Foreign Currency	1524	1469	1943	2360	2805	1796	2479	1966	2469	2474	2297	2341	2576	2568	2412	3315	2679	2635	2561	2560	2696
1.2. Deposits	38332	41746	46177	51955	54401	49272	51765	53672	44544	44370	45930	45952	48012	50414	49713	54064	57471	55437	58657	55535	54882
1.2.1. In National Currency	3583	2850	4814	7420	10848	8080	11713	11806	11977	11675	11737	9307	8942	7739	9812	13404	14055	13167	16135	15262	14614
1.2.1.1. Central Bank/Required Reserves and Clearing Balances, Compulsory deposit	3295	2767	4742	7329	10649	8063	11577	11794	11616	11208	11373	8856	8522	7289	9366	12958	13604	12730	15702	14824	14176
Corporations	288	83	72	91	199	17	136	12	361	467	365	452	420	450	447	447	451	438	433	438	438
1.2.2. In Foreign Currency	34749	38896	41363	44535	43553	41192	40052	41866	32567	32696	34192	36644	39071	42675	39900	40659	43415	42270	42522	40273	40268
Corporations	771	343	766	1347	1185	1276	1688	2039	1832	1225	1375	1716	1888	2985	3063	2596	3666	2693	2106	2819	1686
1.2.2.2. Central Bank	2951	3504	5323	6373	7277	8560	9016	9758	9769	9801	10392	10623	10903	11189	12468	12231	13196	12835	13404	13083	12225
1.2.2.3. Nonresidents	31027	35049	35274	36815	35091	31356	29348	30069	20966	21669	22425	24305	26280	28501	24369	25833	26553	26742	27012	24371	26357
2. Securities Other than Shares	10778	11656	16218	22912	34300	32436	29482	28024	27339	23722	23509	21291	20610	17722	19528	16807	20231	22937	23633	28020	29782
2.1. In National Currency	4829	6041	16140	22835	34217	32355	29401	27940	27240	23663	23450	21233	20551	17664	19434	16590	19944	22637	23331	27500	29265
2.1.1. Central Bank	4006	4465	8932	9457	21000	21660	21607	20058	17437	13460	13281	6893	9824	8331	9594	6280	9572	12628	12331	15318	15861
2.1.2. Other Depository Corporations	0	0	0	0	300	272	222	212	529	860	863	868	871	876	895	837	838	839	839	832	833
2.1.3. Other Financial Corporations	0	0	0	0	0	0	0	0	53	34	34	34	34	34	13	13	13	0	0	0	0
2.1.4. Central Government	823	1571	7205	13365	12837	10343	7492	7590	9252	9289	9272	13384	9823	8422	8932	9461	9521	9169	10161	11350	12571
2.1.5. Other Nonfinancial Corporations	0	5	3	13	80	80	80	80	22	0	0	0	0	0	0	0	0	0	0	0	0
2.1.6. Nonresidents	0	0	0	0	0	0	0	0	0	0	0	53	0	0	0	0	0	0	0	0	0
2.2. In Foreign Currency	5949	5615	78	77	83	81	81	84	99	59	59	59	59	58	94	217	286	300	302	520	517
2.2.1. Central Government	5889	5502	0	0	0	0	0	0	0	0	0	0	0	0	91	215	284	300	302	363	359
2.2.2. Nonresidents	60	113	78	77	83	81	81	84	99	59	59	59	59	58	3	3	3	0	0	157	159
3. Loans	49164	60126	72604	95069	131562	144039	157345	169638	176417	177028	179306	180406	180903	180305	179846	180324	180022	179793	180417	181923	184241
3.1. In National Currency	40735	47799	54148	70302	99521	110734	121319	130078	136665	136261	138503	139788	140089	140167	139659	140192	139829	139662	140081	141064	142289
3.1.1. Central Bank	0	0	0	0	0	0	0	0	0	8	7	8	8	9	10	12	11	12	12	14	14
3.1.2. Other Depository Corporations	1342	743	796	1568	1966	2005	2676	3713	2849	2223	2398	2771	2813	2714	2607	2618	2507	2439	2710	2683	2925
3.1.3. Other Financial Corporations	46	0	3	4	52	50	62	30	118	141	87	95	50	57	44	24	33	35	35	31	31
3.1.4. Central Government	24	153	44	268	139	121	103	100	115	52	52	56	55	105	103	103	102	102	102	98	98
3.1.5. State and Local Government	2	20	13	0	0	0	25	24	24	24	24	24	23	23	22	22	22	21	21	20	20
3.1.6. Public Nonfinancial Corporations	458	677	517	363	315	295	278	248	133	92	91	90	94	87	37	34	32	31	29	30	33
3.1.7. Other Nonfinancial Corporations	28507	30065	30336	37026	48498	54714	59750	63141	68078	66608	68693	69356	69471	69411	68790	69090	68821	68671	68759	69602	70993
3.1.8. Other Resident Sectors	10355	16139	22428	31049	48487	53533	58443	62767	65414	67083	67044	67344	67472	67764	67978	68216	68252	68296	68357	68526	68121
3.1.9. Nonresidents	1	2	11	24	64	16	19	22	22	53	53	53	56	55	55	54	56	58	56	55	54
3.2. In Foreign Currency	8429	12327	18456	24767	32041	33305	36026	39560	39752	40767	40803	40617	40815	40138	40187	40131	40192	40131	40337	40859	41952
3.2.1. Other Depository Corporations	917	666	962	988	1151	1140	1161	1157	1175	1076	1083	1068	1063	1044	1088	1093	1095	1088	1045	1071	1826
3.2.2. Other Financial Corporations	0	0	0	2	0	0	0	0	0	13	126	131	130	130	104	72	71	71	68	41	41
3.2.3. Central Government	2	1	0	0	0	0	0	0	0	185	182	22	21	21	19	18	18	20	19	18	18
3.2.4. Public Nonfinancial Corporations	27	5	0	0	0	2	0	0	282	281	427	418	425	415	396	403	416	412	409	398	398
3.2.5. Other Nonfinancial Corporations	7069	10934	16477	21864	28361	29324	30977	33904	34128	34700	34657	34557	34845	34200	33667	33808	33721	33601	33810	34382	34737
3.2.6. Other Resident Sectors	180	458	750	1709	2358	2729	3697	4351	4344	4381	4341	4285	4210	4172	4094	4029	3980	3928	3893	3844	3823
3.2.7. Nonresidents	234	263	267	204	171	112	189	148	105	130	132	129	128	146	798	715	905	1010	1089	1092	1109
4. Shares and Other Equity	1424	1349	1567	1622	1308	1295	1334	1279	1593	1224	1261	1259	1271	1278	1299	1300	1306	1316	1334	1332	1353
4.1. In National Currency	1275	1200	1415	1451	1117	1108	1145	1096	1402	1051	1086	1092	1092	1092	1121	1119	1122	1135	1147	1144	1154
4.2. In Foreign Currency	149	149	152	171	191	187	189	183	191	173	176	167	179	181	179	181	184	181	187	189	198
5. Financial Derivatives	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	16	16	15	15	15
6. Other claims	15085	17498	20113	18538	17935	18572	20171	17231	17193	17038	16571	16283	17019	16218	17028	17310	16661	16671	17684	18461	17861
6.1. In National Currency	13686	15345	18946	17214	16141	16956	18462	16004	16024	16060	15628	15126	15845	14985	16017	16326	15663	15394	16351	17071	16549
6.2. In Foreign Currency	1399	2153	1167	1324	1794	1616	1709	1227	1169	977	943	1157	1174	1233	1010	985	999	1276	1333	1390	1312
7. Nonfinancial Assets	10982	11518	11178	10744	10051	10154	10351	10620	10957	11417	11821	11483	11490	11501	11696	11651	11842	11840	11783	11895	12424

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

	2003	2004	2005	2006	2007	2008				2009											
	XII	XII	XII	XII	XII	III	VI	IX	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
B. Liabilities	128133	146283	171189	204745	254348	259638	275230	284799	283710	279841	283210	281636	284510	282706	284134	287565	293062	293358	298724	302720	306469
1. Deposit included in Borad money	65671	78831	92725	117838	155869	160448	171071	178437	175130	173922	174586	172789	174714	173259	174596	172880	177642	177897	181947	183647	187587
1.1. In National Currency	31159	36262	41617	57385	87613	87994	94414	95929	91298	88487	88391	83493	82879	82375	82972	78099	80497	80773	83617	85023	87073
1.1.1. Other Financial Corporations	398	285	338	492	1008	1217	1621	1792	1947	5227	5232	4850	4859	5018	5495	5158	5387	5893	6244	6708	7005
1.1.2. State and Local Government	308	193	16	10	33	30	32	30	42	61	60	52	52	59	37	32	29	42	39	34	34
1.1.3.Public Nonfinancial Corporations	457	659	609	674	2511	2281	2269	1610	3095	5455	5220	5278	5073	4695	4330	3625	4260	3692	3487	3183	3067
1.1.4. Other Nonfinancial Corporations	15491	18866	20571	27691	37280	38327	42975	44431	38913	32860	34104	32240	31848	32275	33312	29409	31276	30733	31548	32111	31459
1.1.5. Other Resident Sectors	14505	16259	20083	28518	46781	46139	47517	48066	47301	44884	43774	41065	41047	40335	39776	39870	39543	40426	42295	42983	45508
1.2. In Foreign Currency	34512	42569	51108	60453	68256	72454	76657	82508	83832	85435	86195	89296	91834	90885	91624	94780	97145	97124	98330	98624	100513
1.2.1. Other Financial Corporations	49	73	20	32	78	56	92	57	217	793	893	844	873	1017	994	935	941	933	971	1015	1108
1.2.2. State and Local Government	0	0	0	0	0	0	0	0	0	7	8	8	8	8	8	8	8	8	8	8	9
1.2.3.Public Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	1791	327	383	435	261	230	392	457	431	459	484	358
1.2.4. Other Nonfinancial Corporations	6834	9659	11522	15243	17417	18428	19345	20177	19883	17668	17528	17746	17790	15904	15177	16361	17641	16829	17609	17131	17679
1.2.5. Other Resident Sectors	27629	32837	39566	45178	50761	53970	57220	62274	63732	65176	67440	70316	72729	73695	75215	77084	78096	78922	79283	79986	81360
2. Deposit excluded from Broad money	7372	5849	8541	13869	18367	17489	18760	20501	23512	21661	23950	24033	24248	25233	20024	24959	25539	25359	24009	24103	21332
2.1. In National Currency	3166	2241	2985	3516	4398	4908	5189	4773	5721	4087	4771	4713	5047	5373	5012	5971	6665	6737	6028	5937	6124
2.1.1. Central Bank NC	0	0	0	0	0	0	0	0	0	35	35	0	0	0	3	3	4	6	7	7	8
2.1.2. Other Depository Corporations	1150	740	1273	1746	2954	2885	3001	3084	3420	510	504	593	530	561	562	593	621	628	542	554	552
2.1.3. Other Financial Corporations	0	0	0	0	0	0	0	0	0	4	88	19	4	4	4	34	37	37	37	37	37
2.1.4. Central Government	1850	1177	1562	1672	1359	1875	2056	1633	2243	1230	1212	1217	1299	1182	1310	1330	1931	1948	1365	1168	1226
2.1.5. Local Government	0	0	0	0	0	0	0	0	0	23	23	23	23	23	24	24	18	18	18	18	18
2.1.6. Public Nonfinancial Corporations	166	324	150	98	85	148	132	56	58	39	39	39	39	39	39	0	19	19	21	21	21
2.1.7. Other Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	483	966	1077	1097	1072	1000	989	976	1007	930	956	912
2.1.8. Other Resident Sectors	0	0	0	0	0	0	0	0	0	803	1020	828	810	1113	792	860	830	830	891	930	1136
2.1.9. Nonresidents	0	0	0	0	0	0	0	0	0	964	970	846	1228	1377	1280	2138	2231	2245	2219	2247	2214
2.2. In Foreign Currency	4206	3608	5556	10353	13969	12581	13571	15728	17791	17573	19179	19320	19202	19861	15012	18988	18874	18622	17981	18165	15208
2.2.1. Other Depository Corporations	760	340	964	1657	1571	1562	2132	2226	2308	1213	963	1170	1247	1382	1454	1493	1780	1350	921	1150	902
2.2.2. Other Financial Corporations	0	0	0	0	0	0	0	0	0	47	56	9	9	9	8	8	8	8	8	9	9
2.2.3. Central Government	25	27	1	1	1	1	1	1	2	49	16	5	8	8	6	5	7	6	4	5	5
2.2.4. Other Nonfinancial Corporations	0	0	0	0	0	0	0	0	0	244	1826	1910	1942	1935	1923	1861	1792	1797	1753	1757	1747
2.2.5. Other Resident Sectors	0	0	0	0	0	0	0	0	0	1606	1633	1770	1742	1717	1797	1809	2058	2392	2344	2156	2243
2.2.6. Nonresidents	3421	3241	4591	8695	12397	11018	11438	13501	15481	14414	14686	14455	14253	14809	9822	13812	13229	13069	12951	13087	10303
3. Securities Other than Shares	0	0	0	0	300	300	300	300	954	957	959	975	977	944	932	936	940	943	947	942	932
4. Loans	8959	9691	13556	14646	17860	17092	17977	19162	16047	15599	15955	16088	16330	15912	20139	19923	19672	19695	20991	21801	25445
4.1. In National Currency	2532	1946	2218	3212	3575	3640	4610	5732	5089	4838	4999	5358	5360	5263	5209	5181	5074	5101	5412	5441	5779
4.2. In Foreign Currency	6427	7745	11338	11434	14285	13452	13367	13430	10958	10760	10956	10730	10971	10649	14929	14742	14598	14594	15578	16359	19666
5. Financial derivatives																					1
5.1. In National Currency																					0
5.2. In Foreign Currency																					1
6. Other liabilities	14131	16931	18778	19115	18639	19949	20820	17556	18373	17133	17215	17787	18570	17326	18010	17996	17923	17516	18329	19228	18366
6.1. In National Currency	12791	14086	17542	17802	16684	18030	18856	16182	17090	15824	15924	16520	17287	16112	16664	16683	16655	15921	16763	17623	17036
6.2. In Foreign Currency	1340	2845	1236	1313	1955	1919	1964	1374	1283	1309	1290	1267	1282	1214	1346	1313	1268	1595	1567	1605	1330
7. Shares and Other Equity	32000	34981	37589	39277	43313	44360	46302	48843	49694	50569	50544	49964	49672	50031	50432	50871	51347	51948	52501	53000	52806

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

Table 8

REPORT FORM FOR OTHER DEPOSITORY CORPORATIONS (Banks and Saving houses) ^{1,2)}

in millions of denars

	2010												2011		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
A. ASSETS	307928	309677	310961	317359	324351	328194	331352	331594	335190	337668	342815	349758	348059	351252	356990
1. Currency and Deposits	57956	55073	53849	56658	60361	60487	60167	60032	59705	63303	64985	68466	66204	66670	74245
1.1. Currency	5153	4932	5286	5231	5534	5297	6135	6152	5635	5514	5427	6204	5339	5340	4926
1.1.1. Holdings of National Currency	2906	2862	3151	2702	3071	2801	3024	3135	2934	2939	2922	3215	3061	3025	2801
1.1.2. Holdings of Foreign Currency	2247	2070	2135	2530	2463	2496	3111	3018	2701	2575	2506	2989	2278	2315	2125
1.2. Deposits	52802	50140	48563	51427	54827	55190	54032	53880	54070	57789	59557	62262	60865	61331	69319
1.2.1. In National Currency	15967	15031	13930	14952	14926	16737	14560	15320	14059	16609	16079	15978	16271	16293	23818
1.2.1.1. Central Bank/Required Reserves and Clearing Balances, Compulsory deposit	15528	14586	13484	14580	14529	16312	14132	14871	13630	16173	15647	15391	15826	14779	14782
Corporations	439	445	446	372	397	425	428	449	429	436	432	587	445	444	446
1.2.2. In Foreign Currency	36835	35109	34633	36475	39901	38453	39472	38560	40011	41180	43479	46285	44595	45038	45501
Corporations	1233	1123	1166	1095	1021	1010	934	1726	1748	1886	1729	1789	1493	1630	757
1.2.2.2. Central Bank	12189	12171	12240	12468	12406	12702	12688	12891	13042	12931	12921	13170	13395	13490	13519
1.2.2.3. Nonresidents	23412	21814	21227	22912	26474	24742	25850	23943	25221	26363	28828	31325	29707	29918	31224
2. Securities Other than Shares	32668	35877	36709	36801	38309	38149	36272	38681	40898	39765	42739	44492	44601	44793	38121
2.1. In National Currency	32145	35353	36336	36431	37952	37789	35919	38316	40530	39384	42357	44114	44222	44351	37675
2.1.1. Central Bank	17776	20814	22954	23230	24814	23196	22816	24441	26630	24698	26132	25943	26218	26465	19873
2.1.2. Other Depository Corporations	836	839	840	841	835	837	838	840	841	842	835	617	618	619	621
2.1.3. Other Financial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1.4. Central Government	13533	13701	12542	12360	12303	13756	12266	13036	13060	13845	15390	17554	17385	17267	17181
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	0	0	0	0	0	0	0	0	0	0	0	0	0
2.2. In Foreign Currency	523	523	374	370	357	360	353	365	367	381	381	377	379	442	446
2.2.1. Central Government	362	361	374	370	357	360	353	365	367	381	381	377	379	442	446
2.2.2. Nonresidents	161	162	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Loans	184395	185977	187083	188961	190102	191702	192930	194698	195411	195873	196655	198375	198310	200049	203787
3.1. In National Currency	142513	142846	143465	143654	143816	144628	146210	147201	147004	147292	146911	144692	144552	145486	146885
3.1.1. Central Bank	13	12	13	12	13	13	14	14	13	14	13	16	15	13	21
3.1.2. Other Depository Corporations	2690	2911	2905	2245	2285	2486	2611	2849	2262	2056	1966	2061	1974	1756	1758
3.1.3. Other Financial Corporations	41	41	42	43	39	21	23	19	39	37	40	21	21	25	
3.1.4. Central Government	97	98	101	96	97	102	95	98	97	93	95	99	89	92	97
3.1.5. State and Local Government	20	20	19	18	18	17	18	17	16	16	15	15	15	14	13
3.1.6. Public Nonfinancial Corporations	33	32	31	25	23	18	13	12	11	10	10	10	12	17	17
3.1.7. Other Nonfinancial Corporations	71540	71734	72103	72594	72099	72006	73382	73620	73731	73866	73386	71848	71792	72916	73681
3.1.8. Other Resident Sectors	68025	67945	68196	68561	69186	69908	69997	70517	70801	71141	71330	70544	70577	70601	71216
3.1.9. Nonresidents	53	54	54	61	55	56	57	57	55	57	57	58	57	56	57
3.2. In Foreign Currency	41882	43131	43618	45307	46286	47074	46720	47497	48407	48581	49745	53683	53758	54563	56902
3.2.1. Other Depository Corporations	1817	2263	2265	2908	2954	2850	3144	3150	3633	3526	3622	4593	4632	4742	5759
3.2.2. Other Financial Corporations	46	46	46	45	44	45	44	45	43	41	24	23	34	31	32
3.2.3. Central Government	18	18	17	17	17	17	17	12	11	11	11	10	10	9	9
3.2.4. Public Nonfinancial Corporations	391	386	395	395	437	430	421	419	422	416	407	407	398	397	383
3.2.5. Other Nonfinancial Corporations	34798	35630	36057	36992	37744	38595	37973	38644	39041	39186	40170	42844	42815	43289	44313
3.2.6. Other Resident Sectors	3806	3778	3833	3990	4077	4218	4352	4435	4526	4649	4753	5085	5134	5299	5528
3.2.7. Nonresidents	1005	1009	1005	961	1013	920	770	791	731	751	758	721	735	796	877
4. Shares and Other Equity	1337	1347	1351	1356	1342	1355	1340	1339	1333	1335	1342	1430	1431	1436	1417
4.1. In National Currency	1137	1144	1143	1144	1143	1153	1145	1142	1140	1141	1145	1238	1242	1245	1228
4.2. In Foreign Currency	199	203	207	212	199	202	195	198	193	194	197	192	189	192	188
5. Financial Derivatives	18	4	5	8	18	20	16	6	2	11	1	3	12	12	0
6. Other claims	19238	19079	19597	21036	21731	23890	27983	24206	24916	24468	23288	23080	23627	24538	25437
6.1. In National Currency	17971	17810	18316	19774	20511	22637	26814	23017	23724	23399	22250	22101	22718	23132	24007
6.2. In Foreign Currency	1267	1269	1282	1262	1219	1253	1169	1189	1191	1069	1038	979	909	1406	1431
7. Nonfinancial Assets	12317	12321	12367	12538	12488	12591	12644	12631	12927	12913	13806	13913	13874	13754	13982

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

	2010												2011		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
B. Liabilities	307928	309677	310961	317359	324351	328194	331352	331594	335190	337668	342815	349758	348059	351252	356990
1. Deposit included in Borad money	189304	189768	192433	196282	200480	201213	197149	201567	203658	206073	211217	213202	213743	214900	216220
1.1. In National Currency	87556	88087	89897	91937	95189	96197	92959	96227	97744	99695	102694	104409	104662	105056	105381
1.1.1. Other Financial Corporations	7062	7266	7497	7777	7896	7690	7985	8293	8148	8070	8111	7821	8022	8294	8073
1.1.2. State and Local Government	33	33	33	33	33	32	34	40	41	46	45	18	24	22	16
1.1.3. Public Nonfinancial Corporations	2410	3127	2799	2962	2684	2732	2546	3021	3381	3560	3467	2927	2856	2740	2739
1.1.4. Other Nonfinancial Corporations	31777	29999	29881	30026	32156	32122	27750	29945	30428	30817	32342	31646	32106	31223	31698
1.1.5. Other Resident Sectors	46273	47663	49685	51138	52420	53621	54644	54929	55747	57202	58730	61997	61655	62778	62854
1.2. In Foreign Currency	101748	101681	102535	104345	105292	105016	104190	105340	105914	106378	108523	108793	109081	109844	110839
1.2.1. Other Financial Corporations	1085	1044	1382	956	970	1010	1140	1052	1023	937	1000	1037	985	977	931
1.2.2. State and Local Government	9	9	9	9	9	10	9	9	9	9	9	9	9	0	0
1.2.3. Public Nonfinancial Corporations	369	364	362	363	365	341	351	360	294	279	283	311	317	344	333
1.2.4. Other Nonfinancial Corporations	17732	16931	17370	19636	20693	20034	19531	19660	20381	20500	21196	20648	20581	20695	20893
1.2.5. Other Resident Sectors	82553	83333	83412	83380	83254	83621	83159	84258	84206	84652	86035	86788	87190	87829	88681
2. Deposit excluded from Broad money	19363	19154	19076	18423	18380	18501	19259	18070	18236	18722	19261	21811	19065	19029	20061
2.1. In National Currency	6438	5582	5743	5786	5655	5688	5646	5447	5681	5837	6083	5754	5428	5582	5630
2.1.1. Central Bank NC	9	10	12	13	15	17	20	19	21	1	0	1	1	0	1
2.1.2. Other Depository Corporations	565	551	582	491	494	523	515	536	518	534	517	679	499	488	516
2.1.3. Other Financial Corporations	38	33	34	33	33	33	45	46	46	16	16	16	16	15	15
2.1.4. Central Government	1256	1122	1175	1307	1154	1104	854	827	1072	1039	1118	1157	1100	1137	1095
2.1.5. Local Government	12	12	10	10	10	10	10	7	7	7	7	7	7	6	3
2.1.6. Public Nonfinancial Corporations	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21
2.1.7. Other Nonfinancial Corporations	1048	992	992	939	933	899	893	912	920	963	1059	984	947	939	909
2.1.8. Other Resident Sectors	1187	1128	1132	1170	1169	1226	1452	1329	1322	1365	1402	1362	1292	1404	1544
2.1.9. Nonresidents	2302	1713	1786	1801	1824	1853	1836	1751	1755	1892	1943	1528	1545	1572	1525
2.2. In Foreign Currency	12926	13571	13333	12637	12725	12813	13613	12623	12555	12885	13177	16057	13636	13447	14431
2.2.1. Other Depository Corporations	849	875	945	862	807	797	829	738	764	953	718	870	571	717	769
2.2.2. Other Financial Corporations	9	9	12	12	14	13	14	14	13	14	15	15	15	13	19
2.2.3. Central Government	6	7	6	6	5	5	5	4	5	4	201	164	114	107	103
2.2.4. Other Nonfinancial Corporations	1764	1762	1652	1626	1673	1636	1543	1512	1495	1524	1472	1434	1397	1412	1393
2.2.5. Other Resident Sectors	2258	2353	2404	2474	2430	2808	2482	2451	2522	2531	2627	2639	2619	2633	2717
2.2.6. Nonresidents	8040	8567	8316	7657	7798	7553	8740	7901	7755	7859	8146	10936	8921	8564	9429
3. Securities Other than Shares	938	942	945	949	945	936	939	943	947	950	927	617	618	619	621
4. Loans	25125	26354	25004	25900	27845	28593	30978	31177	31230	30615	30882	33749	33349	33306	35518
4.1. In National Currency	5462	5713	5710	4964	5139	5363	5421	5655	5063	4745	4742	4807	4565	4353	4363
4.2. In Foreign Currency	19663	20641	19294	20936	22705	23230	25557	25522	26167	25870	26140	28942	28784	28952	31155
5. Financial derivatives	5	6	1	0	0	2	0	8	5	7	3	1	6	1	6
5.1. In National Currency	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5.2. In Foreign Currency	5	6	1	0	0	2	0	8	5	7	3	1	6	1	6
6. Other liabilities	19854	19760	19810	22141	22690	24395	28220	24605	25220	25009	23855	23924	24456	25377	26650
6.1. In National Currency	18481	18356	18454	20796	21334	23033	26880	23278	23873	23758	22613	22572	23264	23631	24977
6.2. In Foreign Currency	1373	1404	1356	1345	1356	1362	1340	1327	1347	1251	1242	1353	1192	1746	1673
7. Shares and Other Equity	53340	53693	53692	53664	54011	54555	54808	55224	55894	56293	56671	56454	56822	58019	57913

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

Table 9

DEPOSITORY CORPORATIONS SURVEY NBRM, OTHER DEPOSITORY CORPORATIONS (ODI BANKS AND SAVING HOUSES)

in millions of denars

	2003	2004	2005	2006	2007	2008				2009			
	XII	XII	XII	XII	XII	III	VI	IX	XII	III	VI	IX	XII
A. FOREIGN ASSETS (NET)	65371	67722	88937	107524	109068	104779	104162	111029	90980	80949	77493	92170	94764
1. Foreign Assets, Net	42096	41374	65725	84853	94424	92970	93932	102428	90953	77247	73172	88996	93246
1.1. Foreign Assets	46078	44831	69588	88102	94979	93530	94492	103371	91908	78197	73904	93538	97807
1.2. Foreign Liabilities	-3982	-3457	-3863	-3249	-555	-560	-560	-943	-955	-949	-733	-4542	-4561
2. Foreign Assets, Net	23275	26348	23212	22671	14644	11809	10230	8601	27	3702	4322	3174	1518
2.1. Foreign Assets	33080	37106	37797	39732	38478	33598	32421	32517	23904	27203	27899	30720	30643
2.2. Foreign Liabilities	-9805	-10758	-14585	-17061	-23834	-21789	-22191	-23916	-23877	-23501	-23577	-27546	-29125
B. DOMESTIC CREDIT	43317	55212	57232	72912	121814	129284	142983	148996	169749	174959	179028	170646	178825
1. Claims on Central Government, Net	-4392	-4132	-15271	-21263	-8922	-14107	-13044	-18389	-5530	-4082	1028	-7308	-2408
1.1. Claims od Central Government	3890	3495	3549	2519	1271	1272	1272	1272	1304	1305	1305	1301	1327
1.2. Central Government Deposits	-12348	-12865	-24025	-34648	-20833	-22929	-18749	-24584	-12334	-14900	-5446	-13536	-12692
1.3. Claims on Central Government	6833	7333	7542	13646	12995	10539	7781	7984	9380	13529	9228	9687	13059
1.4. Central Government Deposits	-2767	-2095	-2338	-2781	-2355	-2989	-3348	-3061	-3880	-4017	-4060	-4761	-4103
2. Claims on State & Local Government	2	20	13	0	0	0	0	25	24	24	22	21	20
2.1. Claims on State & Local Government	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	25	24	24	22	21	20
3. Claims on Public NonfinancialCorporations	485	682	517	363	315	295	280	248	133	516	453	446	431
3. 1. Claims on Public NonfinancialCorporations	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	295	280	248	133	516	453	446	431
4. Claims on Private Sector	47172	58639	71967	93803	130366	143042	155694	167047	174782	177802	176876	176893	180196
4. 1. Claims on Private Sector	-1	44	1063	1092	1412	1421	1399	1473	1508	1494	1491	1471	1512
4. 2. Claims on Private Sector	47173	58595	70904	92711	128954	141621	154295	165574	173274	176307	175386	175422	178684
5. Claims on Other Financial Corporations	49	3	6	9	55	53	53	65	340	699	649	593	587
5. 1. Claims on Other Financial Corporations	3	3	3	3	3	3	3	3	3	1	1	1	1
5. 2. Claims on Other Financial Corporations	46	0	3	6	52	50	50	62	337	698	648	592	586
C. MONEY	28265	28842	31354	36788	48858	46415	52003	53040	56942	49446	50854	51376	54584
1. Currency outside Other Depository Corporations	14166	14150	14424	16187	17908	15718	16151	16525	17601	14646	14210	14456	16266
2. Public Sector Liabilities	0	0	679	635	1602	1953	2569	2858	2823	2655	3219	3467	2361
3. Other Financial Corporations Liabilities	1317	1569	1575	1882	2006	2363	2508	2932	2794	2942	3143	3379	3410
4. Demand Money	12782	13123	14676	18084	27342	26381	30775	30725	33724	29203	30281	30075	32547
D. RESTRICTED DEPOSITS	166	324	150	98	85	148	133	57	69	5649	5592	6075	6077
1. Restricted Deposits	0	0	0	0	0	0	1	1	11	1	17	12	0
2. Restricted Deposits	166	324	150	98	85	148	132	56	58	5648	5575	6062	6077
E. OTHER DEPOSITS	52889	65708	78049	99754	128527	134067	140296	147712	141406	143586	144315	147823	155040
1. Time, Svaings, & Foreign Currency Deposits	52889	65708	78049	99754	128527	134067	140296	147712	141406	143586	144315	147823	155040
F. LIABILITIES TO OTHER FINANCIAL CORPORATIONS	0	0	0	15	346	0	0	0	10	436	340	356	397
1. Liabilites to Other Financial Corporations	0	0	0	15	0	0	0	0	0	0	0	0	0
2. Liabilites to Other Financial Corporations	0	0	0	0	346	0	0	0	10	436	340	356	397
G. CAPITAL ACCOUNTS	38327	40727	45756	47644	52570	53889	55595	59982	61474	63470	62648	63672	65554
H. OTHER ITEMS (NET)	-10959	-12667	-9140	-3863	496	-456	-883	-766	828	-6680	-7226	-6485	-8062

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

Table 9
DEPOSITORY CORPORATIONS SURVEY NBRM, OTHER DEPOSITORY CORPORATIONS (ODI BANKS AND SAVING HOUSES ^{1,2)}

	2010												2011		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
A. FOREIGN ASSETS (NET)	95012	92917	92943	96911	100656	99983	94424	97854	97099	96366	99436	99869	99191	99443	110825
1. Foreign Assets, Net	94877	94978	94214	96534	98778	100343	96488	100903	99344	97662	98873	100610	100239	99928	112158
1.1. Foreign Assets	99515	99697	98935	101310	103590	105246	101212	105896	104160	102450	103745	105495	105025	104760	116919
1.2. Foreign Liabilities	-4638	-4719	-4722	-4777	-4812	-4903	-4724	-4993	-4816	-4788	-4872	-4886	-4786	-4832	-4761
2. Foreign Assets, Net	135	-2061	-1271	377	1877	-360	-2064	-3049	-2245	-1296	563	-740	-1048	-485	-1333
2.1. Foreign Assets	27146	25372	24694	26761	30269	28488	30044	28071	29002	30009	32411	35346	33018	33332	34543
2.2. Foreign Liabilities	-27012	-27433	-25965	-26383	-28392	-28848	-32108	-31120	-31247	-31304	-31848	-36086	-34066	-33817	-35876
B. DOMESTIC CREDIT	181649	184830	186027	188332	190973	193713	193501	195453	197962	201704	203991	206007	205104	208176	198325
1. Claims on Central Government, Net	-91	2070	2145	2476	4153	5036	3675	4253	5726	8849	10365	11511	10800	12210	-294
1.1. Claims od Central Government	1337	1347	1347	1355	1380	1394	1370	1381	5405	5402	5477	5493	5451	5468	19039
1.2. Central Government Deposits	-11385	-9507	-8242	-7620	-6112	-6774	-7807	-8043	-10435	-8172	-8024	-9009	-9659	-8185	-34240
1.3. Claims on Central Government	14021	14195	13056	12865	12800	14266	12764	13550	13580	14379	15932	18060	17880	17833	17756
1.4. Central Government Deposits	-4064	-3965	-4017	-4124	-3916	-3849	-2652	-2636	-2825	-2759	-3019	-3033	-2872	-2907	-2849
2. Claims on State & Local Government	20	20	19	18	18	17	18	17	16	16	15	15	15	14	13
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	20	20	19	18	18	17	18	17	16	16	15	15	15	14	13
3. Claims on Public NonfinancialCorporations	424	417	426	420	461	448	433	431	433	427	417	417	410	414	400
3. 1. Claims on Public NonfinancialCorporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. 2. Claims on Public Nonfinancial Corporations	424	417	426	420	461	448	433	431	433	427	417	417	410	414	400
4. Claims on Private Sector	180710	181736	182852	184832	185758	187635	188797	190177	191215	191822	192617	193394	193216	194878	197557
4. 1. Claims on Private Sector	1514	1493	1487	1468	1453	1444	1445	1492	1482	1475	1464	1455	1445	1437	1427
4. 2. Claims on Private Sector	179196	180244	181364	183364	184305	186191	187352	188686	189733	190347	191153	191939	191771	193441	196130
5. Claims on Other Financial Corporations	586	587	586	586	584	577	578	575	572	590	576	669	662	660	648
5. 1. Claims on Other Financial Corporations	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
5. 2. Claims on Other Financial Corporations	585	585	585	585	582	576	576	574	571	589	575	668	661	659	648
C. MONEY	52872	53367	52866	53508	56104	55706	55854	56966	57197	57301	57428	59867	57755	57299	57505
1. Currency outside Other Depository Corporations	15525	15087	14844	15224	15505	15662	16728	16204	15945	16068	15585	16958	15814	16062	15944
2. Public Sector Liabilities	2896	2622	2592	2930	3162	3179	3157	3370	3425	3532	3420	2505	3124	3177	3452
3. Other Financial Corporations Liabilities	3300	3415	3459	3484	3460	3484	2270	2195	2282	2328	2330	2409	2476	2492	2559
4. Demand Money	31151	32242	31971	31871	33976	33381	33699	35198	35544	35373	36093	37995	36341	35567	35551
D. RESTRICTED DEPOSITS	6291	6268	6211	6241	6237	6601	6402	6232	6288	6411	6589	6447	6283	6416	6589
1. Restricted Deposits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Restricted Deposits	6290	6268	6211	6240	6237	6600	6401	6231	6287	6411	6589	6446	6283	6415	6589
E. OTHER DEPOSITS	158153	157526	160461	164411	166504	167832	163449	166369	168113	170700	175124	175207	177402	179333	180670
1. Time, Svaings, & Foreign Currency Deposits	158153	157526	160461	164411	166504	167832	163449	166369	168113	170700	175124	175207	177402	179333	180670
F. LIABILITIES TO OTHER FINANCIAL CORPORATIONS	398	396	379	378	363	348	415	402	383	357	365	407	413	401	407
1. Liabilites to Other Financial Corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Liabilites to Other Financial Corporations	398	396	379	378	363	348	415	402	383	357	365	407	413	401	407
G. CAPITAL ACCOUNTS	66408	67627	67758	68609	70473	71522	69495	71133	71132	71169	72798	72902	71610	73387	72944
H. OTHER ITEMS (NET)	-7460	-7437	-8705	-7903	-8053	-8313	-7690	-7796	-8052	-7870	-8877	-8953	-9169	-9217	-8964

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

Table 10

BANKS AND SAVING HOUSES' LOANS ^{1,2)}

in millions of denars

	2003	2004	2005	2006	2007	2008				2009			
	XII	XII	XII	XII	XII	III	VI	IX	XII	III	VI	IX	XII
TOTAL LOANS	46644	58298	70524	92017	128071	140645	153197	164498	172150	176298	175164	175066	178196
1. In National currency	39368	46901	53297	68442	97352	108592	118521	126243	133679	136900	136884	137052	139197
1.1. Short-term loans	15975	17200	17800	22121	32070	36638	39808	42634	44469	45691	45204	44496	44529
1.1.1. In National currency without a currency clause	-	-	-	-	-	-	-	-	-	40424	38549	37339	36400
1.1.2. In National currency with a currency clause	-	-	-	-	-	-	-	-	-	5267	6654	7157	8130
1.2. Long-term loans	14347	20810	26065	36856	56324	62460	68774	73271	78193	80332	79141	78834	81155
1.2.1. In National currency without a currency clause	-	-	-	-	-	-	-	-	-	30948	28388	27865	28288
1.2.2. In National currency with a currency clause	-	-	-	-	-	-	-	-	-	49384	50753	50969	52866
1.3. Accrued Interest	406	385	485	578	752	866	952	1033	1027	1589	1681	1841	1788
1.4. Doubtful and contested claims	8640	8506	8947	8887	8206	8628	8987	9305	9990	9287	10858	11880	11725
2. In foreign currency	7276	11397	17227	23575	30719	32053	34676	38255	38471	39398	38280	38015	38998
2.1. Short-term loans	1863	3246	3360	4654	6734	7460	8394	10034	9829	9967	9516	8797	8558
2.2. Long-term loans	4016	6993	12684	17692	22695	23197	24813	26718	27064	26027	25034	25075	26226
2.3. Accrued Interest	33	45	44	76	88	93	107	133	96	238	232	226	216
2.4. Doubtful and contested claims	1364	1113	1139	1153	1202	1303	1362	1370	1482	3166	3499	3917	3999
annual growth rate													
TOTAL LOANS		24.98	20.97	30.48	39.18	42.22	42.09	38.61	34.42	25.35	14.34	6.42	3.51
1. In National currency		19.13	13.64	28.42	42.24	47.03	47.03	40.93	37.32	26.07	15.49	8.56	4.13
1.1. Short-term loans		7.67	3.49	24.28	44.98	53.16	57.26	42.95	38.66	24.71	13.55	4.37	0.14
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	53.88	50.61	46.97	38.83	28.61	15.07	7.59	3.79
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	37.03	44.24	33.46	36.57	83.49	76.61	78.19	74.09
1.4. Doubtful and contested claims		-1.55	5.18	-0.67	-7.66	-1.00	0.12	1.97	21.74	7.63	20.82	27.67	17.37
2. In foreign currency		56.64	51.15	36.85	30.30	28.05	27.46	31.47	25.24	22.92	10.39	-0.63	1.37
2.1. Short-term loans		74.24	3.51	38.51	44.69	44.15	36.38	61.21	45.96	33.60	13.37	-12.33	-12.93
2.2. Long-term loans		74.13	81.38	39.48	28.28	24.61	26.45	25.04	19.25	12.20	0.89	-6.15	-3.10
2.3. Accrued Interest		36.36	-2.22	72.73	15.79	5.68	-4.46	66.25	9.09	156.36	116.41	69.77	124.79
2.4. Doubtful and contested claims		-18.40	2.34	1.23	4.25	12.91	3.50	-3.93	23.29	142.99	156.88	185.94	169.84

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

Table 10

BANKS AND SAVING HOUSES' LOANS ^{1,2)}

in millions of denars

	2010												2011		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
TOTAL LOANS	178702	179611	180722	182662	183668	185258	186222	187728	188609	189365	190133	190816	190799	192584	195209
1. In National currency	139660	139771	140391	141241	141366	141971	143432	144184	144577	145072	144779	142457	142417	143569	144952
1.1. Short-term loans	44518	44621	45084	45791	46018	46099	46151	46266	46238	46156	46161	44287	44374	44943	45601
1.1.1. In National currency without a currency clause	36099	35654	36159	36519	36657	36529	36595	36926	36878	36671	36626	35188	35498	35907	36615
1.1.2. In National currency with a currency clause	8419	8967	8925	9272	9360	9570	9556	9340	9360	9485	9535	9099	8877	9036	8986
1.2. Long-term loans	80273	80265	80545	80346	79934	80684	81155	80648	81191	81733	82337	83433	82675	83370	84230
1.2.1. In National currency without a currency clause	27841	27837	28200	28544	28906	29524	30007	29800	30386	31093	31804	33200	33087	33784	34540
1.2.2. In National currency with a currency clause	52433	52428	52345	51802	51028	51160	51149	50848	50805	50641	50533	50233	49588	49586	49690
1.3. Accrued Interest	1913	1880	1874	1890	1921	1907	1941	1971	1933	1992	1971	1713	1790	1790	1821
1.4. Doubtful and contested claims	12954	13004	12889	13212	13494	13281	14185	15300	15217	15191	14310	13024	13578	13466	13300
2. In foreign currency	39042	39840	40331	41421	42302	43287	42790	43544	44032	44292	45354	48359	48382	49016	50257
2.1. Short-term loans	8303	8441	8704	8781	8705	8510	8084	8246	7964	7957	8007	8278	8312	8432	7264
2.2. Long-term loans	26256	26899	26963	28062	28543	29551	29805	30491	31338	31444	32468	35520	35444	35853	38102
2.3. Accrued Interest	234	245	249	231	249	258	253	278	301	273	276	301	302	317	352
2.4. Doubtful and contested claims	4249	4255	4414	4347	4805	4968	4647	4529	4430	4619	4603	4260	4324	4413	4540

annual growth rate

TOTAL LOANS	3.12	2.40	2.51	3.34	4.20	5.76	5.98	7.07	7.74	7.97	7.49	7.08	6.77	7.22	8.02
1. In National currency	4.28	2.78	2.55	2.98	2.94	3.72	4.39	5.13	5.49	5.74	4.75	2.34	1.97	2.72	3.25
1.1. Short-term loans	-0.94	-1.83	-1.33	-0.66	0.50	1.98	1.81	3.03	3.91	7.47	6.15	-0.54	-0.32	0.72	1.15
1.1.1. In National currency without a currency clause	-10.21	-12.53	-10.55	-7.47	-6.02	-5.24	-4.76	-2.32	-1.23	2.45	1.21	-3.33	-1.67	0.71	1.26
1.1.2. In National currency with a currency clause	77.68	90.99	69.44	39.90	37.96	43.82	38.39	31.51	30.77	32.60	30.65	11.92	5.43	0.77	0.69
1.2. Long-term loans	2.09	0.29	0.26	0.35	0.35	1.95	2.57	2.16	2.99	2.62	2.78	2.81	2.99	3.87	4.57
1.2.1. In National currency without a currency clause	-6.75	-10.11	-8.88	-0.13	2.15	4.00	6.62	6.55	9.05	11.01	13.71	17.36	18.85	21.36	22.48
1.2.2. In National currency with a currency clause	7.50	6.86	6.00	0.61	-0.64	0.80	0.33	-0.24	-0.32	-1.94	-3.08	-4.98	-5.43	-5.42	-5.07
1.3. Accrued Interest	24.01	21.15	17.93	17.06	13.69	13.43	12.65	8.06	4.99	7.69	3.51	-4.21	-6.44	-4.81	-2.81
1.4. Doubtful and contested claims	47.07	45.20	38.79	40.93	32.27	22.31	26.32	33.24	28.09	19.12	12.57	11.08	4.81	3.55	3.19
2. In foreign currency	-0.85	1.10	2.37	4.59	8.67	13.08	11.71	14.07	15.83	16.00	17.26	24.00	23.92	23.03	24.61
2.1. Short-term loans	-16.75	-17.02	-12.67	-15.79	-11.05	-10.57	-15.39	-11.74	-9.47	-10.33	-13.06	-3.27	0.10	-0.11	-16.55
2.2. Long-term loans	-1.14	2.19	3.60	9.78	12.14	18.05	18.84	21.68	24.98	24.92	28.24	35.44	34.99	33.29	41.31
2.3. Accrued Interest	-3.73	-6.08	4.53	3.88	7.73	11.24	12.85	14.07	33.10	23.85	19.61	39.35	29.36	29.70	41.09
2.4. Doubtful and contested claims	63.37	60.67	39.42	28.27	39.00	42.00	34.89	28.30	13.09	17.85	17.48	6.53	1.75	3.71	2.85

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

Table 11

MONETARY AGGREGATES AND COMPONENTS THEREOF (non-government sector) ^{1,2)}**in millions of denars**

	2003	2004	2005	2006	2007	2008				2009			
	XII	XII	XII	XII	XII	III	VI	IX	XII	III	VI	IX	XII
1. Currency in circulation	14166	14150	14424	16187	17908	15718	16151	16525	17601	14646	14210	14456	16266
2. Demand Deposits	14099	14692	16251	19966	29348	28744	33283	33657	36518	32145	33425	33453	35957
3. (1+2) Money supply M1	28265	28842	30675	36153	47256	44462	49434	50182	54119	46791	47635	47909	52223
4. Short-term deposits	48986	61593	73802	94187	119697	123847	128619	133842	124766	128168	128129	130687	133761
4.1. in denars	15752	20722	24677	36742	55599	56462	57585	58247	49584	46995	45530	43538	45735
4.2. in foreign currency	33234	40871	49125	57445	64098	67385	71034	75595	75182	81173	82598	87149	88025
5. (3+4.1.) Money supply M2 - Denar	44017	49564	55352	72895	102855	100924	107019	108429	103703	93786	93165	91447	97958
6. (5+4.2.) Money supply M2 - total	77251	90435	104477	130340	166953	168309	178053	184024	178885	174959	175763	178596	185984
7. Long-term deposits	3903	4115	4247	5567	8830	10220	11677	13870	16640	15418	16186	17136	21279
7.1. in denars	2625	2417	2264	2559	4672	5151	6054	6957	7990	7295	7160	7161	8791
7.2. in foreign currency	1278	1698	1983	3008	4158	5069	5623	6913	8650	8123	9026	9975	12488
8. (6+7) Money supply M4 - total	81154	94550	108724	135907	175783	178529	189730	197894	195525	190377	191949	195732	207262
annual growth rate													
1. Currency in circulation		-0.11	1.94	12.22	10.63	4.71	2.10	-1.15	-1.71	-6.82	-12.02	-12.52	-7.59
2. Demand Deposits		4.21	10.61	22.86	46.99	38.44	50.18	38.18	24.43	11.83	0.43	-0.60	-1.54
3. Money supply M1		2.04	6.35	17.86	30.71	24.29	30.15	22.17	14.52	5.24	-3.64	-4.53	-3.50
4. Short-term deposits		25.74	19.82	27.62	27.08	22.61	15.96	18.75	4.23	3.49	-0.38	-2.36	7.21
4.1. in denars		31.55	19.09	48.89	51.32	37.77	17.82	15.22	-10.82	-16.77	-20.93	-25.25	-7.76
4.2. in foreign currency		22.98	20.20	16.94	11.58	12.27	14.50	21.62	17.29	20.46	16.28	15.28	17.08
5. Money supply M2 - denar		12.60	11.68	31.69	41.10	31.48	23.21	18.33	0.82	-7.07	-12.95	-15.66	-5.54
6. Money supply M2 - total		17.07	15.53	24.75	28.09	23.05	19.58	19.66	7.15	3.95	-1.29	-2.95	3.97
7. Long-term deposits		5.43	3.21	31.08	58.61	80.76	58.40	65.14	88.45	50.86	38.62	23.55	27.88
7.1. in denars		-7.92	-6.33	13.03	82.57	92.20	58.61	55.08	71.02	41.63	18.27	2.93	10.02
7.2. in foreign currency		32.86	16.78	51.69	38.23	70.44	58.17	76.67	108.03	60.25	60.52	44.29	44.37
8. Money supply M4 - total		16.51	14.99	25.00	29.34	25.34	21.41	22.02	11.23	6.64	1.17	-1.09	6.00

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

Table 11

MONETARY AGGREGATES AND COMPONENTS THEREOF (non-government sector) ^{1,2)}**in millions of denars**

	2010												2011		
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III
1. Currency in circulation	15525	15087	14844	15224	15505	15662	16728	16204	15945	16068	15585	16958	15814	16062	15944
2. Demand Deposits	34451	35658	35430	35355	37437	36865	35969	37393	37827	37701	38423	40404	38817	38060	38109
3. (1+2) Money supply M1	49976	50745	50274	50578	52942	52527	52697	53596	53772	53769	54008	57362	54631	54122	54053
4. Short-term deposits	136124	135063	136879	139799	141464	142646	138009	140246	141594	143320	146452	144217	145550	146838	147519
4.1. in denars	47145	46229	47695	49297	50090	51574	47799	49184	50072	51562	52980	51296	52544	53326	53281
4.2. in foreign currency	88979	88835	89184	90502	91374	91072	90211	91062	91522	91758	93472	92921	93006	93512	94238
5. (3+4.1.) Money supply M2 - Denar	97121	96974	97969	99876	103032	104101	100495	102781	103844	105331	106988	108658	107175	107447	107334
6. (5+4.2.) Money supply M2 - total	186100	185808	187153	190377	194406	195173	190706	193842	195366	197089	200460	201579	200181	200959	201572
7. Long-term deposits	22029	22463	23582	24612	25040	25186	25440	26123	26518	27380	28672	30989	31852	32495	33150
7.1. in denars	9260	9617	10231	10769	11123	11242	11460	11845	12127	12760	13621	15118	15777	16163	16549
7.2. in foreign currency	12769	12846	13351	13843	13918	13945	13979	14278	14391	14619	15051	15872	16074	16332	16601
8. (6+7) Money supply M4 - total	208129	208271	210735	214989	219446	220359	216146	219965	221884	224469	229132	232569	232033	233454	234722
annual growth rate															
1. Currency in circulation	-2.45	-1.65	1.35	3.14	7.35	10.22	9.34	9.74	10.30	10.03	7.71	4.26	1.86	6.46	7.41
2. Demand Deposits	2.21	6.29	10.22	10.28	13.85	10.29	8.95	7.33	13.07	9.23	11.08	12.37	12.67	6.74	7.56
3. Money supply M1	0.71	3.80	7.44	8.03	11.87	10.27	9.07	8.05	12.24	9.47	10.09	9.84	9.31	6.65	7.52
4. Short-term deposits	5.98	4.84	6.80	7.53	10.86	11.33	8.82	8.21	8.35	7.93	10.22	7.82	6.92	8.72	7.77
4.1. in denars	-6.54	-8.37	1.49	5.83	10.47	13.27	15.11	16.74	15.01	14.69	15.83	12.16	11.45	15.35	11.71
4.2. in foreign currency	14.07	13.34	9.87	8.48	11.07	10.26	5.76	4.10	5.02	4.47	7.28	5.56	4.53	5.27	5.67
5. Money supply M2 - denar	-2.94	-2.38	4.46	6.93	11.18	11.74	11.86	12.04	13.56	11.96	12.85	10.92	10.35	10.80	9.56
6. Money supply M2 - total	4.51	4.55	6.97	7.66	11.13	11.04	8.89	8.17	9.39	8.35	10.19	8.39	7.57	8.15	7.70
7. Long-term deposits	50.74	49.17	52.95	57.25	57.41	55.60	54.56	58.36	54.75	51.79	46.92	45.63	44.59	44.66	40.57
7.1. in denars	28.96	32.85	40.24	48.62	52.63	57.00	64.30	73.61	69.35	69.30	69.84	71.97	70.38	68.07	61.76
7.2. in foreign currency	71.78	64.28	64.36	64.70	61.45	54.49	47.39	47.60	44.27	39.22	30.92	27.09	25.89	27.14	24.34
8. Money supply M4 - total	8.02	8.04	10.69	11.69	14.99	14.80	12.82	12.40	13.36	12.27	13.74	12.21	11.49	12.09	11.38

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

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
	IV	64627	33277	37090	60815	572	210	7420	3900	0	0	357	6
	V	64199	33603	37126	60676	572	228	7352	4350	0	0	355	6
	VI	64377	34409	37112	61674	542	237	7107	4378	0	0	355	6
	VII	64959	34134	37008	62085	560	232	7876	4028	0	0	353	6
	VIII	64256	34910	37181	61985	559	256	8816	3898	0	0	351	6
	IX	64591	35396	36867	63121	525	278	8625	3789	0	0	350	6
	X	64702	35366	36802	63266	565	249	8610	3987	0	0	350	6
	XI	64948	36313	36935	64326	565	252	7883	4012	0	0	351	6
	XII	63994	39303	35705	67592	476	275	7388	3672	0	0	351	6
2011	I	63485	39205	35721	66969	522	275	7798	3733	0	0	355	6
	II	64583	39575	36521	67637	523	291	7828	3820	0	0	356	6
	III	65507	40447	35899	70055	528	323	7664	3927	0	0	356	6

Table 12

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	III	21889	963	4543	18309	216	0	1530	24	-	2910	2723	16131	1088	
	VI	23930	1323	4928	20325	227	0	1724	24	-	3177	3183	17504	1388	
	IX	26112	1496	5601	22007	243	0	1459	29	-	3512	3894	18694	1508	
2007	XII	29150	1675	6478	24347	244	0	1608	32	-	3901	4818	20325	1781	
	I	30099	1682	7196	24585	257	0	1629	32	-	3978	5582	20407	1814	
	II	30693	1667	7332	25028	258	0	1664	38	-	4065	5701	20699	1895	
	III	32040	1720	7745	26015	266	0	1556	34	-	4188	6140	21442	1990	
	IV	33423	1794	8250	26967	272	0	1575	34	-	4315	6587	22250	2065	
	V	34892	1835	8819	27908	283	0	1676	34	-	4450	7117	23011	2149	
	VI	36444	1903	9195	29152	288	0	1660	39	-	4640	7523	23983	2201	
	VII	38420	1929	9888	30461	303	0	1708	39	-	4848	8106	25158	2237	
2008	VIII	39836	1916	10506	31246	318	0	1821	81	-	5010	8605	25833	2304	
	IX	41153	1951	10870	32234	325	0	1955	87	-	5211	8979	26562	2352	
	X	42504	2012	11368	33148	334	0	1945	89	-	5361	9346	27357	2452	
	XI	44094	2113	11634	34573	334	0	2010	85	-	5570	9643	28431	2563	
	XII	45905	2249	12149	36005	332	0	2050	93	-	5772	10165	29548	2669	
	I	47206	2297	12788	36715	370	0	2112	111	-	5897	10737	30133	2736	
	II	48894	2435	13277	38052	370	0	2185	124	-	6041	11151	31290	2847	
	III	50650	2589	13748	39491	393	0	2284	123	-	6220	11614	32455	2950	
	IV	52333	2922	14214	41041	405	0	2285	58	-	6448	11985	33773	3049	
	V	53803	3217	14756	42264	417	0	2431	98	-	6740	12502	34652	3126	
	VI	55243	3455	15246	43452	428	0	2556	225	-	7114	12949	35465	3170	
	VII	56761	3824	15599	44986	436	0	2761	199	-	7468	13317	36211	3589	
2009	VIII	57889	3991	16160	45720	464	0	2903	208	-	7767	13829	36740	3544	
	IX	58961	4100	16367	46694	461	0	3116	233	-	8110	14022	37424	3505	
	X	60318	4130	16512	47936	476	0	3182	242	-	8487	14230	38103	3628	
	XI	61020	4122	16693	48449	480	0	3198	251	-	8730	14409	38380	3623	
	XII	61222	4083	16392	48913	460	0	3450	245	-	8932	14263	38303	3807	
	I	61987	4064	17053	48998	1036	30	3977	273	23382	4252	13162	16664	4329	4262
	II	61895	3997	16973	48920	1038	30	4022	299	23238	4237	13273	16562	4352	4231
	III	62136	3932	17293	48776	1060	28	4058	310	23147	4213	13615	16758	4384	3953
	IV	62112	3850	17360	48601	1083	28	4187	318	23029	4249	13722	16876	4329	3756
	V	61996	3800	17577	48219	1125	29	4556	330	22697	4214	13732	17131	4256	3766
	VI	61752	3707	17668	47791	1151	30	4999	343	23553	4177	13730	17287	2909	3803
	VII	61669	3631	17652	47648	1184	30	5266	355	23357	4183	13834	17286	2892	3748
2010	VIII	61544	3567	17887	47224	1227	32	5409	368	23008	4138	13862	17550	2866	3686
	IX	61409	3485	17980	46914	1244	30	5570	400	22793	4102	13878	17666	2854	3602
	X	61278	3446	17932	46792	1278	31	5713	404	22620	4083	13953	17640	2838	3592
	XI	61433	3402	17915	46921	1302	30	5706	400	22602	4061	14080	17633	2840	3619
	XII	61366	3351	17612	47105	1258	28	5424	432	22542	4074	14233	17375	2864	3629
	I	61003	3329	17663	46669	1316	29	5636	436	22220	4045	14211	17403	2850	3603
	II	60925	3318	17518	46725	1283	24	5673	425	22197	4028	14367	17246	2837	3568
	III	61069	3363	17411	47021	1308	23	5736	436	22346	3983	14498	17177	2854	3574
	IV	61363	3512	17426	47449	1317	21	5792	447	22585	3963	14678	17207	2919	3524
	V	61618	3591	17541	47667	1348	21	6137	454	22806	3918	14770	17312	2942	3461
	VI	62260	3599	17469	48390	1364	20	6169	589	23313	3897	14983	17257	2985	3424
	VII	62230	3693	17215	48708	1380	21	6304	619	23634	3823	15104	17003	3008	3351
2011	VIII	62535	3764	17315	48985	1410	21	6478	631	23845	3763	15217	17138	3061	3276
	IX	62721	3845	17317	49249	1407	21	6586	641	24187	3716	15226	17150	3048	3238
	X	63062	3977	17284	49755	1426	23	6576	631	24487	3664	15421	17120	3127	3220
	XI	63430	4127	17208	50348	1405	23	6423	590	24759	3617	15642	17087	3235	3216
	XII	63585	4460	16814	51231	1236	25	5631	588	25331	3579	15890	16719	3317	3210
	I	63456	4503	16938	51021	1267	27	5769	591	25203	3511	15888	16856	3338	3162
	II	63622	4665	16827	51461	1265	26	5627	593	25527	3444	16029	16732	3430	3125
	III	64219	4873	16939	52154	1292	28	5622	613	26071	3377	16199	16810	3536	3100

Table 12

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
	IV 147	55	57	145	1	0	1	0	0		493	4
	V 134	54	55	133	1	1	5	0	0		494	5
	VI 147	54	29	171	1	1	5	0	0		505	5
	VII 118	62	12	168	1	1	5	0	0		505	5
	VIII 123	63	16	170	1	1	5	0	0		505	5
	IX 116	60	18	159	1	1	5	0	0		505	4
	X 127	58	28	157	1	1	5	0	0		505	4
	XI 120	36	25	131	1	1	5	0	0		509	4
	XII 141	35	45	130	1	1	4	0	0		601	4
2011	I 108	48	27	129	1	0	5	0	0		601	4
	II 108	45	27	126	1	1	5	0	0		603	4
	III 105	45	27	123	1	1	4	0	0		587	4

Table 12

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	9831	0	0	0
	VI	290	0	240	50	1	0	0	11136	0	0	0
	IX	125	0	77	48	2	0	0	13044	0	0	0
	XII	267	0	236	31	1	0	0	13365	0	0	0
2007	I	287	0	257	30	1	0	0	13045	0	0	0
	II	313	0	283	30	1	0	0	13481	0	0	0
	III	261	0	143	118	1	0	0	14307	0	0	0
	IV	207	0	95	112	1	0	0	15173	0	0	0
	V	181	0	76	105	1	0	0	16084	0	0	0
	VI	160	0	59	101	1	0	0	16975	0	0	0
	VII	198	0	42	156	1	0	0	16834	0	0	0
	VIII	175	0	24	151	1	0	0	17667	0	0	0
	IX	162	0	17	145	2	0	0	14141	0	0	0
	X	150	0	11	139	1	0	0	12887	0	0	0
	XI	144	0	4	140	1	0	0	12923	0	0	0
	XII	138	0	4	134	1	0	0	12837	0	0	0
2008	I	132	0	4	128	1	0	0	12342	0	0	0
	II	127	0	4	123	1	0	0	10911	0	0	0
	III	120	0	4	116	1	0	0	10343	0	0	0
	IV	115	0	4	111	1	0	0	9394	0	0	0
	V	107	0	3	104	1	0	0	8292	0	0	0
	VI	102	0	3	99	1	0	0	7492	0	0	0
	VII	98	0	3	95	1	0	0	7281	0	0	0
	VIII	98	0	3	95	1	0	0	7354	0	0	0
	IX	99	0	3	96	1	0	0	7590	0	0	0
	X	102	0	7	95	1	0	0	7912	0	0	0
	XI	104	0	9	95	2	0	0	8310	0	0	0
	XII	106	0	12	94	9	0	0	9252	0	0	0
2009	I	39	184	23	201	0	0	12	9289	0	0	0
	II	40	182	23	198	0	0	12	9272	0	0	0
	III	44	22	28	38	0	0	12	13384	0	0	0
	IV	44	21	27	38	0	0	12	9823	0	0	0
	V	43	21	27	37	0	0	12	8422	0	0	0
	VI	92	20	14	98	1	0	12	8932	0	0	0
	VII	91	19	14	96	0	0	12	9461	0	0	0
	VIII	91	18	14	95	0	0	12	9521	0	0	0
	IX	90	18	14	94	0	0	12	9169	0	0	0
	X	89	20	15	94	1	0	12	10161	302	0	0
	XI	90	19	15	93	0	0	12	11350	363	0	0
	XII	89	18	15	92	1	0	9	12571	359	0	0
2010	I	87	18	13	92	1	0	8	13533	362	0	0
	II	87	18	14	91	2	0	8	13701	361	0	0
	III	90	17	17	90	3	0	8	12542	374	0	0
	IV	86	17	14	89	1	0	8	12360	370	0	0
	V	85	17	14	88	3	0	8	12303	357	0	0
	VI	88	17	17	88	4	0	9	13756	360	0	0
	VII	85	17	15	88	1	0	9	12266	353	0	0
	VIII	85	12	12	85	4	0	9	13036	365	0	0
	IX	83	11	10	85	6	0	9	13060	367	0	0
	X	82	11	10	82	2	0	9	13845	381	0	0
	XI	81	11	11	81	5	0	9	15390	381	0	0
	XII	80	10	11	80	11	0	9	17554	377	0	0
2011	I	78	10	11	77	3	0	8	17385	379	0	0
	II	75	9	8	76	9	0	8	17267	442	0	0
	III	73	9	7	74	16	0	8	17181	446	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

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	5113	6221	6	542	0	0	0	0
	VI	10515	147	8235	2071	761	5420	6766	7	675	0	0	0	0
	IX	11550	207	10185	2241	633	5267	7871	7	625	0	0	0	0
2007	XII	12851	309	12317	2316	495	5990	8490	7	756	0	0	0	0
	III	12849	435	13870	2059	473	9693	6327	7	522	0	0	0	0
	VI	13798	386	16566	2232	1197	70	7830	9522	7	615	0	0	0
2008	IX	15341	374	15358	2690	1393	71	7481	8676	7	659	0	0	0
	XII	19786	536	12070	6508	830	61	7282	9437	44	654	0	0	0
	I	18482	550	12808	6876	838	65	7613	9588	42	444	0	0	0
2009	II	19184	361	13527	6979	899	79	7999	9707	42	559	0	0	0
	III	18441	383	15511	5279	928	66	7212	10423	38	755	0	0	0
	IV	18777	447	19230	2525	1011	136	7184	10556	46	1009	0	0	0
2010	V	20254	294	17734	4752	1029	137	7296	11038	62	1289	0	0	0
	VI	21009	307	17424	5278	1097	129	7969	10563	62	751	0	0	0
	VII	18849	333	19104	5764	1266	143	7460	11274	166	490	0	0	0
2011	VIII	20004	422	19222	5573	1348	145	7515	11822	167	1074	0	0	0
	IX	20427	331	18807	4897	1417	162	9033	9941	207	996	0	0	0
	X	19202	333	18405	5645	1438	172	7552	10196	210	787	0	0	0
2012	XI	20287	328	11132	6744	1495	181	8822	10109	245	613	30	0	0
	XII	22574	331	10699	6751	1504	149	8464	10794	170	455	30	0	0
2013	I	19104	324	10724	6505	1282	375	8148	9949	251	1111	0	0	27
	II	19140	332	11491	6078	1220	1063	6532	9933	257	1132	0	0	27
	III	17644	261	12019	5709	1209	675	6598	9920	188	1423	0	0	27
2014	IV	16796	615	13448	4241	1131	690	6574	10089	221	1341	0	0	27
	V	17752	305	8226	8879	1134	674	7568	7177	219	1200	0	0	27
	VI	18427	270	7180	10146	1050	569	6873	7209	236	1089	0	0	26
2015	VII	17590	281	8636	4982	985	560	7494	7690	264	1305	0	0	26
	VIII	19636	215	9044	5111	966	564	7523	9093	281	1202	0	0	26
	IX	18135	289	8745	5773	927	557	7624	8303	237	1096	0	0	26
2016	X	18211	215	8676	6453	948	533	7771	8974	233	1089	0	0	27
	XI	18394	197	8585	6607	941	571	6860	9597	250	908	0	0	26
	XII	18126	205	7499	7091	990	616	7718	9116	271	932	0	0	26
2017	I	17374	254	7766	7260	1044	490	8134	8561	297	1108	0	0	26
	II	18300	147	6280	6881	1039	479	7284	8630	273	1108	0	0	26
	III	17411	231	8980	4544	1008	507	7468	8817	219	1228	0	0	26
2018	IV	17217	154	8647	5486	960	526	9324	9487	231	958	0	0	26
	V	18776	375	6760	7394	1001	534	10305	9080	221	1453	0	0	26
	VI	18298	205	5980	8856	1003	512	9505	9277	206	1387	0	0	26
2019	VII	18233	307	5235	5043	977	500	9643	8107	206	1926	0	0	26
	VIII	20122	298	5567	5345	987	646	9356	8926	210	1528	0	0	26
	IX	20377	257	5069	6463	998	646	10023	9022	202	1428	0	0	26
2020	X	20388	303	4956	6993	1053	684	9175	9747	184	1673	0	0	26
	XI	20962	284	4830	8044	1058	631	9193	10259	57	1970	0	0	26
	XII	21180	276	3854	7510	1148	606	9885	9671	116	1288	0	0	26
2021	I	20545	248	4677	7680	1178	634	9584	9798	123	1393	0	0	26
	II	19412	242	5108	7573	1174	454	9196	9747	141	1954	0	0	26
	III	19568	106	6666	6468	1192	437	9666	10032	145	1383	0	0	26

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
- Households (Individuals and Self-employed individuals)														
XII.03		2594	4504	2751	1004	2179	0	15774	10899	815	0	0	0	0
XII.04		2565	4902	3125	2379	1820	0	16890	14529	1137	0	0	0	0
XII.05		3004	5599	4020	4152	1461	0	19276	18581	1448	0	0	0	0
2006	III	2901	6038	4693	4910	1503	0	19561	19639	1634	0	0	0	0
	VI	3219	6705	5108	5449	1554	0	20291	20103	1751	0	0	0	0
	IX	3084	6183	5648	6053	1652	0	20777	20970	2042	0	0	0	0
2007	XII	3457	6941	7370	6912	1813	0	20791	21870	2245	0	0	0	0
	III	3738	7263	8067	8712	1919	0	20758	22965	2445	0	0	0	0
	VI	4084	8897	9369	10834	2240	0	21030	23374	2933	0	0	0	0
2008	IX	4085	8935	9983	12605	2664	0	21550	24140	3247	0	0	0	0
	XII	5302	8906	10666	15528	3151	0	21210	25872	3460	0	0	0	0
	I	5278	7916	10889	16245	3193	0	21811	26737	3558	0	0	0	0
2009	II	5704	7345	10959	16453	3221	0	21358	27497	4005	0	0	0	0
	III	5848	6798	10654	16441	3301	0	21190	28296	4276	0	0	0	0
	IV	6646	7095	10539	16360	3308	0	21545	29347	4400	0	0	0	0
2010	V	6888	6761	10528	16277	3442	0	21483	30055	4493	0	0	0	0
	VI	7443	6641	10583	16449	3614	0	21623	30614	4810	0	0	0	0
	VII	7925	6332	10510	16535	3777	0	21779	31927	5145	0	0	0	0
2011	VIII	7187	5936	10593	16669	3841	0	21596	33689	5362	0	0	0	0
	IX	8037	5958	10564	16900	4001	0	21448	34795	5710	0	0	0	0
	X	8213	5990	10161	16608	4494	0	20423	34426	6573	0	0	0	0
2012	XI	7792	5814	9967	16474	4829	0	19588	34631	7233	0	0	0	0
	XII	8753	5475	9296	16243	4697	0	19572	35780	8025	0	0	0	0
	I	9830	3411	8995	15703	4799	185	18634	37572	7441	1167	0	0	8
2013	II	9664	3169	8751	15084	4872	211	18578	39495	7857	1163	0	0	8
	III	9549	2894	7571	13948	4845	199	18798	41870	8190	1133	0	0	10
	IV	10477	3183	7017	13323	4860	234	19454	43330	8494	1142	0	0	10
2014	V	10175	3034	6845	13073	4950	262	19492	44021	8745	1125	0	0	2
	VI	9923	2987	7022	12563	4919	282	19770	44875	9163	1116	0	0	4
	VII	10316	2897	7198	12387	4775	303	20177	45775	9623	1215	0	0	4
2015	VIII	10101	2744	7281	12375	4692	349	20288	46327	9825	1337	0	0	4
	IX	10179	2668	7662	12481	4809	335	20319	46811	10148	1373	0	0	6
	X	11058	2868	7967	12680	5076	358	19871	47062	10696	1387	0	0	6
2016	XI	10998	2790	8234	12825	5522	355	19528	47085	11692	1380	0	0	6
	XII	12631	2708	8575	13006	6102	317	19518	47398	12679	1481	0	0	10
	I	11943	2739	9010	13711	6374	318	19465	48340	12961	1509	0	0	10
2017	II	12142	2685	9463	14259	6612	334	19686	48688	13048	1589	0	0	10
	III	12725	2731	9820	14845	7118	338	19571	48434	13552	1557	0	0	12
	IV	12804	2906	9969	15482	7520	355	19037	48425	14040	1556	0	0	11
2018	V	13162	2828	10227	15880	7870	360	18776	48466	14148	1562	0	0	3
	VI	12787	2894	10590	16553	8124	369	18906	48621	14202	1602	0	0	5
	VII	13039	2748	10675	17011	8579	395	18643	48410	14246	1566	0	0	5
2019	VIII	12514	2619	10709	17504	8931	414	18817	48985	14557	1567	0	0	5
	IX	12597	2550	10707	17960	9220	430	18473	49202	14674	1554	0	0	6
	X	12859	2706	10738	18521	9606	443	18141	49682	14964	1535	0	0	6
2020	XI	13101	2624	10665	19105	10459	443	17996	50376	15517	1564	0	0	6
	XII	14981	2582	10628	19415	11697	434	18072	50589	16224	1463	0	0	9
	I	13634	2603	10809	19610	12277	476	17935	51021	16382	1503	0	0	9
2021	II	13960	2576	10920	20078	12593	493	17788	51495	16633	1565	0	0	9
	III	13879	2545	10658	20150	12924	529	17934	51861	16927	1595	0	0	10

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				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	III	1535	0	345	206	32	0	239	0	0	0	0	38	0
	VI	1596	0	475	241	94	0	240	2	0	0	0	38	0
	IX	1683	0	263	256	135	0	347	0	0	0	0	38	0
2007	XII	1776	0	274	303	174	0	304	0	0	0	0	44	0
	III	1818	0	249	329	216	0	279	0	0	0	0	42	0
	VI	2007	0	220	372	310	0	282	0	0	0	0	50	0
2008	IX	2275	0	211	398	358	0	310	0	0	0	0	49	0
	XII	2254	0	966	419	630	0	297	0	0	0	0	47	346
	I	2230	0	979	398	715	0	279	0	0	0	0	47	344
2009	II	2188	0	965	428	787	0	258	0	0	0	0	47	343
	III	2092	0	961	435	856	0	264	0	0	0	0	61	0
	IV	2152	0	545	400	948	0	228	0	0	0	0	61	0
2010	V	2222	0	519	385	1161	0	228	0	0	0	0	61	0
	VI	2323	0	504	399	1214	0	265	0	0	0	0	58	0
	VII	2160	0	284	445	1213	0	257	0	0	0	0	58	0
2011	VIII	2281	0	288	443	1283	0	340	0	0	0	0	58	0
	IX	2261	0	345	445	1377	0	378	0	0	0	0	55	0
	X	2181	0	314	446	1523	0	373	0	0	0	0	64	0
2012	XI	2343	0	326	449	1541	0	360	0	0	10	0	64	0
	XII	2397	0	309	480	1640	0	546	26	0	10	0	102	0
2013	I	1929	145	1586	1990	1577	21	528	464	166	3	0	422	77
	II	1896	113	1743	1849	1662	54	523	476	168	81	0	420	78
	III	2010	116	1391	1648	1743	61	492	503	179	3	0	368	0
2014	IV	1781	42	1421	1802	1747	70	470	529	180	10	0	370	1
	V	1819	56	1534	1884	1725	49	616	529	182	10	0	376	1
	VI	1932	191	1790	1970	1706	46	452	638	181	21	0	357	0
2015	VII	1695	45	1736	1954	1714	45	414	622	183	21	0	369	0
	VIII	1806	58	1754	2062	1699	42	431	635	185	19	0	348	1
	IX	1760	57	1743	2641	1968	46	365	650	187	9	0	340	0
2016	X	1854	31	1821	2694	2116	57	339	701	194	13	0	399	0
	XI	1870	144	2006	2750	2173	61	414	705	196	9	0	389	1
	XII	1791	24	1840	3158	2332	64	529	683	179	10	0	380	0
2017	I	1834	29	1753	3138	2452	65	486	698	174	13	0	380	0
	II	1801	40	1784	3182	2590	69	479	707	176	11	0	383	1
	III	1836	132	1550	3336	2724	62	786	715	176	11	0	361	0
2018	IV	1850	59	1225	3796	2926	55	450	655	172	10	0	359	0
	V	2038	48	1099	3893	2893	50	439	656	177	10	0	344	1
	VI	2296	36	1038	3836	2766	54	476	648	176	10	0	328	0
2019	VII	2427	8	1246	3953	2533	48	574	676	181	13	0	383	0
	VIII	2562	14	1342	4014	2592	47	508	689	183	13	0	370	0
	IX	2570	20	1287	3969	2562	62	483	655	185	13	0	351	0
2020	X	2126	20	1313	4138	2786	59	427	679	157	13	0	355	0
	XI	2029	19	1241	4335	2805	58	727	693	158	13	0	362	0
	XII	1835	20	1098	4146	2938	61	626	687	160	13	0	401	2
2021	I	2162	5	1050	4095	2927	50	497	679	155	11	0	407	3
	II	2194	40	1099	4079	3011	49	494	663	156	11	0	397	2
	III	2104	59	1020	3920	3089	67	478	640	165	11	0	398	2

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				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
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	III	786	129	502	21	48	0	0	0	0	0	0	725	0
	VI	1147	132	433	64	48	0	0	0	0	0	0	719	0
	IX	1123	132	434	25	49	0	1	0	0	0	0	700	0
	XII	1079	162	362	20	49	0	1	0	0	0	0	1029	0
2007	III	1366	164	351	35	50	0	1	0	0	0	0	1029	0
	VI	878	166	444	32	50	0	0	0	0	0	0	1029	0
	IX	887	169	389	65	51	0	0	0	0	0	0	972	0
	XII	723	176	323	24	113	0	1	0	0	0	0	920	0
2008	I	898	176	776	50	113	0	2	0	0	0	0	895	0
	II	888	177	773	34	113	0	2	0	0	0	0	909	0
	III	856	178	686	42	113	0	1	0	0	0	0	1111	0
	IV	758	178	764	24	103	0	1	0	0	0	0	1161	0
	V	735	179	739	30	104	0	0	0	0	0	0	1243	0
	VI	741	186	1009	23	97	0	1	0	0	0	0	1290	0
	VII	1917	133	814	131	97	0	1	0	0	0	0	1339	0
	VIII	843	8	796	25	97	0	1	0	0	0	0	1410	0
	IX	656	8	851	21	97	0	1	0	0	0	0	1426	0
	X	771	8	771	29	89	0	1	0	0	0	0	1439	0
	XI	668	8	879	25	89	0	2	0	0	0	0	1491	0
	XII	1251	8	854	40	90	0	2	0	0	0	0	1487	0
2009	I	1018	1	93	12	61	45	8	0	41	0	0	1455	581
	II	1018	1	94	11	61	26	8	0	8	0	0	1498	707
	III	959	1	88	82	61	26	5	0	0	0	0	1652	1108
	IV	1048	1	88	82	61	18	8	0	0	0	0	1624	1112
	V	903	2	89	117	61	11	8	0	0	0	0	1630	1081
	VI	1034	1	90	117	61	6	6	0	0	0	0	1696	1024
	VII	1037	1	130	158	0	4	5	0	0	0	0	1652	1019
	VIII	1645	2	125	158	0	2	7	0	0	0	0	1676	1021
	IX	1669	2	118	158	0	1	6	0	0	0	0	1815	954
	X	1091	2	113	158	0	2	4	0	0	0	0	1801	955
	XI	932	2	88	142	0	4	5	0	0	0	0	1863	928
	XII	992	2	88	142	0	2	5	0	0	0	0	1958	870
2010	I	1013	2	88	142	0	11	6	0	0	0	0	1920	868
	II	888	52	38	142	0	2	7	0	0	0	0	1954	871
	III	918	2	109	142	0	4	6	0	0	0	0	1971	814
	IV	1051	2	109	142	0	3	6	0	0	0	0	1903	816
	V	908	2	109	132	0	3	6	0	0	0	0	1935	789
	VI	929	2	37	132	0	4	5	0	0	0	0	1970	752
	VII	686	2	72	91	0	2	5	0	0	0	0	1035	746
	VIII	661	2	71	91	0	2	7	0	0	0	0	1041	748
	IX	905	2	72	91	0	2	5	0	0	0	0	1051	685
	X	861	2	72	91	0	13	4	0	0	0	0	1019	685
	XI	954	2	69	91	0	2	201	0	0	0	0	1028	658
	XII	949	2	97	107	0	2	164	0	0	0	0	1038	635
2011	I	952	3	37	106	0	2	114	0	0	0	0	1007	630
	II	928	3	38	167	0	2	107	0	0	0	0	1012	630
	III	888	3	37	167	0	1	103	0	0	0	0	1023	575

Table 14

REPORT ON WEIGHTED INTEREST RATES ON DEPOSITS AND BORROWINGS^{1,2)}

	2005	2006	2007	2008												2009											
	XII	XII	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
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	10.3
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
<i>Interest rates on short-term credits without FX clause</i>	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	10.0
- 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	9.9
- 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	14.3
<i>Interest rates on long-term credits without FX clause</i>	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	12.6	12.6	12.5
- 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	9.8	9.8
- 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	14.6	14.6
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
<i>Interest rates on short-term credits with FX clause</i>	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	9.0	8.9
- 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
- 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
<i>Interest rates on long-term credits with FX clause</i>	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
- 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
- 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	9.0
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
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
<i>Interest rates on Denar deposits without FX clause on enterprises</i>	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	6.4	6.5	6.6	6.8	7.0	7.0	7.2	7.2	7.1
- 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
- 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
- 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	9.0	9.1	9.1
<i>Interest rates on Denar deposits without FX clause on households</i>	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
- 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	1.0	1.1
- 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	9.1
- 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
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
<i>Interest rates on Denar deposits with FX clause on enterprises</i>	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	3.5
- 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	3.5
- 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
<i>Interest rates on Denar deposits with FX clause on households</i>		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
- 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
- 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	9.9	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

Table 14

REPORT ON WEIGHTED INTEREST RATES ON DEPOSITS AND BORROWINGS^{1,2)}

	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	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
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	7.6	7.5	7.6	7.6
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	7.3	7.2	7.2	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
- 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	7.5	7.7
- 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	
<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
- 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
- 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	3.1	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	7.8	7.7	7.6	7.6	7.6	7.7	7.6	
<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
- 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
- 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	6.5	
<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	10.2
- 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	10.2	10.2	10.2
- 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. 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
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
- 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	0.6	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	0.4
- 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	0.4	0.3	0.3	0.3	0.4
- 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	0.4	
- 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
- 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
- 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
- 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
- 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
- in USA Dollars												2.5	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
- 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
- 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
- in USA Dolars	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
- 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
- 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
- in USA Dollars	1.7	2.3	2.4	2.4	2.4	2.4	2.2	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	2.2	2.2	2.2
- 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
- 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	5.4	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

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

Table 14

REPORT ON WEIGHTED INTEREST RATES ON DEPOS

(in % on annual level)

	I.10	II.10	III.10	IV.10	V.10	VI.10	VII.10	VIII.10	IX.10	X.10	XI.10	XII.10	I.10	II.10	III.10
A. DENAR INTEREST RATES															
1. INTEREST RATES ON DENAR CREDITS	10.2	10.0	9.8	9.8	9.6	9.6	9.2	9.2	9.2	9.1	9.1	9.0	9.0	9.0	8.9
1.1. Interest rates on credits without FX clause	11.5	11.5	11.3	11.3	11.0	10.9	10.3	10.2	10.2	10.1	10.1	10.0	9.8	9.7	9.7
<i>Interest rates on short-term credits without FX clause</i>	9.9	9.9	9.7	9.7	9.3	9.2	9.2	9.2	9.1	9.0	8.9	8.9	8.8	8.8	8.7
- on short-term credits on enterprises	9.8	9.8	9.7	9.6	9.2	9.2	9.2	9.1	9.1	8.9	8.9	8.9	8.8	8.8	8.7
- on short-term credits on households	14.4	14.6	14.0	14.0	13.7	13.4	11.7	11.7	11.7	11.7	11.5	11.2	10.8	10.6	10.5
<i>Interest rates on long-term credits without FX clause</i>	12.5	12.5	12.3	12.3	12.1	12.0	10.9	10.9	10.9	10.8	10.7	10.6	10.3	10.2	10.2
- on long-term credits on enterprises	9.7	9.7	9.5	9.5	9.1	9.1	9.0	9.0	9.0	8.8	8.8	8.7	8.8	8.7	8.7
- on long-term credits on households	14.5	14.5	14.3	14.3	14.1	13.9	12.1	12.1	12.1	12.0	12.0	11.9	11.3	11.3	11.2
1.2. Interest rates on credits with FX clause	9.2	8.9	8.7	8.7	8.5	8.5	8.3	8.3	8.3	8.3	8.2	8.2	8.3	8.3	8.3
<i>Interest rates on short-term credits with FX clause</i>	8.8	8.7	8.7	8.6	8.5	8.4	8.4	8.3	8.3	8.3	8.2	8.3	8.3	8.2	8.1
- on short-term credits on enterprises	8.9	8.7	8.7	8.6	8.5	8.4	8.4	8.3	8.3	8.3	8.2	8.3	8.3	8.3	8.1
- on short-term credits on households	8.2	7.7	7.8	7.7	7.8	7.8	7.5	7.8	7.9	7.8	7.7	7.4	7.6	7.8	7.6
<i>Interest rates on long-term credits with FX clause</i>	9.2	8.9	8.7	8.7	8.6	8.5	8.3	8.3	8.3	8.2	8.2	8.2	8.3	8.3	8.3
- on long-term credits on enterprises	9.5	9.5	9.4	9.4	9.2	9.2	9.1	9.1	9.1	9.0	9.0	8.9	8.9	8.8	8.8
- on long-term credits on households	8.9	8.4	8.0	8.0	8.0	7.9	7.6	7.5	7.6	7.5	7.5	7.5	7.9	7.9	7.9
2. INTEREST RATES ON DENAR DEPOSITS	7.3	7.5	7.5	7.4	7.1	7.0	7.1	7.0	6.8	6.7	6.7	6.7	6.4	6.3	6.0
2.1. Interest rates on Denar deposits without FX clause	8.0	8.0	8.0	7.9	7.6	7.5	7.3	7.2	7.1	7.0	7.0	7.0	6.7	6.6	6.2
<i>Interest rates on Denar deposits without FX clause on enterprises</i>	6.2	6.5	6.5	6.3	5.9	5.8	5.8	5.6	5.4	5.3	5.3	5.4	5.2	5.2	5.0
- on sight deposits	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.0	0.1	0.3	0.2
- on short-term deposits	6.0	6.2	6.2	6.1	5.6	5.5	5.6	5.4	5.2	5.0	5.0	5.1	4.9	4.9	4.7
- on long-term deposits	9.1	9.1	9.0	8.9	8.8	8.8	8.6	8.6	8.5	8.5	8.4	8.2	8.1	7.9	7.8
<i>Interest rates on Denar deposits without FX clause on households</i>	8.5	8.4	8.4	8.3	8.0	8.0	7.7	7.7	7.5	7.4	7.4	7.3	7.0	6.9	6.5
- on sight deposits	0.8	0.7	0.9	0.7	0.4	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
- on short-term deposits	8.9	8.7	8.6	8.4	8.0	8.0	7.6	7.6	7.3	7.3	7.3	7.1	6.7	6.6	6.1
- on long-term deposits	10.7	10.5	10.8	10.8	10.7	10.6	10.2	10.1	10.1	9.9	9.7	9.6	9.3	9.2	8.8
2.2. Interest rates on Denar credits with FX clause	3.1	3.9	3.7	3.8	3.6	3.2	2.6	2.6	2.5	2.5	2.4	2.6	2.6	2.5	2.4
<i>Interest rates on Denar deposits with FX clause on enterprises</i>	3.0	3.8	3.7	3.8	3.6	3.2	2.6	2.6	2.5	2.5	2.4	2.6	2.5	2.5	2.4
- on short-term deposits	3.0	3.8	3.7	3.8	3.5	3.1	2.4	2.5	2.4	2.4	2.4	2.5	2.5	2.4	2.3
- on long-term deposits	7.1	7.1	7.1	7.1	6.9	6.9	6.9	6.9	6.9	6.9	7.0	7.6	7.6	7.6	7.6
<i>Interest rates on Denar deposits with FX clause on households</i>	7.6	7.6	9.6	9.6	9.6	9.6	9.6	9.8	9.8	9.8	9.8	9.8	9.8	9.8	4.3
- on short-term deposits	7.5	7.5	5.3	5.3	5.3	5.3	5.3	5.4	5.3	5.3	5.3	5.3	5.3	5.3	4.3
- on long-term deposits	9.7	9.7	9.7	9.7	9.7	9.7	9.7	10.0	10.0	10.0	10.0	10.0	10.0	10.0	

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accor

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

Table 14

REPORT ON WEIGHTED INTEREST RATES ON DEPOS

(in % on annual level)

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

1) Revised data: Starting with Quarterly Report with Q1.2009 the data are revised in accor

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

Table 15

INTEREST RATES OF THE NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

(in %)

Period	Discount rate	Reference rate for calculating the penalty interest rate	Lending interest rates - creating liquidity		Deposit interest rates - withdrawing liquidity	
			Over night credits-Lombard credit	Auction repo-transactions	CB bills - basic maturity*	
					volume tender	interest rate tender
2003.XII	6.5		14.0			6.2
2004.XII	6.5		13.0		10.0	
2005.XII	6.5		13.0			8.5
2006.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	7.0	8.5		7.00	
II	6.5	7.0	8.5		7.00	
III	6.5	7.0	8.5		7.00	
IV	6.5	7.0	10.5		9.00	
V	6.5	7.0	10.5		9.00	
VI	6.5	7.0	10.5		9.00	
VII	6.5	9.0	10.5		9.00	
VIII	6.5	9.0	10.5		9.00	
IX	6.5	9.0	10.5		9.00	
X	6.5	9.0	10.5		9.00	
XI	6.5	9.0	10.5		9.00	
XII	6.5	9.0	10.0		8.50	
2010.I	6.5	8.5	9.5		8.00	
II		8.5	9.0		7.61	
III		8.5	9.0		7.26	
IV		8.5	8.0		6.50	
V		8.5	7.5		6.24	
VI		8.5	6.5		5.46	
VII		5.0	6.5		5.00	
VIII		5.0	6.0		4.68	
IX		5.0	6.0		4.50	
X		5.0	6.0		4.50	
XI		5.0	6.0		4.50	
XII		5.0	5.5		4.11	
2011.I		4.0	5.5		4.00	
II		4.0	5.5		4.00	
III		4.0	5.5		4.00	

* 28 days

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
IV	10.0	20.0	13.0	23.00	14,164	14,348	184	101.3	2.0		12,459	0.1	2.5	14	2.0
V	10.0	20.0	13.0	23.00	14,439	14,559	120	100.8	2.0		12,418	0.1	2.5	14	2.0
VI	10.0	20.0	13.0	23.00	14,843	15,152	309	102.8	2.0		12,693	0.1	2.5	14	2.0
VII	10.0	20.0	13.0	23.00	15,034	15,415	381	102.5	2.0		12,696	0.1	2.5	14	2.0
VIII	10.0	20.0	13.0	23.00	14,518	15,035	517	103.6	2.0		12,876	0.1	2.5	14	2.0
IX	10.0	20.0	13.0	23.00	14,420	14,887	467	103.2	2.0		13,030	0.1	2.5	15	2.0
X	10.0	20.0	13.0	23.00	14,572	14,919	347	102.4	2.0		12,942	0.1	2.5	15	2.0
XI	10.0	20.0	13.0	23.00	14,878	15,072	194	101.3	2.0		12,938	0.1	2.5	16	2.0
XII	10.0	20.0	13.0	23.00	15,284	15,595	311	102.0	2.0		13,170	0.1	2.5	17	2.0
2011.I	10.00	20.00	13.00	23.00	15,484	15,785	301	101.9	2.0		13,395	0.1	2.5	17	2.0
II	10.00	20.00	13.00	23.00	15,637	15,915	278	101.8	2.0		13,489	0.1	2.5	17	2.0
III	10.00	20.00	13.00	23.00	15,703	16,040	337	102.2	2.0		13,517	0.1	2.5	17	2

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			
IV									4.99			
V									4.99			
VI									4.99			
VII									4.70			
VIII			5.00						4.70			
IX			4.70						4.40			
X			4.70						4.40			
XI		4.50	4.50						4.30			
XII		4.46							4.30			
2011.I			4.30						4.15			
II		4.20							4.10			
III		4.20	4.30					4.10	4.10			

Table 18
REPUBLIC OF MACEDONIA: BALANCE OF PAYMENTS
SUMMARY / 1

In USD Million

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
I. Current Account	-82.5	-262.9	-298.9	-339.8	-286.5	-280.1	-65.6	-103.1	-235.4	-378.8	-185.5	-451.6	-159.3	-28.5	-605.7	-1235.8	-598.8	-261.8
GOODS, net	42.8	-184.9	-222.8	-314.7	-386.3	-515.6	-495.9	-690.8	-526.7	-805.6	-851.0	-1139.0	-1063.0	-1260.5	-1638.5	-2589.9	-2157.1	-1945.4
Exports, f.o.b.	1055.3	1086.3	1204.0	1147.4	1236.8	1291.5	1190.0	1320.7	1155.4	1112.1	1362.7	1674.9	2040.6	2410.7	3391.5	3983.3	2685.5	3295.6
Imports, f.o.b. /2	-1012.5	-1271.3	-1426.8	-1462.1	-1623.1	-1807.1	-1685.9	-2011.6	-1682.2	-1917.7	-2213.7	-2813.8	-3103.6	-3671.2	-5030.0	-6573.2	-4842.5	-5241.0
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	10.8	40.1	78.3
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	1011.5	862.8	915.9
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	-1000.7	-822.7	-837.6
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	-82.4	-198.0
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	178.2	190.8
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	-260.6	-388.8
CURRENT TRANSFERS, net	85.8	123.7	163.9	182.3	292.0	348.9	463.6	609.0	337.8	494.4	735.9	779.7	1052.2	1237.1	1383.4	1458.0	1600.5	1803.3
Inflow	115.0	197.0	293.5	341.3	433.3	541.4	618.4	782.1	720.6	655.0	910.4	1028.8	1237.7	1437.2	1744.8	1528.0	1666.9	1866.7
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	-70.0	-66.4	-63.4
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	1233.9	563.9	264.2
CAPITAL ACCOUNT, net	0.0	30.0	1.7	0.0	0.0	-1.8	0.0	0.3	1.4	8.3	-6.7	-4.6	-2.0	-1.1	4.9	-17.6	28.6	12.0
FINANCIAL ACCOUNT, net	-12.9	132.3	278.9	318.2	349.6	298.1	-91.4	39.9	235.2	379.7	225.0	438.7	167.5	24.1	642.9	1251.4	535.2	252.2
Direct investment, net	0.0	24.0	9.5	11.2	58.0	150.5	88.1	215.7	446.3	105.5	117.5	321.9	94.2	424.0	700.2	600.5	185.5	293.8
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	197.1	295.8
Outward direct investment	0.0	0.0	0.0	0.0	-0.1	0.0	-0.3	0.6	-0.9	-0.1	-0.3	-1.2	-2.8	-0.2	1.1	13.5	-11.6	-2.0
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	-72.5	147.2	-83.4
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	-1.1	-51.3	-29.0
Liabilities	0.0	0.0	1.3	0.8	-0.4	-0.4	0.0	-0.1	0.4	0.1	5.3	12.4	237.8	92.8	157.9	-71.4	198.5	-54.4
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	676.2	339.0	92.6
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	297.7	-144.6	-209.4
Liabilities	12.0	115.5	327.5	223.1	360.3	260.0	147.8	152.6	-25.4	-93.4	134.7	116.3	296.8	32.2	11.4	378.4	483.6	301.9
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	-50.7
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	1.9	35.0	-2.4

Source: National Bank of the Republic of Macedonia

1/ Preliminary data.

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

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

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 and 2009-3,86%

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

SUMMARY / 1, 4

In EUR Million

	2003	2004	2005	2006	2007	2008	2009	1	2	3	4	5	6	7	8	9	10	11	12	Q1	Q2	Q3	Q4	2010	1	2	3	Q1	2011
I. Current Account	-169.8	-361.8	-122.5	-23.4	-421.2	-862.2	-449.3	-44.3	-21.4	-16.1	-41.5	-7.2	-1.9	22.2	-0.3	55.4	-37.8	-17.2	-81.1	-81.8	-50.5	77.3	-136.0	-191.1	-104.3	-75.4	-24.7	-204.4	-204.4
GOODS, net	-753.0	-914.3	-858.5	-1001.5	-1181.0	-1762.5	-1551.1	-87.1	-92.5	-117.1	-156.8	-112.1	-122.8	-112.9	-146.4	-59.1	-129.8	-132.0	-198.9	-296.7	-391.8	-318.5	-460.8	-1467.7	-196.3	-148.3	-119.4	-464.0	-464.0
Exports, f.o.b.	1203.2	1345.0	1642.9	1914.0	2472.2	2692.6	1920.9	133.8	158.5	190.1	182.7	206.8	226.4	232.7	203.0	249.4	233.0	252.2	224.1	482.4	616.0	685.1	709.3	2492.8	218.7	231.9	230.6	681.2	681.2
Imports, f.o.b. /2	-1956.2	-2259.3	-2501.4	-2915.5	-3653.2	-4455.1	-3472.0	-221.0	-250.9	-307.3	-339.5	-319.0	-349.3	-345.6	-349.5	-308.5	-362.8	-384.2	-423.0	-779.2	-1007.8	-1003.6	-1170.0	-3960.6	-414.9	-380.2	-350.0	-1145.1	-1145.1
SERVICES, net	-6.0	-43.4	-24.7	22.4	25.1	5.8	28.0	1.4	0.9	3.9	3.5	6.9	11.5	7.3	6.6	-2.0	-1.6	12.1	9.4	6.2	21.9	11.9	19.8	59.9	15.7	-4.6	12.2	23.3	23.3
Inflow	335.3	363.7	416.2	477.3	594.5	688.1	618.3	39.6	44.2	50.6	51.6	55.0	65.8	63.6	65.6	59.0	56.2	64.9	76.8	134.5	172.4	188.1	198.0	692.9	61.2	50.3	68.7	180.2	180.2
Outflow	-341.4	-407.1	-440.8	-455.0	-569.4	-682.3	-590.3	-38.2	-43.3	-46.7	-48.1	-48.1	-54.3	-56.3	-59.0	-60.9	-57.8	-52.9	-67.5	-128.2	-150.5	-176.2	-178.1	-633.0	-45.5	-54.9	-56.5	-156.9	-156.9
INCOME, net	-56.9	-32.3	-92.6	-26.1	-277.7	-90.9	-58.5	-31.4	-11.2	-7.5	-8.2	-10.2	-10.3	-22.0	-6.4	-7.4	-8.9	-7.6	-17.9	-50.2	-28.7	-35.8	-34.4	-149.2	-19.7	-5.2	-4.9	-29.8	-29.8
Inflow	53.2	67.9	79.0	107.2	155.2	185.2	128.1	9.1	10.2	13.5	12.4	9.2	13.1	12.7	12.2	14.2	11.3	12.2	13.7	32.7	34.6	39.1	37.2	143.6	14.9	12.2	16.4	43.5	43.5
Outflow	-110.1	-100.2	-171.6	-133.4	-432.9	-276.1	-186.6	-40.5	-21.4	-21.0	-20.6	-19.4	-23.4	-34.6	-18.6	-21.6	-20.2	-19.8	-31.5	-82.9	-63.3	-74.9	-71.6	-292.8	-34.6	-17.4	-21.3	-73.3	-73.3
CURRENT TRANSFERS, net	646.1	628.2	853.3	981.9	1012.4	985.5	1132.3	72.8	81.4	104.7	120.0	108.3	119.7	149.8	146.0	123.8	102.6	110.4	126.4	258.9	348.1	419.6	339.4	1366.0	96.0	82.7	87.4	266.1	266.1
Inflow	679.5	664.2	887.5	1015.3	1081.3	1033.2	1180.0	75.9	84.2	108.9	124.2	110.9	124.4	153.3	149.5	128.3	107.7	116.0	130.6	269.0	359.5	431.1	354.3	1413.8	99.3	86.1	91.3	276.6	276.6
Outflow	-33.4	-36.0	-34.2	-33.4	-68.9	-47.7	-47.7	-3.1	-2.8	-4.2	-4.1	-2.7	-4.7	-3.5	-3.5	-4.5	-5.1	-5.6	-4.3	-10.1	-11.5	-11.4	-14.9	-47.9	-3.3	-3.3	-3.9	-10.6	-10.6
II. Capital and Financial Account	193.9	347.1	127.7	18.3	454.0	862.5	426.0	38.1	20.4	10.5	47.3	-2.6	1.6	-10.0	-4.8	-47.2	44.8	9.7	82.7	68.9	46.3	-62.0	137.3	190.5	112.3	80.4	43.9	236.6	236.6
CAPITAL ACCOUNT, net	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	20.2	0.1	0.3	0.4	1.2	0.7	1.3	1.5	1.1	-0.2	1.1	0.4	1.1	0.9	3.1	2.4	2.7	9.1	7.8	0.7	0.6	9.0	9.0
FINANCIAL ACCOUNT, net	199.7	350.9	129.4	19.1	450.3	874.8	405.9	37.9	20.1	10.0	46.1	-3.3	0.3	-11.5	-5.9	-47.1	43.7	9.3	81.6	68.0	43.2	-64.4	134.6	181.4	104.5	79.7	43.3	227.6	227.6
Direct investment, net	100.1	259.7	74.9	344.7	506.9	409.4	136.9	39.6	-20.8	31.4	27.2	31.4	16.8	-46.0	35.4	17.3	24.2	31.0	32.5	50.2	75.4	6.8	87.6	219.9	59.6	50.4	93.8	203.7	203.7
Inward direct investment	100.4	260.7	77.2	344.8	506.0	399.9	145.0	39.8	-20.3	31.4	27.4	31.4	17.5	-46.7	35.5	17.3	24.2	31.0	32.8	50.9	76.3	6.2	88.0	221.4	-0.3	-0.2	0.2	-0.3	-0.3
Outward direct investment	-0.3	-0.9	-2.3	-0.1	0.9	9.5	-8.1	-0.2	-0.5	-0.1	-0.2	0.0	-0.7	0.7	-0.1	0.0	0.0	-0.1	-0.3	-0.8	-0.9	0.6	-0.4	-1.4	59.9	50.6	93.6	204.1	204.1
Portfolio investment, net	5.1	8.6	200.8	72.7	114.1	-50.6	104.0	-1.6	-2.5	3.6	-4.2	-3.3	-12.0	-2.9	-3.2	-6.7	-8.9	-7.2	-14.5	-0.5	-19.6	-12.8	-30.7	-63.6	-2.5	8.0	-3.2	2.2	2.2
Assets	0.3	-0.8	0.7	-0.4	-2.0	-0.5	-37.6	0.0	-0.3	-0.2	-3.9	-1.3	-1.1	-2.3	-1.2	-2.8	-2.8	-2.6	-3.4	-0.5	-6.3	-6.3	-8.8	-21.9	-1.3	-3.0	-2.3	-6.6	-6.6
Liabilities	4.8	9.3	200.1	73.1	116.1	-50.1	141.7	-1.6	-2.2	3.9	-0.3	-2.0	-10.9	-0.6	-2.0	-3.9	-6.1	-4.6	-11.1	0.0	-13.2	-6.5	-21.9	-41.6	-1.2	11.0	-0.9	8.9	8.9
Other investment, net	133.1	98.5	201.6	-100.7	-68.9	464.4	234.3	18.0	28.5	-39.2	43.9	-24.0	10.0	9.4	16.1	-75.3	3.7	-14.7	89.6	7.3	29.9	-49.8	78.7	66.1	62.9	6.2	155.0	224.1	224.1
Assets	14.1	7.3	-39.8	-117.6	-61.5	207.4	-107.1	53.4	20.1	-1.8	-42.1	-72.4	20.1	-29.2	32.5	-20.1	-23.9	-43.5	-55.6	71.7	-94.3	-16.8	-123.0	-162.4	28.2	-8.5	-25.4	-5.6	-5.6
Liabilities	119.1	91.2	241.4	17.0	-7.5	256.9	341.4	-35.5	8.4	-37.4	86.0	48.4	-10.1	38.6	-16.4	-55.2	27.6	28.9	145.2	-64.4	124.2	-33.0	201.7	228.5	34.7	14.7	180.4	229.7	229.7
Gross official reserves (- = increase) /3	-38.6	-15.9	-347.9	-297.6	-101.8	51.6	-69.4	-18.1	14.9	14.2	-20.8	-7.4	-14.4	28.0	-54.2	17.6	24.7	0.3	-26.0	11.0	-42.6	-8.5	-1.0	-41.1	-15.5	15.2	-202.2	-202.4	-202.4
III. Errors and Omissions	-24.1	14.7	-5.3	5.1	-32.8	-0.3	23.2	6.3	1.0	5.6	-5.8	9.8	0.3	-12.2	5.1	-8.2	-7.1	7.4	-1.7	12.9	4.2	-15.3	-1.3	0.5	-8.0	-5.0	-19.2	-32.2	-32.2

Source: National Bank of the Republic of Macedonia

1/ Preliminary data.

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

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

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

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

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

Table 20
REPUBLIC OF MACEDONIA: BALANCE OF PAYMENTS
SERVICES

In EUR Million

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	1	2	3	Q1	2011
Services, net	-6.0	-43.4	-24.7	22.4	25.1	5.8	-1.0	-1.2	23.3	7.0	28.0	6.2	21.9	11.9	19.8	59.9	15.7	-4.6	12.2	23.3	23.3
- Credit	335.3	363.7	416.2	477.3	594.5	688.1	141.7	148.3	163.4	164.9	618.3	134.5	172.4	188.1	198.0	692.9	61.2	50.3	68.7	180.2	180.2
- Debit	-341.4	-407.1	-440.8	-455.0	-569.4	-682.3	-142.7	-149.6	-140.2	-157.9	-590.3	-128.2	-150.5	-176.2	-178.1	-633.0	-45.5	-54.9	-56.5	-156.9	-156.9
1. Transportation	-32.8	-52.8	-45.3	-33.9	-43.3	-47.6	-6.7	-14.2	-3.0	-14.2	-38.1	-7.0	-6.0	-2.8	-4.6	-20.4	0.1	-0.4	1.6	1.3	1.3
- Credit	110.9	115.2	129.3	148.1	183.9	222.8	41.5	42.1	46.7	50.1	180.4	42.8	52.0	59.0	64.2	218.0	20.5	18.6	23.0	62.1	62.1
- Debit	-143.7	-168.0	-174.6	-182.0	-227.2	-270.4	-48.2	-56.3	-49.7	-64.3	-218.5	-49.8	-58.0	-61.8	-68.8	-238.4	-20.4	-19.0	-21.4	-60.8	-60.8
2. Travel	7.6	14.0	22.4	46.3	61.0	62.7	17.6	17.1	28.9	20.4	84.0	14.2	18.0	26.6	20.9	79.6	7.8	4.6	5.6	18.0	18.0
- Credit	49.9	57.9	72.3	102.4	134.9	155.2	36.9	35.1	48.4	35.7	156.2	26.7	36.0	51.0	35.9	149.6	12.3	8.7	10.8	31.8	31.8
- Debit	-42.3	-43.9	-49.9	-56.2	-73.9	-92.4	-19.3	-18.0	-19.6	-15.3	-72.2	-12.5	-18.1	-24.3	-15.0	-69.9	-4.4	-4.1	-5.2	-13.8	-13.8
3. Other services	19.1	-4.6	-1.8	10.0	7.4	-9.3	-11.9	-4.2	-2.6	0.7	-17.9	-1.0	9.9	-11.9	3.6	0.6	7.7	-8.7	5.0	4.0	4.0
- Credit	174.5	190.7	214.5	226.8	275.7	310.2	63.3	71.1	68.3	79.0	281.7	65.0	84.3	78.2	97.8	325.3	28.4	23.1	34.8	86.3	86.3
- Debit	-155.4	-195.2	-216.3	-216.8	-268.3	-319.5	-75.2	-75.3	-70.9	-78.3	-299.6	-65.9	-74.4	-90.1	-94.3	-324.7	-20.7	-31.8	-29.9	-82.3	-82.3
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	4.3	4.8	9.0	4.9	23.0	5.0	2.4	1.8	9.2	9.2
- Credit	48.7	38.6	36.2	48.5	50.9	54.6	13.0	14.7	21.5	12.7	61.9	10.2	14.0	16.7	19.1	60.0	6.5	4.7	4.2	15.5	15.5
- Debit	-17.6	-16.8	-16.6	-22.0	-23.1	-32.7	-8.1	-9.6	-15.1	-9.5	-42.3	-5.9	-9.1	-7.7	-14.2	-37.0	-1.6	-2.3	-2.4	-6.3	-6.3
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	0.2	0.2	0.0	-0.2	-0.2	-0.1	-0.1	0.1	-0.1	-0.1
- Credit	1.1	0.9	0.8	1.1	1.1	1.1	0.4	0.3	0.3	0.4	1.4	0.3	0.4	0.3	0.3	1.3	0.1	0.1	0.2	0.4	0.4
- Debit	-0.3	-0.2	-0.2	-0.6	-0.7	-0.5	-0.2	-0.3	-0.3	-0.2	-0.9	-0.1	-0.6	-0.3	-0.5	-1.5	-0.1	-0.2	-0.2	-0.5	-0.5
Telecommunications services	30.3	21.2	19.0	26.0	27.3	21.3	4.7	5.1	6.3	3.0	19.2	4.1	5.1	9.0	5.0	23.2	5.1	2.5	1.7	9.3	9.3
- Credit	47.6	37.7	35.4	47.4	49.8	53.5	12.7	14.4	21.1	12.3	60.5	9.9	13.6	16.4	18.8	58.6	6.5	4.6	4.0	15.1	15.1
- Debit	-17.3	-16.5	-16.4	-21.4	-22.5	-32.2	-7.9	-9.3	-14.8	-9.3	-41.3	-5.8	-8.5	-7.4	-13.7	-35.4	-1.4	-2.1	-2.3	-5.8	-5.8
3.2. Construction services	32.9	43.0	40.6	36.0	53.2	34.3	-1.9	9.5	2.9	11.8	22.4	2.0	2.6	1.6	1.0	7.3	0.4	-0.2	-0.5	-0.3	-0.3
- Credit	36.5	45.4	47.8	38.3	54.9	43.3	3.0	11.5	4.8	12.5	31.8	2.6	3.5	4.0	3.8	13.9	1.2	0.3	1.1	2.6	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	-0.6	-0.9	-2.3	-2.8	-6.6	-0.8	-0.5	-1.6	-2.9	-2.9
Construction abroad	36.5	45.4	47.7	29.2	34.1	29.1	2.2	10.7	4.4	12.1	29.4	2.5	3.0	3.6	3.6	12.7	1.1	0.3	1.0	2.4	2.4
- Credit	36.5	45.4	47.7	29.2	34.1	29.1	2.2	10.7	4.4	12.1	29.4	2.5	3.0	3.6	3.6	12.7	1.1	0.3	1.0	2.4	2.4
- Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	-0.4	-0.4	-1.9	-2.6	-5.4	-0.7	-0.5	-1.5	-2.7	-2.7
- Credit	0.0	0.0	0.1	9.1	20.8	14.1	0.8	0.8	0.4	0.4	2.4	0.2	0.5	0.4	0.2	1.3	0.1	0.0	0.1	0.2	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	-0.6	-0.9	-2.3	-2.8	-6.6	-0.8	-0.5	-1.6	-2.9	-2.9
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	-3.0	-4.3	-4.2	-4.3	-15.8	0.7	-1.2	-1.2	-1.7	-1.7
- Credit	2.0	3.7	3.9	4.7	4.2	5.3	1.2	1.3	1.3	2.5	6.2	1.0	1.0	1.4	1.3	4.7	1.7	0.6	0.3	2.6	2.6
- Debit	-9.5	-10.9	-13.1	-16.5	-16.1	-17.4	-2.8	-3.9	-4.8	-3.7	-15.2	-4.0	-5.3	-5.6	-5.6	-20.5	-1.0	-1.8	-1.5	-4.3	-4.3
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	-0.4	-0.8	-0.8	-0.9	-2.8	-0.5	0.0	-0.6	-1.1	-1.1
- Credit	2.5	2.5	2.8	4.2	6.3	3.5	0.5	0.8	0.7	0.9	3.0	0.9	0.6	0.7	0.4	2.6	0.1	0.5	0.1	0.6	0.6
- Debit	-2.4	-2.7	-3.6	-2.5	-4.9	-4.6	-1.6	-0.8	-1.4	-1.0	-4.8	-1.2	-1.3	-1.4	-1.3	-5.3	-0.6	-0.4	-0.7	-1.7	-1.7
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	-1.5	-0.7	-2.5	0.9	-3.8	1.5	-3.8	1.3	-3.6	-3.6
- Credit	4.0	7.1	13.5	18.6	24.0	34.3	7.0	6.8	5.6	6.9	26.4	8.0	8.0	8.5	12.8	37.3	3.1	2.8	3.3	9.2	9.2
- Debit	-11.5	-16.7	-19.7	-31.9	-30.4	-42.7	-11.7	-7.1	-10.0	-11.9	-40.8	-9.4	-8.7	-11.0	-11.9	-41.1	-1.6	-6.6	-4.7	-12.9	-12.9
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	-2.0	-0.8	-2.8	-2.6	-8.1	-0.8	-1.4	-1.1	-3.4	-3.4
- Credit	2.0	2.5	2.5	2.1	3.4	3.9	1.0	1.7	0.9	1.0	4.5	1.3	1.9	1.2	1.0	5.2	0.3	0.3	0.2	0.8	0.8
- Debit	-6.2	-7.5	-8.3	-6.9	-13.9	-17.2	-5.3	-3.2	-2.9	-3.3	-14.6	-3.3	-2.7	-4.0	-3.5	-13.4	-1.1	-1.7	-1.4	-4.2	-4.2
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	3.8	13.7	-7.6	8.4	18.2	2.7	-2.8	9.7	9.6	9.6
- Credit	56.9	66.0	80.7	86.7	106.2	139.3	31.1	28.6	27.6	34.0	121.4	35.3	49.3	38.7	51.6	174.9	13.5	12.0	22.9	48.4	48.4
- Debit	-84.9	-115.9	-125.0	-106.4	-143.2	-158.1	-30.7	-38.7	-25.8	-37.0	-132.3	-31.5	-35.6	-46.3	-43.3	-156.7	-10.8	-14.8	-13.2	-38.8	-38.8
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	7.2	16.9	10.4	16.1	50.6	3.4	2.5	12.7	18.6	18.6
- Credit	12.9	13.8	22.5	17.8	17.7	29.2	7.0	5.1	6.1	2.4	20.6	9.9	19.7	12.5	19.1	61.1	4.1	3.1	13.5	20.7	20.7
- Debit	-4.9	-6.9	-7.4	-5.5	-15.8	-12.8	-2.9	-2.9	-3.1	-4.3	-13.2	-2.7	-2.8	-2.1	-2.9	-10.5	-0.7	-0.6	-0.8	-2.1	-2.1
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	-0.4	-0.2	0.0	-1.1	-0.6	0.0	0.0	-0.3	-0.3	-0.3
- Credit	1.1	0.8	1.7	1.0	0.7	1.4	0.4	0.3	0.4	0.3	1.3	0.4	0.4	0.4	0.3	1.5	0.1	0.2	0.1	0.4	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	-0.7	-0.6	-0.4	-0.4	-2.2	-0.1	-0.2	-0.4	-0.7	-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	-0.6	-17.7	-3.1	-3.0	-18.0	-7.7	-31.8	-0.7	-5.3	-2.7	-8.7	-8.7
- Credit	42.9	51.4	56.5	67.9	87.8	108.8	23.8	23.2	21.1	31.3	99.5	25.0	29.2	25.8	32.3	112.3	9.3	8.8	9.2	27.3	27.3
- Debit	-79.0	-107.8	-114.6	-97.4	-120.9	-140.1	-27.5	-35.4	-22.3	-32.0	-117.2	-28.1	-32.2	-43.8	-39.9	-144.0	-10.0	-14.0	-12.0	-36.0	-36.0
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	-3.8	-3.7	-7.4	-5.6	-28.0	-1.0	-3.5	-3.0	-7.5	-7.5
- Credit	4.2	6.8	11.2	16.2	16.7	22.9	5.3	5.8	6.2	6.1	23.4	5.6	6.6	6.6	9.2	28.0	2.4	2.0	2.3	6.7	6.7
- Debit	-19.8	-24.0	-28.5	-31.5	-32.2	-53.4	-12.2	-9.8	-8.2	-9.8	-39.9	-9.4	-10.3	-14.0	-14.8	-48.5	-3.5	-5.5	-5.2	-14.2	-14.2
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	1.0	0.6	-0.9	-0.8	0.0	1.0	-0.4	0.0	0.5	0.5
- Credit	9.5	10.8	12.3	15.7	19.3	23.6	6.1	5.5	4.9	5.8	22.3	5.8	5.4	5.8	5.6	22.6	2.0	1.7	1.8	5.4	5.4
- Debit	-10.5	-14.1	-14.8	-13.4	-19.5	-25.0	-4.5	-2.6	-2.4	-3.8	-13.3	-4.7	-4.8	-6.8	-6.4	-22.7	-1.0	-2.0	-1.8	-4.9	-4.9
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	-0.9	-0.1	-1.1	-0.7	-2.8	0.1	-0.1	0.1	0.1	0.1
- Credit	4.9	4.5	4.6	2.6	3.6	4.1	0.7	0.8	1.4	1.2	4.1	1.0	1.1	0.7	0.8	3.6	0.4	0.2	0.4	1.0	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	-1.9	-1.2	-1.8	-1.5	-6.4	-0.3	-0.2	-0.4	-0.9	-0.9
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												

Table 21

REPUBLIC OF MACEDONIA: BALANCE OF PAYMENTS

INCOME

In EUR Million

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	1	2	3	Q1	2011
Income, net	-56.9	-32.3	-92.6	-26.1	-277.7	-90.9	2.8	-15.8	-62.8	17.2	-58.5	-50.2	-28.7	-35.8	-34.4	-149.2	-19.7	-5.2	-4.9	-29.8	-29.8
- Credit	53.2	67.9	79.0	107.2	155.2	185.2	31.0	31.4	33.7	32.0	128.1	32.7	34.6	39.1	37.2	143.6	14.9	12.2	16.4	43.5	43.5
- Debit	-110.1	-100.2	-171.6	-133.4	-432.9	-276.1	-28.1	-47.2	-96.5	-14.8	-186.6	-82.9	-63.3	-74.9	-71.6	-292.8	-34.6	-17.4	-21.3	-73.3	-73.3
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	20.6	84.3	19.8	23.1	25.6	25.9	94.3	7.3	9.1	11.7	28.2	28.2
- Credit	24.5	41.7	46.3	54.9	77.0	95.9	20.0	23.3	22.6	21.3	87.2	20.4	23.8	26.2	26.5	96.9	7.5	9.3	11.9	28.7	28.7
- Debit	-0.5	-1.1	-1.4	-1.8	-1.8	-3.3	-0.7	-0.8	-0.7	-0.7	-2.9	-0.6	-0.6	-0.6	-0.7	-2.5	-0.2	-0.2	-0.2	-0.6	-0.6
2. Investment income	-80.9	-72.9	-137.5	-79.2	-352.8	-183.5	-16.4	-38.3	-84.7	-3.3	-142.8	-70.0	-51.9	-61.4	-60.3	-243.5	-27.0	-14.3	-16.6	-58.0	-58.0
- Credit	28.7	26.2	32.7	52.4	78.2	89.3	11.0	8.1	11.1	10.7	40.9	12.3	10.8	12.9	10.6	46.7	7.4	2.9	4.5	14.8	14.8
- Debit	-109.6	-99.1	-170.2	-131.6	-431.0	-272.8	-27.4	-46.4	-95.8	-14.1	-183.7	-82.3	-62.7	-74.3	-70.9	-290.2	-34.4	-17.2	-21.1	-72.7	-72.7
2.1. Direct investment	-56.0	-55.4	-114.2	-45.9	-337.7	-181.9	-2.7	-28.3	-77.0	10.8	-97.2	-44.8	-44.8	-44.4	-44.5	-178.4	-15.0	-15.0	-14.8	-44.8	-44.8
- Credit	0.8	0.3	0.5	0.4	1.8	2.3	0.1	0.1	1.2	0.3	1.7	0.2	0.2	0.6	0.5	1.6	0.0	0.0	0.2	0.2	0.2
- Debit	-56.8	-55.8	-114.6	-46.4	-339.5	-184.2	-2.7	-28.4	-78.2	10.4	-98.9	-45.0	-45.0	-45.0	-45.0	-180.0	-15.0	-15.0	-15.0	-45.0	-45.0
2.1.1. Income on equity	-56.0	-55.4	-114.2	-45.9	-337.7	-181.9	-2.7	-28.3	-77.0	10.8	-97.2	-44.8	-44.8	-44.4	-44.5	-178.4	-15.0	-15.0	-14.8	-44.8	-44.8
- Credit	0.8	0.3	0.5	0.4	1.8	2.3	0.1	0.1	1.2	0.3	1.7	0.2	0.2	0.6	0.5	1.6	0.0	0.0	0.2	0.2	0.2
- Debit	-56.8	-55.8	-114.6	-46.4	-339.5	-184.2	-2.7	-28.4	-78.2	10.4	-98.9	-45.0	-45.0	-45.0	-45.0	-180.0	-15.0	-15.0	-15.0	-45.0	-45.0
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	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	10.5	9.1	-3.6	3.5	19.4	7.0	2.3	2.8	12.1	12.1
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	10.5	9.5	10.0	8.8	38.9	7.0	2.3	2.8	12.1	12.1
- 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	-0.5	-13.7	-5.3	-19.5	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2. Income on debt (interest)	4.6	1.7	0.3	-5.3	2.9	44.7	8.4	6.5	8.4	3.9	27.1	10.5	9.1	-3.6	3.5	19.4	7.0	2.3	2.8	12.1	12.1
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	10.5	9.5	10.0	8.8	38.9	7.0	2.3	2.8	12.1	12.1
- 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	-0.5	-13.7	-5.3	-19.5	0.0	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	10.5	9.1	-3.6	3.5	19.4	7.0	2.3	2.8	12.1	12.1
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	10.5	9.5	10.0	8.8	38.9	7.0	2.3	2.8	12.1	12.1
- 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	-0.5	-13.7	-5.3	-19.5	0.0	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	10.4	9.5	9.7	8.8	38.4	7.0	2.3	2.6	12.0	12.0
- Credit	4.8	2.2	0.9	2.3	9.4	52.1	8.4	6.7	8.5	9.2	32.8	10.4	9.5	9.7	8.8	38.4	7.0	2.3	2.6	12.0	12.0
- 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	-0.5	-13.7	-4.9	-19.1	0.0	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	-0.5	-13.7	-4.9	-19.1	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	0.1	0.0	0.0	-0.4	-0.2	0.0	0.0	0.0	0.0	0.0
- Credit												0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
- Debit												0.0	0.0	0.0	-0.4	-0.4	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	0.3	0.1	0.4	0.0	0.0	0.1	0.1	0.1
- Credit												0.0	0.0	0.3	0.1	0.4	0.0	0.0	0.1	0.1	0.1
- Debit																	0.0	0.0	0.0	0.0	0.0
Money-market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	-35.7	-16.2	-13.3	-19.4	-84.5	-19.0	-1.7	-4.5	-25.2	-25.2
- Credit	23.2	23.6	31.3	49.6	67.0	34.9	2.5	1.3	1.4	1.2	6.4	1.6	1.1	2.3	1.3	6.2	0.4	0.6	1.6	2.5	2.5
- Debit	-50.9	-44.5	-52.0	-69.0	-84.9	-81.2	-24.6	-17.8	-17.5	-19.2	-79.1	-37.3	-17.2	-15.6	-20.7	-90.8	-19.4	-2.2	-6.1	-27.7	-27.7
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	0.2	0.2	0.6	0.4	1.4	0.1	0.1	0.1	0.3	0.3
- Credit	23.2	23.6	31.3	49.6	67.0	15.5	1.2	0.3	0.7	0.4	2.5	0.2	0.2	0.7	0.5	1.6	0.1	0.1	0.1	0.3	0.3
- 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	-0.1	-0.1	-0.2	0.0	-0.1	0.0	-0.1	-0.1
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	-2.1	-3.7	-1.9	-3.7	-11.4	-1.7	-0.7	-2.0	-4.4	-4.4
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				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	-2.1	-3.7	-1.9	-3.7	-11.4	-1.7	-0.7	-2.0	-4.4	-4.4
2.3.3. Banks	-9.0	-5.9	-7.5	-11.6	-23.0	-3.7	-4.2	-2.8	-2.9	-4.0	-14.0	-3.5	-3.1	-2.8	-5.6	-15.0	-1.4	-0.4	-0.8	-2.6	-2.6
- Credit	0.0	0.0	0.0	0.0	0.0	19.5	1.3	1.0	0.7	0.8	3.9	1.4	0.8	1.6	0.8	4.6	0.3	0.4	1.5	2.2	2.2
- Debit	-9.0	-5.9	-7.5	-11.6	-23.0	-23.2	-5.5	-3.9	-3.6	-4.8	-17.9	-4.9	-3.9	-4.4	-6.4	-19.6	-1.7	-0.8	-2.3	-4.8	-4.8
2.3.4. Other sectors	-12.9	-15.4	-19.0	-29.8	-38.4	-37.1	-13.2	-9.0	-10.7	-10.3	-43.2	-30.2	-9.6	-9.2	-10.5	-59.5	-16.0	-0.7	-1.8	-18.6	-18.6
- 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	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	-10.3	-43.2	-30.2	-9.6	-9.2	-10.5	-59.5	-16.0	-0.7	-1.8	-18.6	-18.6

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	Q1	Q2	Q3	Q4	2010	1	2	3	Q1	2011
Current transfers, net	646.1	628.2	853.3	981.9	1012.4	985.5	128.9	259.8	399.2	344.4	1132.3	258.9	348.1	419.6	339.4	1366.0	96.0	82.7	87.4	266.1	266.1
- Credit	679.5	664.2	887.5	1015.3	1081.3	1033.2	140.3	272.4	410.0	357.3	1180.0	269.0	359.5	431.1	354.3	1413.8	99.3	86.1	91.3	276.6	276.6
- Debit	-33.4	-36.0	-34.2	-33.4	-68.9	-47.7	-11.4	-12.6	-10.7	-12.9	-47.7	-10.1	-11.5	-11.4	-14.9	-47.9	-3.3	-3.3	-3.9	-10.6	-10.6
1. General government - official transfers	89.4	55.5	53.4	58.8	24.3	49.4	5.3	6.0	4.0	20.2	35.5	4.3	14.2	6.9	6.7	32.0	17.7	1.8	1.8	21.4	21.4
- Credit	92.9	60.1	60.9	66.3	61.0	62.5	6.4	7.9	5.4	21.7	41.5	5.1	15.1	7.4	8.4	36.0	18.0	2.3	2.2	22.4	22.4
- Debit	-3.5	-4.7	-7.6	-7.4	-36.7	-13.1	-1.1	-1.9	-1.5	-1.4	-5.9	-0.8	-0.9	-0.5	-1.7	-4.0	-0.3	-0.5	-0.3	-1.1	-1.1
2. Other sectors - private transfers	556.7	572.7	799.9	923.1	988.2	936.1	123.6	253.8	395.3	324.2	1096.8	254.6	333.9	412.7	332.7	1333.9	78.3	80.9	85.6	244.7	244.7
- Credit	586.6	604.1	826.5	949.0	1020.4	970.7	133.8	264.5	404.5	335.7	1138.5	263.9	344.4	423.6	345.9	1377.8	81.3	83.8	89.2	254.2	254.2
- Debit	-29.9	-31.3	-26.6	-25.9	-32.2	-34.6	-10.3	-10.7	-9.2	-11.5	-41.8	-9.3	-10.5	-10.9	-13.2	-43.9	-3.0	-2.9	-3.6	-9.5	-9.5
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	39.3	47.7	46.6	48.2	181.8	10.7	11.9	15.0	37.7	37.7
- Credit	128.9	129.8	136.6	157.1	174.3	180.9	39.8	47.3	49.9	49.1	186.2	42.7	51.1	50.0	52.4	196.3	11.9	13.1	15.9	40.9	40.9
- Debit	-13.6	-11.9	-11.3	-12.4	-16.2	-19.2	-4.3	-4.1	-3.4	-4.2	-16.0	-3.5	-3.4	-3.4	-4.2	-14.5	-1.2	-1.1	-0.9	-3.2	-3.2
2.2. Other transfers	441.5	454.8	674.6	778.4	830.1	774.4	88.0	210.5	348.8	279.3	926.6	215.4	286.2	366.1	284.5	1152.2	67.6	69.0	70.5	207.0	207.0
- Credit	457.7	474.3	690.0	791.9	846.0	789.8	94.0	217.1	354.7	286.6	952.3	221.2	293.3	373.6	293.5	1181.6	69.4	70.7	73.2	213.3	213.3
- Debit	-16.2	-19.4	-15.3	-13.5	-16.0	-15.4	-6.0	-6.6	-5.8	-7.3	-25.7	-5.8	-7.1	-7.5	-9.0	-29.4	-1.8	-1.8	-2.7	-6.3	-6.3

Source: National Bank of the Republic of Macedonia

Table 23
REPUBLIC OF MACEDONIA: BALANCE OF PAYMENTS
CAPITAL AND FINANCIAL ACCOUNT

Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	1	2	3	Q1	2011
Capital and financial account	193.9	347.1	127.7	18.3	454.0	862.5	297.3	108.2	-68.1	88.7	426.0	68.9	46.3	-62.0	137.3	190.5	112.3	80.4	43.9	236.6	236.6
A. Capital account	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	0.8	1.8	15.2	2.3	20.2	0.9	3.1	2.4	2.7	9.1	7.8	0.7	0.6	9.0	9.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.8	4.6	11.3	5.8	25.4	4.1	6.2	6.5	5.9	22.8	8.0	1.7	11.5
- Debit	-5.8	-3.8	-1.7	-0.8	3.7	-12.2	-2.9	-2.9	-4.0	-3.4	-5.3	-3.2	-3.0	-4.2	-3.3	-13.7	-0.3	-1.0	-1.2	-2.5	-2.5
1. Capital transfers	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	0.8	1.8	7.7	2.3	12.7	0.9	3.1	2.4	2.7	9.1	7.8	0.7	0.6	9.0	9.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.8	4.6	11.3	5.8	25.4	4.1	6.2	6.5	5.9	22.8	8.0	1.7	11.5
- Debit	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	-2.9	-2.9	-3.5	-3.4	-12.8	-3.2	-3.0	-4.2	-3.3	-13.7	-0.3	-1.0	-1.2	-2.5	-2.5
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	0.0	0.0	0.0	0.0	0.0	0.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	1.8	7.7	2.3	12.7	0.9	3.1	2.4	2.7	9.1	7.8	0.7	0.6	9.0	9.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.8	4.6	11.3	5.8	25.4	4.1	6.2	6.5	5.9	22.8	8.0	1.7	11.5
- Debit	-5.8	-3.8	-1.7	-0.8	1.2	-1.1	-2.9	-2.9	-3.5	-3.4	-12.8	-3.2	-3.0	-4.2	-3.3	-13.7	-0.3	-1.0	-1.2	-2.5	-2.5
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	0.0	0.0	0.0	0.0	0.0	0.0
- Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0
Source: National Bank of the Republic of Macedonia																					
Period	2003	2004	2005	2006	2007	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	1	2	3	Q1	2011
Capital and financial account	193.9	347.1	127.7	18.3	454.0	862.5	297.3	108.2	-68.1	88.7	426.0	68.9	46.3	-62.0	137.3	190.5	112.3	80.4	43.9	236.6	236.6
B. Financial account	199.7	350.9	129.4	19.1	450.3	874.8	295.5	106.4	-82.4	86.4	405.9	68.0	43.2	-64.4	134.6	181.4	104.5	79.7	43.3	227.6	227.6
1. Direct investment	100.1	259.7	74.9	344.7	506.9	409.4	24.7	71.4	41.8	-1.0	136.9	50.2	75.4	6.8	87.6	219.9	59.6	50.4	93.8	203.7	203.7
1.1. Abroad	-0.3	-0.9	-2.3	-0.1	0.9	9.5	0.0	-0.4	-0.3	-8.1	-0.8	-0.9	0.6	-0.4	-1.4	-0.3	-0.2	0.2	0.2	-0.3	-0.3
a. Equity capital	-0.3	-0.9	-2.3	-0.1	0.9	9.5	0.0	-0.4	-0.3	-8.1	-0.8	-0.9	0.6	-0.4	-1.4	-0.3	-0.2	0.2	0.2	-0.3	-0.3
b. Reinvested earnings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c. Other capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	24.7	71.8	42.1	6.3	145.0	50.9	76.3	6.2	88.0	221.4	59.9	50.6	93.6	204.1	204.1
a. Equity capital	82.6	123.6	78.7	288.8	185.7	206.7	48.6	79.8	16.2	14.7	159.3	18.1	14.1	20.7	72.8	125.7	5.8	14.6	11.4	131.8	131.8
b. Reinvested earnings	26.6	0.8	46.9	15.6	183.5	16.5	-28.4	-28.4	-28.4	-11.9	36.6	0.0	-12.1	17.8	61.2	3.6	0.9	9.4	26.9	26.9	26.9
c. Other capital	-8.8	136.3	-46.4	40.5	136.8	176.6	4.5	20.4	54.4	20.0	99.3	-3.8	43.3	-2.4	-2.6	34.5	50.4	22.1	-27.2	45.3	45.3
2. Portfolio investment	9.1	8.6	200.8	72.7	114.1	-105.6	-19.3	-12.5	148.7	-12.8	104.0	-0.5	-19.6	-12.8	-30.7	-63.6	-2.5	8.0	-3.2	2.2	2.2
2.1. Assets	0.3	-0.8	0.7	-0.4	-2.0	-0.5	-14.2	-4.5	-15.5	-3.4	-37.6	-0.5	-6.3	-6.3	-8.8	-21.9	-1.3	-3.0	-2.3	-6.6	-6.6
a. Equity securities	0.1	0.1	0.1	0.0	-1.6	-0.1	-14.1	-3.9	-3.3	-0.8	-22.2	-0.5	-2.7	-2.0	-8.8	-14.0	-1.3	-3.7	-2.2	-7.2	-7.2
- Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Other sectors	0.1	0.1	0.1	0.0	-1.6	-0.1	-14.1	-3.9	-3.3	-0.8	-22.2	-0.5	-2.6	-2.0	-8.8	-13.9	-1.3	-3.7	-2.2	-7.2	-7.2
b. Debt securities	0.2	-0.9	0.6	-0.4	-0.3	-0.4	-0.1	-0.6	-12.2	-2.6	-15.5	0.0	-3.7	-4.3	0.0	-8.0	0.0	0.7	-0.2	0.6	0.6
- Bonds and notes	0.2	-0.9	0.6	-0.4	-0.3	-0.4	-0.1	-0.6	-12.2	-2.6	-15.5	0.0	-3.7	-4.3	0.0	-8.0	0.0	0.7	-0.2	0.6	0.6
- Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Banks	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	0.0	0.0	0.0	0.0	0.0	0.0
- Other sectors	0.0	0.0	0.0	0.0	0.0	-0.5	-0.1	-0.6	-12.2	0.0	-12.9	0.0	-3.7	-4.3	0.0	-8.0	0.0	0.7	-0.2	0.6	0.6
- Money-market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2. Liabilities	4.8	9.3	200.1	73.1	116.1	-50.1	-5.1	-8.0	164.1	-9.4	141.7	0.0	-13.2	-6.5	-21.9	-41.6	-1.2	11.0	-0.9	8.9	8.9
a. Equity securities	2.4	9.8	43.2	22.8	64.9	-13.9	-1.7	-1.9	-0.3	0.3	-3.7	-0.5	0.4	0.1	-0.1	-0.2	-0.1	12.4	0.2	12.5	12.5
- Banks	2.4	9.8	43.2	22.8	64.9	-13.9	-1.7	-1.9	-0.3	0.3	-3.7	-0.5	0.4	0.1	-0.1	-0.2	-0.1	12.4	0.2	12.5	12.5
- Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b. Debt securities	2.3	-0.5	157.0	5.3	-8.7	-15.9	-1.4	-4.9	165.5	-7.5	151.9	1.4	-13.2	-6.5	-20.4	-38.7	-0.8	-1.6	-1.6	-3.9	-3.9
- 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	-13.2	-6.5	-20.4	-38.7	-0.8	-1.6	-1.6	-3.9	-3.9
- Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- 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	-13.2	-6.5	-20.4	-38.7	-0.8	-1.6	-1.6	-3.9	-3.9
- Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Money-market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3. Financial derivatives, net	0.0	0.0	0.0	0.0	0.																

Table 24
MERCHANDISE TRADE BY SECTIONS OF SITC AND BY END USE

In USD Million

	EXPORT																IMPORT																EXPORT																IMPORT																EXPORT		IMPORT																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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Source: State Statistical Office of the Republic of Macedonia

Table 25
FOREIGN TRADE BY COUNTRIES

In USD Million

	EXPORT								IMPORT								EXPORT								IMPORT								EXPORT								IMPORT								EXPORT		IMPORT																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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Table 26

STOCK OF DIRECT INVESTMENT IN REPUBLIC OF MACEDONIA- BY COUNTRY - 1997 - 2009

in million EUR

[illegible]

Table 26

**STOCK OF DIRECT INVESTMENT IN REPUBLIC
OF MACEDONIA- BY COUNTRY - 1997 - 2009**

in million EUR

Country	1997		1998		1999		2000		2001		2002		2003	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Liechtenstein	0.18	0.12	3.77	1.40	10.24	2.85	4.76	0.82	6.49	0.62	4.07	0.35	22.00	1.70
Luxembourg	0.20	0.14	1.80	0.66	1.88	0.52	2.28	0.39	2.33	0.22	2.30	0.20	2.24	0.17
Malaysia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Malta	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.03	0.00	-0.03	0.00
Mauricius	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mexico	0.00	0.00	-0.91	-0.34	0.15	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Moldova	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Montenegro	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Netherlands	1.43	1.01	4.63	1.71	10.23	2.84	14.70	2.53	15.59	1.50	61.06	5.26	69.72	5.40
Netherlands Antilles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nigeria	0.02	0.01	0.02	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Norway	0.00	0.00	0.00	0.00	0.02	0.01	0.02	0.00	0.07	0.01	0.05	0.00	0.03	0.00
Marshall Island	1.25	0.89	0.65	0.24	0.67	0.19	0.11	0.02	0.21	0.02	0.19	0.02	0.25	0.02
Pakistan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	0.00	-0.01	0.00	0.00	0.00
Panama	2.00	1.42	2.91	1.08	3.10	0.86	3.52	0.61	12.93	1.24	13.30	1.15	13.34	1.03
Poland	0.00	0.00	0.00	0.00	0.09	0.02	0.04	0.01	0.00	0.00	0.02	0.00	0.05	0.00
Portugal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Romania	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.02	0.14	0.01	0.33	0.03	0.33	0.03
Russia	3.52	2.50	5.47	2.02	2.51	0.70	0.01	0.00	0.01	0.00	1.29	0.11	1.31	0.10
St Kitts and Nevis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Saint Vincent and the Grenadines	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
San Marino	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.79	0.07	0.67	0.05
Saudi Arabija	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Serbia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Seychelles	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.01	0.06	0.01	0.09	0.01	-0.12	-0.01
Singapore	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Slovakia	0.06	0.04	0.06	0.02	0.07	0.02	0.08	0.01	0.02	0.00	0.02	0.00	0.00	0.00
Slovenia	16.41	11.62	21.18	7.84	43.70	12.14	56.16	9.68	58.83	5.66	66.41	5.72	84.74	6.56
South Africa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
Spain	0.00	0.00	0.00	0.00	0.00	0.00	-0.01	0.00	0.03	0.00	0.02	0.00	-0.04	0.00
Sweden	1.40	0.99	1.63	0.60	1.72	0.48	2.21	0.38	1.10	0.11	2.34	0.20	1.96	0.15
Switzerland	32.14	22.76	40.85	15.11	45.83	12.73	61.48	10.60	79.20	7.62	85.15	7.34	101.85	7.88
Syria	0.01	0.01	0.01	0.00	0.01	0.00	0.01	0.00	0.09	0.01	0.18	0.02	0.15	0.01
United Arab Emirates	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.04	0.00	0.04	0.00	0.04	0.00
Turkey	0.70	0.50	1.15	0.42	14.24	3.96	16.12	2.78	16.23	1.56	17.98	1.55	18.86	1.46
Ukraine	0.01	0.01	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.18	0.01
Great Britain	5.27	3.73	5.85	2.17	4.19	1.16	39.51	6.81	26.61	2.56	21.94	1.89	34.69	2.68
Jrsey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Isle of man	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United States of America	1.40	0.99	2.37	0.88	4.14	1.15	12.54	2.16	33.96	3.27	41.27	3.56	42.24	3.27
Virgin Islands of the USA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.17	0.02	0.22	0.02	0.48	0.04
Uzbekistan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Serbia and Montenegro	15.86	11.23	19.43	7.19	21.12	5.87	19.28	3.32	29.65	2.85	26.68	2.30	29.13	2.25
International Finance Corporation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
European Bank for Reconstruction and Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.57	0.20
Central African Cantris development support bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Northatlantic cooperation aliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	141.22	100.00	270.37	100.00	359.90	100.00	580.05	100.00	1,039.15	100.00	1,160.71	100.00	1,292.14	99.98

STOCK OF DIRECT INVESTMENT IN REPUBLIC OF MACEDONIA- BY COUNTRY - 1997 - 2009

Country	2004		2005		2006		2007		2008		2009	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Afghanistan	0.01	0.00	0.02	0.00	0.02	0.00	0.03	0.00	0.04	0.00	0.04	0.00
Albania	4.42	0.27	3.57	0.20	11.60	0.55	16.63	0.65	23.90	0.81	27.90	0.89
Australia	2.10	0.13	2.08	0.12	2.32	0.11	1.96	0.08	2.40	0.08	2.36	0.08
Austria	62.29	3.87	57.72	3.26	219.41	10.46	238.29	9.36	334.58	11.27	362.58	11.54
Bahamas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Barbados	0.00	0.00	0.00	0.00	0.00	0.00	0.41	0.02	0.00	0.00	0.00	0.00
Belgium	1.31	0.08	1.28	0.07	0.89	0.04	1.28	0.05	1.17	0.04	1.20	0.04
Bermudas	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.11	0.00	0.13	0.00
Bosnia and Hercegovina	0.70	0.04	0.20	0.01	1.00	0.05	1.32	0.05	1.82	0.06	2.54	0.08
Belize	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
British Virgin Islands	8.72	0.54	11.80	0.67	15.85	0.76	29.44	1.16	51.31	1.73	58.11	1.85
Bulgaria	24.33	1.51	27.36	1.55	42.79	2.04	62.49	2.46	86.50	2.91	92.29	2.94
Byelorussia	0.01	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Canada	0.41	0.03	0.47	0.03	1.06	0.05	2.33	0.09	3.16	0.11	2.85	0.09
Cayman Islands	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.00	-0.03	-1.00	-0.03
Central African Republic	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00
Sri Lanka	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.00
China	0.93	0.06	1.08	0.06	1.41	0.07	1.51	0.06	1.30	0.04	0.95	0.03
Taiwan	2.55	0.16	0.77	0.04	2.16	0.10	1.57	0.06	0.77	0.03	0.77	0.02
Cuk Islands	0.00	0.00	0.00	0.00	0.00	0.00	1.17	0.05	1.29	0.04	0.00	0.00
Costa Rica	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.19	0.01	0.19	0.01
Croatia	15.74	0.98	20.34	1.15	30.59	1.46	44.27	1.74	53.23	1.79	55.54	1.77
Cuba	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cyprus	150.53	9.35	160.81	9.09	182.23	8.68	20.53	0.81	34.90	1.18	47.93	1.53
Czech Republic	0.26	0.02	0.27	0.02	0.29	0.01	7.51	0.30	0.49	0.02	0.51	0.02
Denmark	0.07	0.00	0.00	0.00	0.54	0.03	1.24	0.05	1.27	0.04	1.45	0.05
Dominikan Republic	0.00	0.00	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
El Salvador	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estonia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Finland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
France	19.58	1.22	1.47	0.08	0.29	0.01	10.51	0.41	13.04	0.44	26.15	0.83
Gorgia	0.00	0.00	0.0									

Table 26

**STOCK OF DIRECT INVESTMENT IN REPUBLIC
OF MACEDONIA- BY COUNTRY - 1997 - 2009**

in million EUR

Country	2004		2005		2006		2007		2008		2009	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Liechtenstein	1.48	0.09	2.46	0.14	6.70	0.32	1.57	0.06	2.05	0.07	1.65	0.05
Luxembourg	10.83	0.67	15.16	0.86	25.42	1.21	71.85	2.82	69.14	2.33	62.03	1.97
Malaysia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Malta	-0.12	-0.01	-0.18	-0.01	-0.13	-0.01	-0.05	0.00	0.06	0.00	-0.03	0.00
Mauricius	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00	0.06	0.00
Mexico	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Moldova	0.00	0.00	-0.05	0.00	-0.02	0.00	0.01	0.00	0.11	0.00	0.09	0.00
Montenegro	0.00	0.00	0.00	0.00	0.00	0.00	0.18	0.01	0.24	0.01	0.22	0.01
Netherlands	103.23	6.41	213.35	12.06	211.99	10.10	431.31	16.95	435.57	14.67	523.56	16.67
Netherlands Antilles	98.87	6.14	69.52	3.93	54.71	2.61	17.96	0.71	0.01	0.00	0.11	0.00
Nigeria	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Norway	-0.08	-0.01	0.00	0.00	0.00	0.00	0.41	0.02	0.85	0.03	1.02	0.03
Marshall Island	0.28	0.02	0.02	0.00	0.02	0.00	0.01	0.00	0.00	0.00	0.00	0.00
Pakistan	-0.01	0.00	-0.01	0.00	-0.02	0.00	-0.55	-0.02	-0.32	-0.01	0.00	0.00
Panama	2.98	0.19	3.24	0.18	4.13	0.20	8.64	0.34	11.12	0.37	10.58	0.34
Poland	0.06	0.00	0.12	0.01	0.53	0.03	0.48	0.02	0.50	0.02	0.41	0.01
Portugal	0.00	0.00	0.00	0.00	1.81	0.09	2.24	0.09	2.28	0.08	1.58	0.05
Romania	0.47	0.03	0.43	0.02	0.05	0.00	0.45	0.02	-0.26	-0.01	0.87	0.03
Russia	1.38	0.09	1.34	0.08	1.35	0.06	1.52	0.06	1.32	0.04	1.22	0.04
St Kitts and Nevis	0.00	0.00	0.00	0.00	0.00	0.00	2.97	0.12	2.94	0.10	2.97	0.09
Saint Vincent and the Grenadines	0.00	0.00	36.09	2.04	17.55	0.84	19.35	0.76	62.14	2.09	48.02	1.53
San Marino	0.70	0.04	0.76	0.04	0.88	0.04	2.39	0.09	2.40	0.08	0.00	0.00
Saudi Arabija	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.04	0.00
Serbia	0.00	0.00	0.00	0.00	0.00	0.00	66.33	2.61	62.31	2.10	83.72	2.67
Seychelles	2.06	0.13	-0.01	0.00	0.08	0.00	0.11	0.00	0.01	0.00	2.52	0.08
Singapore	0.00	0.00	0.02	0.00	0.00	0.00	2.00	0.08	0.00	0.00	0.00	0.00
Slovakia	0.07	0.00	0.18	0.01	0.00	0.00	0.07	0.00	0.04	0.00	0.00	0.00
Slovenia	101.85	6.33	106.79	6.04	126.71	6.04	165.84	6.52	262.78	8.85	391.21	12.45
South Africa	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Spain	-0.04	0.00	0.00	0.00	0.02	0.00	-0.20	-0.01	-0.13	0.00	-0.86	-0.03
Sweden	2.51	0.16	2.47	0.14	2.57	0.12	2.70	0.11	-1.76	-0.06	3.56	0.11
Switzerland	143.90	8.94	164.20	9.28	150.78	7.18	166.82	6.55	200.73	6.76	202.07	6.43
Syria	0.15	0.01	0.15	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United Arab Emirates	0.06	0.00	0.04	0.00	0.00	0.00	0.07	0.00	0.01	0.00	0.00	0.00
Turkey	26.49	1.65	25.06	1.42	27.72	1.32	34.91	1.37	42.98	1.45	49.74	1.58
Ukraine	0.64	0.04	3.55	0.20	3.28	0.16	1.89	0.07	0.89	0.03	0.65	0.02
Great Britain	38.39	2.38	38.18	2.16	67.39	3.21	102.24	4.02	145.60	4.90	110.74	3.53
Jrsey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.45	0.02	0.00	0.00
Isle of man	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United States of America	25.62	1.59	29.84	1.69	45.32	2.16	35.88	1.41	47.79	1.61	48.78	1.55
Virgin Islands of the USA	0.83	0.05	0.86	0.05	1.24	0.06	7.56	0.30	6.99	0.24	6.54	0.21
Uzbekistan	0.00	0.00	0.00	0.00	-0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Serbia and Montenegro	29.50	1.83	32.83	1.86	53.77	2.56	0.00	0.00	0.00	0.00	0.00	0.00
International Finance Corporation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
European Bank for Reconstruction and Development	2.44	0.15	1.79	0.10	1.40	0.07	0.00	0.00	0.00	0.00	2.50	0.08
Central African Cantris development support bank	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Northatlantic cooperation aliance	0.00	0.00	0.00	0.00	0.94	0.04	1.72	0.07	0.00	0.00	0.00	0.00
Total	1,610.22	100.00	1,768.97	100.00	2,098.57	100.00	2,545.17	100.00	2,968.75	100.00	3,141.38	100.00

Table 27
STOCK OF DIRECT INVESTMENT IN REPUBLIC OF MACEDONIA BY ACTIVITY - 1997 - 2008 /1

(in million EUR)

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

1/ Preliminary data

Source: National Bank of the Republic of Macedonia

Table 28

INTERNATIONAL INVESTMENT POSITION: EXTERNAL ASSETS AND LIABILITIES AT THE END OF PERIOD

(in million USD)

	2003	2004	2005	2006	2007	2008	2009
International Investment Position, net	-1,999.02	-2,511.57	-2,348.53	-2,485.90	-3,528.98	-4,605.49	-5,181.77
Assets	1,868.50	2,161.76	2,455.64	3,255.25	3,946.33	3,463.54	3,737.29
Direct investment abroad	41.97	54.21	62.05	38.39	67.58	85.81	95.65
Equity capital and reinvested earnings	35.71	43.91	43.59	36.38	51.57	69.00	71.12
Claims on affiliated enterprises	35.71	43.91	43.59	36.38	51.57	69.00	71.12
Liabilities to affiliated enterprises (-)							
Other capital	6.25	10.30	18.46	2.02	16.01	16.82	24.53
Claims on affiliated enterprises	10.77	15.34	25.16	19.35	24.98	27.25	35.27
Liabilities to affiliated enterprises (-)	-4.51	-5.04	-6.70	-17.33	-8.98	-10.43	-10.74
Portfolio investment	3.78	4.10	3.62	4.18	4.43	3.07	6.25
Equity securities	3.78	4.10	3.62	4.18	4.43	3.07	6.25
Monetary authorities							
General government							
Banks	3.02	3.28	2.92	3.42	3.62	2.07	2.22
Other sectors	0.76	0.82	0.71	0.76	0.81	1.00	4.02
Debt securities							
Bonds and notes							
Monetary authorities							
General government							
Banks							
Other sectors							
Money-market instruments							
Monetary authorities							
General government							
Banks							
Other sectors							
Financial derivatives							
Monetary authorities							
General government							
Banks							
Other sectors							
Other investment	929.33	1,128.13	1,065.26	1,346.93	1,634.73	1,267.09	1,344.88
Trade credits	194.28	266.80	298.67	441.83	652.74	674.04	586.10
General government							
Long-term							
Short-term							
Other sectors	194.28	266.80	298.67	441.83	652.74	674.04	586.10
Long-term	0.37		0.46	0.87	1.13	1.37	0.84
Short-term	193.91	266.80	298.22	440.96	651.61	672.67	585.26
Loans	25.51	2.81	4.47	2.28	3.85	8.53	31.49
Monetary authorities							
Long-term							
Short-term							
General government							
Long-term							
Short-term							
Banks	24.00	1.14	4.11	1.95	1.08	1.48	23.39
Long-term	15.19	1.14	1.55	1.44	1.08	1.47	7.42
Short-term	8.81		2.56	0.51		0.01	15.98
Other sectors	1.51	1.67	0.36	0.33	2.77	7.05	8.10
Long-term		1.67	0.12	0.33	2.31	5.81	7.73
Short-term	1.51		0.24		0.46	1.24	0.37
Currency and deposits	706.40	827.72	733.33	868.67	936.98	541.08	679.27
Monetary authorities	41.44	16.19	15.54	23.61	25.25	1.59	1.38
General government							
Banks	664.59	811.53	717.79	844.79	911.15	539.16	677.86
Other sectors	0.38			0.27	0.58	0.32	0.03
Other assets	3.14	30.80	28.78	34.15	41.16	43.44	48.02
Monetary authorities							
Long-term							

Table 28
INTERNATIONAL INVESTMENT POSITION: EXTERNAL ASSETS AND LIABILITIES AT THE END OF PERIOD

(in million USD)

	2003	2004	2005	2006	2007	2008	2009
Short-term							
General government							
Long-term							
Short-term							
Banks		30.21	28.23	33.35	39.88	10.09	11.07
Long-term							
Short-term	0.00	30.21	28.23	33.35	39.88	10.09	11.07
Other sectors	3.14	0.59	0.55	0.79	1.28	33.34	36.95
Long-term							
Short-term	3.14	0.59	0.55	0.79	1.28	33.34	36.95
Reserve assets	893.42	975.32	1,324.71	1,865.75	2,239.59	2,107.57	2,290.51
Monetary gold	37.08	86.47	111.98	138.76	182.59	188.81	240.98
Special drawing rights	0.39	0.83	0.78	2.98	1.45	1.37	91.06
Reserve position in the Fund							
Foreign exchange	855.95	888.02	1,211.95	1,724.01	2,055.55	1,917.38	1,958.47
Currency and deposits	768.61	863.28	1,177.39	1,514.40	1,322.23	345.05	665.53
With monetary authorities	705.98	685.16	1,073.79	913.94	1,064.78	129.90	665.53
With banks	62.63	178.12	103.60	600.46	257.45	215.15	
Securities	87.34	24.74	34.56	209.61	733.32	1,572.34	1,292.94
Equities							
Bonds and notes	87.34	24.74	34.56	209.61	733.32	1,572.34	1,292.94
Money-market instruments							
Financial derivatives ,net							
Other claims							
Liabilities	3,867.52	4,673.33	4,804.17	5,741.15	7,475.31	8,069.03	8,919.06
Direct investment in reporting economy	1,614.65	2,190.55	2,086.86	2,763.82	3,739.36	4,185.34	4,504.11
Equity capital and reinvested earnings	1,477.00	1,858.46	1,863.48	2,454.03	3,271.35	3,393.98	3,557.64
Claims on direct investors (-)							
Liabilities to direct investors	1,477.00	1,858.46	1,863.48	2,454.03	3,271.35	3,393.98	3,557.64
Other capital	137.65	332.09	223.38	309.79	468.01	791.36	946.47
Claims on direct investors (-)	-59.96	-49.93	-87.93	-106.56	-155.90	-160.66	-243.69
Liabilities to direct investors	197.61	382.02	311.31	416.35	623.91	952.02	1,190.15
Portfolio investment	107.24	71.62	273.93	364.73	445.25	373.49	590.69
Equity securities	80.48	39.99	52.77	114.01	194.77	187.93	195.57
Banks	12.60	19.06	29.53	106.21	90.88	99.69	107.12
Other sectors	67.88	20.94	23.25	7.79	103.89	88.24	88.45
Debt securities	26.76	31.63	221.15	250.73	250.48	185.55	395.11
Bonds and notes	26.76	31.63	221.15	250.73	250.48	185.55	395.11
Monetary authorities							
General government	26.76	31.63	221.15	250.73	250.48	185.55	395.11
Banks							
Other sectors							
Money-market instruments							
Monetary authorities							
General government							
Banks							
Other sectors							
Financial derivatives							
Monetary authorities							
General government							
Banks							
Other sectors							
Other investment	2,145.63	2,411.16	2,443.39	2,612.59	3,290.70	3,510.20	3,824.26
Trade credits	398.16	469.80	441.08	486.21	854.50	914.41	914.57
General government						4.92	3.53
Long-term						4.92	3.53
Short-term							
Other sectors	398.16	469.80	441.08	486.21	854.50	909.49	911.04
Long-term	61.76	30.96	13.02	25.80	21.36	33.23	27.49
Short-term	336.40	438.84	428.06	460.41	833.14	876.26	883.55
Loans	1,657.16	1,788.12	1,820.15	1,853.31	1,991.89	2,180.86	2,338.13

Table 28**INTERNATIONAL INVESTMENT POSITION: EXTERNAL ASSETS AND LIABILITIES AT THE END OF PERIOD**

(in million USD)

	2003	2004	2005	2006	2007	2008	2009
Monetary authorities	68.35	62.54	62.13	55.83			
Use of Fund credit & loans from the	68.35	62.54	62.13	55.83			
Other long-term							
Short-term							
General government	1,256.52	1,351.15	1,292.19	1,152.62	1,068.43	1,087.27	1,114.92
Long-term	1,256.52	1,351.15	1,292.19	1,152.62	1,068.43	1,087.27	1,114.92
Short-term							
Banks	90.92	85.47	127.06	192.69	317.80	283.57	372.93
Long-term	80.03	75.90	125.52	192.69	293.56	283.57	315.58
Short-term	10.89	9.57	1.53		24.24		57.35
Other sectors	241.37	288.96	338.78	452.17	605.66	810.03	850.27
Long-term	219.85	282.46	276.21	436.82	547.89	789.01	839.39
Short-term	21.52	6.50	62.56	15.35	57.77	21.02	10.88
Currency and deposits	68.95	70.55	86.89	148.60	238.27	245.36	284.98
Monetary authorities							
General government							
Banks	68.95	70.55	86.89	148.60	238.27	245.36	284.98
Other sectors							
Other liabilities	21.36	82.70	95.26	124.47	206.04	169.57	286.59
Monetary authorities		13.01	11.97	12.64	13.24	12.90	102.87
Long-term		13.01	11.97	12.64	13.24	12.90	102.87
SDR Allocation		13.01	11.97	12.64	13.24	12.90	102.87
Short-term							
General government							0.30
Long-term							
Short-term							0.30
Banks		11.66	12.57	14.15	13.76	12.55	13.42
Long-term							
Short-term		11.66	12.57	14.15	13.76	12.55	13.42
Other sectors	21.36	58.03	70.72	97.68	179.04	144.12	170.01
Long-term					0.53	0.51	0.52
Short-term	21.36	58.03	70.72	97.68	178.51	143.62	169.49

Source: National Bank of the Republic of Macedonia

Table 29
INTERNATIONAL INVESTMENT POSITION: EXTERNAL ASSETS AND LIABILITIES AT THE END OF PERIOD

(in million EUR)

	2003	2004	2005	2006	2007	2008	2009
International Investment Position, net	-1,599.73	-1,846.20	-1,990.79	-1,887.55	-2,401.97	-3,266.77	-3,614.01
Assets	1,495.28	1,589.06	2,081.58	2,471.72	2,686.04	2,456.76	2,606.56
Direct investment abroad	33.58	39.85	52.60	29.15	46.00	60.87	66.71
Equity capital and reinvested earnings	28.58	32.28	36.95	27.62	35.10	48.94	49.60
Claims on affiliated enterprises	28.58	32.28	36.95	27.62	35.10	48.94	49.60
Liabilities to affiliated enterprises (-)							
Other capital	5.00	7.57	15.65	1.53	10.90	11.93	17.11
Claims on affiliated enterprises	8.62	11.28	21.33	14.69	17.00	19.33	24.60
Liabilities to affiliated enterprises (-)	-3.61	-3.70	-5.68	-13.16	-6.11	-7.40	-7.49
Portfolio investment	3.02	3.02	3.07	3.17	3.02	2.18	4.36
Equity securities	3.02	3.02	3.07	3.17	3.02	2.18	4.36
Monetary authorities							
General government							
Banks	2.42	2.41	2.47	2.59	2.46	1.47	1.55
Other sectors	0.61	0.60	0.60	0.58	0.55	0.71	2.81
Debt securities							
Bonds and notes							
Monetary authorities							
General government							
Banks							
Other sectors							
Money-market instruments							
Monetary authorities							
General government							
Banks							
Other sectors							
Financial derivatives							
Monetary authorities							
General government							
Banks							
Other sectors							
Other investment	743.70	829.26	902.99	1,022.72	1,112.67	898.77	937.99
Trade credits	155.47	196.12	253.18	335.48	444.28	478.11	408.77
General government							
Long-term							
Short-term							
Other sectors	155.47	196.12	253.18	335.48	444.28	478.11	408.77
Long-term	0.30	0.00	0.39	0.66	0.77	0.97	0.58
Short-term	155.18	196.12	252.79	334.82	443.51	477.14	408.19
Loans	20.41	2.07	3.79	1.73	2.62	6.05	21.97
Monetary authorities							
Long-term							
Short-term							
General government							
Long-term							
Short-term							
Banks	19.21	0.84	3.48	1.48	0.74	1.05	16.32
Long-term	12.16	0.84	1.31	1.09	0.74	1.04	5.17
Short-term	7.05		2.17	0.39		0.01	11.14
Other sectors	1.21	1.23	0.31	0.25	1.89	5.00	5.65
Long-term	0.00	1.23	0.10	0.25	1.57	4.12	5.39
Short-term	1.21		0.20		0.31	0.88	0.26
Currency and deposits	565.30	608.44	621.63	659.58	637.75	383.80	473.76
Monetary authorities	33.16	11.90	13.17	17.93	17.19	1.13	0.96
General government							
Banks	531.84	596.54	608.45	641.45	620.17	382.44	472.78
Other sectors	0.30			0.21	0.39	0.23	0.02
Other assets	2.51	22.64	24.40	25.93	28.02	30.81	33.49
Monetary authorities							
Long-term							

Table 29
INTERNATIONAL INVESTMENT POSITION: EXTERNAL ASSETS AND LIABILITIES AT THE END OF PERIOD

(in million EUR)

	2003	2004	2005	2006	2007	2008	2009
Short-term							
General government							
Long-term							
Short-term							
Banks		22.21	23.93	25.33	27.14	7.16	7.72
Long-term							
Short-term		22.21	23.93	25.33	27.14	7.16	7.72
Other sectors	2.51	0.43	0.46	0.60	0.87	23.65	25.77
Long-term							
Short-term	2.51	0.43	0.46	0.60	0.87	23.65	25.77
Reserve assets	714.97	716.94	1,122.92	1,416.67	1,524.36	1,494.94	1,597.51
Monetary gold	29.67	63.56	94.92	105.36	124.28	133.93	168.07
Special drawing rights	0.31	0.61	0.66	2.26	0.99	0.97	63.51
Reserve position in the Fund							
Foreign exchange	684.98	652.76	1,027.34	1,309.04	1,399.09	1,360.04	1,365.93
Currency and deposits	615.09	634.58	998.04	1,149.89	899.97	244.75	464.17
With monetary authorities	564.97	503.65	910.22	693.96	724.73	92.14	464.17
With banks	50.12	130.93	87.82	455.93	175.23	152.61	
Securities	69.89	18.19	29.30	159.16	499.13	1,115.29	901.76
Equities							
Bonds and notes	69.89	18.19	29.30	159.16	499.13	1,115.29	901.76
Money-market instruments							
Financial derivatives ,net							
Other claims							
Liabilities	3,095.01	3,435.26	4,072.37	4,359.26	5,088.01	5,723.53	6,220.57
Direct investment in reporting economy	1,292.14	1,610.22	1,768.97	2,098.57	2,545.17	2,968.75	3,141.38
Equity capital and reinvested earnings	1,181.98	1,366.11	1,579.62	1,863.35	2,226.62	2,407.42	2,481.27
Claims on direct investors (-)							
Liabilities to direct investors	1,181.98	1,366.11	1,579.62	1,863.35	2,226.62	2,407.42	2,481.27
Other capital	110.16	244.11	189.36	235.23	318.55	561.33	660.11
Claims on direct investors (-)	-47.98	-36.70	-74.54	-80.91	-106.11	-113.96	-169.96
Liabilities to direct investors	158.14	280.82	263.89	316.14	424.66	675.29	830.07
Portfolio investment	85.82	52.65	232.20	276.94	303.06	264.92	411.97
Equity securities	64.40	29.40	44.73	86.57	132.57	133.31	136.40
Banks	10.08	14.01	25.03	80.65	61.85	70.71	74.71
Other sectors	54.32	15.39	19.71	5.92	70.71	62.59	61.69
Debt securities	21.42	23.25	187.47	190.38	170.49	131.62	275.57
Bonds and notes	21.42	23.25	187.47	190.38	170.49	131.62	275.57
Monetary authorities							
General government	21.42	23.25	187.47	190.38	170.49	131.62	275.57
Banks							
Other sectors							
Money-market instruments							
Monetary authorities							
General government							
Banks							
Other sectors							
Financial derivatives							
Monetary authorities							
General government							
Banks							
Other sectors							
Other investment	1,717.05	1,772.39	2,071.20	1,983.75	2,239.79	2,489.86	2,667.22
Trade credits	318.63	345.34	373.90	369.18	581.61	648.61	637.86
General government						3.49	2.46
Long-term						3.49	2.46
Short-term							
Other sectors	318.63	345.34	373.90	369.18	581.61	645.12	635.40
Long-term	49.42	22.76	11.04	19.59	14.54	23.57	19.17
Short-term	269.21	322.58	362.86	349.59	567.07	621.55	616.23
Loans	1,326.15	1,314.40	1,542.90	1,407.22	1,355.76	1,546.93	1,630.72

Table 29**INTERNATIONAL INVESTMENT POSITION: EXTERNAL ASSETS AND LIABILITIES AT THE END OF PERIOD**

(in million EUR)

	2003	2004	2005	2006	2007	2008	2009
Monetary authorities	54.70	45.97	52.67	42.39			
Use of Fund credit & loans from the Fun	54.70	45.97	52.67	42.39			
Other long-term							
Short-term							
General government	1,005.54	993.20	1,095.36	875.19	727.22	771.22	777.60
Long-term	1,005.54	993.20	1,095.36	875.19	727.22	771.22	777.60
Short-term							
Banks	72.76	62.83	107.70	146.31	216.31	201.14	260.10
Long-term	64.04	55.79	106.40	146.31	199.81	201.14	220.10
Short-term	8.71	7.04	1.30		16.50		40.00
Other sectors	193.16	212.41	287.17	343.33	412.24	574.57	593.02
Long-term	175.94	207.63	234.14	331.68	372.92	559.66	585.43
Short-term	17.22	4.78	53.03	11.65	39.32	14.91	7.59
Currency and deposits	55.18	51.86	73.66	112.83	162.18	174.04	198.76
Monetary authorities							
General government							
Banks	55.18	51.86	73.66	112.83	162.18	174.04	198.76
Other sectors							
Other liabilities	17.09	60.79	80.75	94.51	140.24	120.28	199.88
Monetary authorities		9.56	10.14	9.60	9.01	9.15	71.74
Long-term		9.56	10.14	9.60	9.01	9.15	71.74
SDR Allocation		9.56	10.14	9.60	9.01	9.15	71.74
Short-term							
General government							0.21
Long-term							
Short-term							0.21
Banks		8.57	10.66	10.74	9.36	8.90	9.36
Long-term							
Short-term		8.57	10.66	10.74	9.36	8.90	9.36
Other sectors	17.09	42.66	59.95	74.17	121.86	102.23	118.57
Long-term					0.36	0.36	0.36
Short-term	17.09	42.66	59.95	74.17	121.50	101.87	118.21

Source: National Bank of the Republic of Macedonia

Table 30

REPUBLIC OF MACEDONIA: GROSS EXTERNAL DEBT/1

in EUR Million

	Preliminary data																
	31.12.2004	31.12.2005	31.12.2006	31.12.2007 [*]	31.03.2008	30.06.2008	30.09.2008	31.12.2008	31.03.2009	30.06.2009	30.09.2009	31.12.2009	31.03.2010	30.06.2010	30.09.2010	31.12.2010	31.03.2011
General Government	1,016.46	1,282.82	1,065.56	897.71	883.72	883.07	880.13	906.33	916.40	906.78	1,093.17	1,055.84	1,063.17	1,096.85	1,078.18	1,104.10	1,320.68
Short-term	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.97
Money market instruments	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.97
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.97
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	1,062.76	1,096.21	1,077.67	1,103.69	1,318.71
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	253.86	255.53	249.48	258.02
Loans	993.20	1,095.36	875.19	727.22	718.21	727.44	736.52	771.22	778.98	774.73	770.34	777.60	790.45	840.30	820.29	852.57	1,058.64
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.49	3.08	2.87	2.67	2.46	2.26	2.05	1.85	1.64	2.05
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monetary Authorities	55.54	62.81	51.99	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87
Short-term	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	55.54	62.81	51.99	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	45.97	52.66	42.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87
SDR Allocation	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87
Banks	123.24	192.02	269.88	387.85	346.15	358.89	389.60	384.07	377.99	377.90	448.63	468.22	411.41	458.32	495.56	576.49	571.81
Short-term	67.32	81.41	115.44	178.12	142.31	138.83	173.34	171.35	153.22	162.82	227.33	222.20	127.52	111.34	146.59	163.14	125.75
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	7.04	1.30	0.00	16.50	10.72	10.00	10.00	0.00	0.00	0.00	0.00	40.00	22.59	7.55	34.65	3.71	0.00
Currency and deposits	51.71	69.46	104.70	152.26	124.29	121.28	154.87	162.46	143.63	153.59	218.29	172.84	100.52	98.92	107.58	154.96	121.47
Other debt liabilities	8.57	10.66	10.74	9.36	7.29	7.55	8.48	8.90	9.59	9.23	9.04	9.36	4.41	4.87	4.36	4.47	4.27
Arrears	8.57	10.66	10.74	9.36	7.29	7.55	8.48	8.90	9.59	9.23	9.04	9.36	4.41	4.87	4.36	4.47	4.27
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	55.93	110.60	154.44	209.73	203.84	220.06	216.25	212.72	224.77	215.08	221.30	246.02	283.90	346.98	348.97	413.35	446.06
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	55.79	106.40	146.31	199.81	189.02	206.48	203.21	201.14	201.14	191.39	194.47	220.10	226.13	299.36	308.81	372.49	396.20
Currency and deposits	0.14	4.20	8.13	9.92	14.82	13.58	13.04	11.58	23.63	23.69	26.82	25.92	57.77	47.63	40.16	40.85	49.86
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sectors	600.40	721.01	786.69	1,115.71	1,031.96	1,143.09	1,328.26	1,321.91	1,388.03	1,317.53	1,325.21	1,346.99	1,348.08	1,436.51	1,354.68	1,419.79	1,524.26
Short-term	370.02	475.84	435.42	727.89	643.68	727.10	808.90	738.32	790.61	710.65	721.70	742.04	762.73	849.42	760.69	836.41	913.13
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	4.78	53.03	11.65	39.32	24.35	16.37	16.51	14.91	17.02	11.31	9.11	7.59	18.50	47.73	39.76	43.72	7.12
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	322.58	362.86	349.59	567.07	539.02	626.80	703.70	621.55	671.20	593.67	604.61	616.23	622.00	670.19	583.73	636.44	750.97
Other debt liabilities	42.66	59.95	74.17	121.50	80.30	83.92	88.69	101.87	102.39	105.67	107.98	118.21	122.23	131.51	137.20	156.25	155.04
Arrears	42.66	58.40	74.17	121.50	80.30	83.92	88.69	101.87	102.39	105.67	107.98	118.21	122.23	131.51	137.20	156.25	155.04
Other	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	230.39	245.18	351.27	387.81	388.28	415.99	519.36	583.59	597.42	606.88	603.50	604.95	585.35	587.09	593.99	583.38	611.13
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	207.63	234.14	331.68	372.92	371.83	397.35	499.36	559.66	574.94	584.87	581.46	585.43	566.59	569.92	577.97	559.22	586.85
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	22.76	11.04	19.59	14.54	16.10	18.28	19.64	23.57	22.13	21.65	21.68	19.17	18.38	16.79	15.63	13.31	12.36
Other debt liabilities	0.00	0.00	0.00	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.38	0.39	0.39	10.85	11.92
Direct investment:																	
Intercompany lending	284.52	269.57	329.30	430.77	588.22	664.41	685.47	682.70	724.38	763.92	791.48	837.56	940.35	953.43	950.49	934.46	986.86
Debt liabilities to affiliated enterprises	3.70	5.68	13.16	6.11	4.30	5.46	6.35	7.40	6.12	5.98	6.64	7.49	7.83	11.51	9.82	12.04	10.17
Short-term	2.70	4.68	12.16	5.61	3.80	4.21	5.37	6.54	5.25	5.11	5.71	6.57	6.85	10.49	8.75	10.99	9.09
Long-term	1.00	1.00	1.00	0.50	0.50	1.26	0.98	0.87	0.87	0.87	0.93	0.92	0.98	1.02	1.07	1.05	1.08
Debt liabilities to direct investors	280.82	263.89	316.14	424.66	583.92	658.95	679.12	675.29	718.26	757.94	784.85						

Table 31

REPUBLIC OF MACEDONIA: GROSS EXTERNAL CLAIMS/1

in EUR Million

	Preliminary data																
	31.12.2004	31.12.2005	31.12.2006	31.12.2007*	31.03.2008	30.06.2008	30.09.2008	31.12.2008	31.03.2009	30.06.2009	30.09.2009	31.12.2009	31.03.2010	30.06.2010	30.09.2010	31.12.2010	31.03.2011
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	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	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	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	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	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	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	1,417.06	1,478.69	1,482.52	1,678.81
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	359.75	362.23	348.10	360.51
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	359.75	362.23	348.10	360.51
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	1,057.30	1,116.47	1,134.43	1,318.30
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	1,057.30	1,116.47	1,134.43	1,318.30
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Banks	619.59	635.87	668.26	648.05	549.07	529.53	533.90	390.65	442.13	454.60	510.65	496.81	399.39	460.20	468.07	572.67	559.26
Short-term	618.75	634.56	667.17	631.33	532.37	509.81	514.22	371.12	422.61	433.92	488.97	473.15	375.96	438.04	445.96	550.59	537.21
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	10.61	9.85	6.78	6.63	8.84
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	421.02	431.88	536.45	520.72
Other claims	22.21	23.93	25.33	27.14	6.63	6.83	6.96	7.16	7.11	7.34	7.49	7.72	6.98	7.17	7.31	7.51	7.65
Arrears	22.21	23.93	25.33	27.14	6.63	6.83	6.96	7.16	7.11	7.34	7.49	7.72	6.98	7.17	7.31	7.51	7.65
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	23.43	22.16	22.10	22.08	22.06
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	4.24	3.67	3.61	3.59	3.57
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	18.49	18.49	18.49	18.49
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sectors	197.77	253.94	336.54	447.43	490.79	540.12	588.92	507.00	461.68	479.80	483.89	440.22	493.35	545.24	568.60	563.50	674.46
Short-term	196.55	253.46	335.63	445.09	486.45	534.86	583.89	501.91	455.95	472.73	477.72	434.25	488.78	538.34	558.52	552.93	664.51
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.20	0.00	0.31	0.23	0.46	0.68	0.88	0.95	0.42	0.41	0.26	0.02	0.00	0.00	0.00	0.00
Currency and deposits	0.00	0.00	0.21	0.39	0.13	0.18	0.04	0.23	0.07	0.06	0.06	0.02	0.11	0.08	0.03	0.05	0.05
Trade credits	196.12	252.79	334.82	443.51	463.85	512.13	559.94	477.14	430.57	447.76	452.35	408.19	470.74	520.08	539.95	534.35	645.81
Other claims	0.43	0.46	0.60	0.87	22.23	22.09	23.22	23.65	24.36	24.48	24.90	25.77	17.91	18.18	18.54	18.54	18.64
Arrears	0.43	0.46	0.60	0.87	22.23	22.09	23.22	23.65	24.36	24.48	24.90	25.77	17.91	18.18	18.54	18.54	18.64
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	1.23	0.49	0.91	2.34	4.35	5.26	5.04	5.09	5.73	7.08	6.17	5.98	4.57	6.90	10.07	10.57	9.95
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.66	6.73	5.94	4.92
Loans	1.23	0.10	0.25	1.57	3.83	4.10	4.07	4.12	4.95	6.30	5.58	5.39	4.39	4.05	3.25	4.62	5.03
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.39	0.66	0.77	0.52	1.17	0.97	0.97	0.78	0.78	0.58	0.58	0.18	0.19	0.09	0.02	0.00
Other claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct investment:																	
Intercompany lending	47.98	95.87	95.60	123.11	130.14	138.32	127.95	133.29	155.47	188.33	183.76	194.56	211.12	205.22	232.11	268.03	250.85
Claims from affiliated enterprises	11.28	21.33	14.69	17.00	16.81	17.53	17.93	19.33	20.48	19.82	20.24	24.60	25.00	25.52	30.89	37.69	39.86
Short-term	11.28	18.31	12.99	15.79	15.60	15.65	15.97	17.24	18.32	17.52	17.14	20.68	20.84	20.75	25.39	31.77	34.04
Long-term	0.00	3.02	1.70	1.21	1.21	1.88	1.96	2.10	2.16	2.30	3.10	3.92	4.16	4.77	5.50	5.92	5.82
Claims from direct investors	36.70	74.54	80.91	106.11	113.34	120.78	110.02	113.96									

Table 32

REPUBLIC OF MACEDONIA: NET EXTERNAL DEBT POSITION/1,2

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	30.06.2010	30.09.2010	31.12.2010	31.03.2011
	Preliminary data																
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	1,063.17	1,096.85	1,078.18	1,104.10	1,320.68
Short-term	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.97
Money market instruments	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.97
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.41	0.64	0.51	0.41	1.97
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	1,062.76	1,096.21	1,077.67	1,103.69	1,318.71
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	253.86	255.53	249.48	258.02
Loans	993.20	1,095.36	875.19	727.22	718.21	727.44	736.52	771.22	778.98	774.73	770.34	777.60	790.45	840.30	820.29	852.57	1,058.64
Trade credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.49	3.08	2.87	2.67	2.46	2.26	2.05	1.85	1.64	2.05
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	-1,288.76	-1,337.46	-1,403.63	-1,406.10	-1,604.94
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	-359.75	-362.23	-348.10	-360.51
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	-359.75	-362.23	-348.10	-360.51
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	-947.21	-977.71	-1,041.41	-1,058.01	-1,244.42
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	-1,057.30	-1,116.47	-1,134.43	-1,318.30
Loans	45.97	52.66	42.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other debt liabilities	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87
SDR Allocation	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46	71.74	73.93	79.60	75.06	76.42	73.87
Banks	-496.34	-443.85	-398.38	-260.20	-202.92	-170.63	-144.30	-6.57	-64.13	-76.70	-62.02	-28.60	12.02	-1.88	27.49	3.82	12.54
Short-term	-551.43	-553.14	-551.72	-453.20	-390.06	-370.98	-340.88	-199.77	-269.38	-271.11	-261.63	-250.96	-248.45	-326.70	-299.37	-387.45	-411.46
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	11.98	-2.30	27.87	-2.92	-8.84
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	-322.10	-324.30	-381.49	-399.24
Other debt liabilities	-13.64	-13.27	-14.59	-17.78	0.67	0.72	1.51	1.74	2.48	1.89	1.56	1.64	-2.57	-2.30	-2.94	-3.04	-3.38
Arrears	-13.64	-13.27	-14.59	-17.78	0.67	0.72	1.51	1.74	2.48	1.89	1.56	1.64	-2.57	-2.30	-2.94	-3.04	-3.38
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	55.09	109.29	153.34	193.01	187.14	200.35	196.58	193.19	205.25	194.41	199.61	222.36	260.47	324.82	326.86	391.27	424.00
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	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	200.10	189.20	191.27	214.92	221.89	295.69	305.19	368.90	392.63
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	29.14	21.67	22.36	31.38
Other debt liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Sectors	402.63	467.07	450.15	668.28	541.17	602.97	739.33	814.91	926.35	837.73	841.32	906.77	854.73	891.27	786.08	856.29	849.80
Short-term	173.47	222.38	99.79	282.81	157.23	192.24	225.01	236.41	334.66	237.92	243.98	307.79	273.95	311.08	202.17	283.48	248.62
Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	4.78	52.83	11.65	39.01	24.13	15.92	15.83	14.02	16.07	10.89	8.70	7.33	18.48	47.73	39.76	43.72	7.12
Currency and deposits	0.00	0.00	-0.21	-0.39	-0.13	-0.18	-0.04	-0.23	-0.07	-0.06	-0.06	-0.02	-0.11	-0.08	-0.03	-0.05	-0.05
Trade credits	126.47	110.07	14.77	123.56	75.17	114.67	143.76	144.40	240.63	145.91	152.26	208.04	151.26	150.10	43.78	102.09	105.16
Other debt liabilities	42.23	59.48	73.57	120.63	58.07	61.83	65.47	78.21	78.03	81.19	83.08	92.44	104.32	113.33	118.65	137.72	136.40
Arrears	42.23	57.94	73.57	120.63	58.07	61.83	65.47	78.21	78.03	81.19	83.08	92.44	104.32	113.33	118.65	137.72	136.40
Other	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term	229.16	244.69	350.36	385.47	383.94	410.72	514.32	578.50	591.69	599.80	597.34	598.98	580.78	580.19	583.91	572.81	601.18
Bonds and notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2.66	-6.73	-5.94	-4.92
Loans	206.40	234.04	331.43	371.35	368.00	393.25	495.29	555.54	569.98	578.57	575.88	580.03	562.21	565.87	574.72	554.60	581.82
Currency and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trade credits	22.76	10.65	18.93	13.77	15.58	17.11	18.67	22.60	21.35	20.87	21.10	18.58	18.19	16.60	15.54	13.30	12.36
Other debt liabilities	0.00	0.00	0.00	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.38	0.39	0.39	10.85	11.92
Direct investment:																	
Intercompany lending	236.54	173.71	233.70	307.66	458.08	526.10	557.52	549.40	568.91	575.59	607.72	643.00	729.23	748.21	718.38	666.42	736.02
Debt liabilities to affiliated enterprises	-7.57	-15.65	-1.53	-10.89	-12.51	-12.07	-11.58	-11.93	-14.36	-13.84	-13.60	-17.10	-17.17	-14.02	-21.07	-25.65	-29.69
Short-term	-8.58	-13.63	-0.83	-10.18	-11.80	-11.45	-10.60	-10.70	-13.07	-12.41	-11.43	-14.11	-13.99	-10.26	-16.64	-20.79	-24.95
Long-term	1.00	-2.02	-0.70	-0.71	-0.71	-0.62	-0.98	-1.23	-1.29	-1.42	-2.17</						

Table 33
RESERVE ASSETS

In EUR Million

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

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
2010		-	-	-	-	44.5956	71.7150	46.4574	61.5150	52.9905
2007	Q1	-	-	-	-	37.8609	91.2615	46.6974	61.1809	39.1234
	Q2	-	-	-	-	37.1487	90.0730	45.3961	61.1741	37.6175
	Q3	-	-	-	-	37.1335	90.0013	44.5585	61.1750	37.8021
	Q4	-	-	-	-	36.8825	86.4403	42.2718	61.2053	37.3601
2008	Q1	-	-	-	-	38.2826	81.0138	40.9350	61.2908	38.8218
	Q2	-	-	-	-	38.0241	77.2550	39.2020	61.2579	37.5382
	Q3	-	-	-	-	37.9561	76.9805	40.7035	61.1776	37.8493
	Q4	-	-	-	-	40.2469	73.3003	46.5786	61.3356	48.6062
2009	Q1	-	-	-	-	41.0135	67.5760	47.0742	61.4067	50.4188
	Q2	-	-	-	-	40.5226	69.6867	45.0823	61.3386	46.2837
	Q3	-	-	-	-	40.2498	70.2639	42.8182	61.1774	45.7428
	Q4	-	-	-	-	40.5307	67.6727	41.4079	61.1720	46.1421
2010	Q1	-	-	-	-	41.9384	69.2109	44.3686	61.4015	48.9037
	Q2	-	-	-	-	43.6691	72.0352	48.3614	61.5465	52.4391
	Q3	-	-	-	-	46.2249	73.9430	47.7731	61.5522	55.6637
	Q4	-	-	-	-	46.4822	71.6201	45.3020	61.5577	54.8607
2011	Q1	-	-	-	-	47.8172	72.0363	45.0214	61.5126	54.7356
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
	4	-	-	-	-	43.0267	70.3153	45.9023	61.5988	49.1079
	5	-	-	-	-	43.4104	71.6068	48.7870	61.5285	52.8646
	6	-	-	-	-	44.5787	74.1980	50.3806	61.5127	55.3306
	7	-	-	-	-	45.7495	73.6661	48.2471	61.5171	55.1205
	8	-	-	-	-	45.8521	74.6177	47.7062	61.5102	55.8324
	9	-	-	-	-	47.1013	73.5319	47.3526	61.6319	56.0508
	10	-	-	-	-	45.8029	70.3719	44.3729	61.6227	54.2038
	11	-	-	-	-	45.7145	71.9099	44.9678	61.5474	54.5373
	12	-	-	-	-	47.9046	72.5878	46.5545	61.5027	55.8305
2011	1	-	-	-	-	48.1809	72.4702	45.9858	61.5116	55.7828
	2	-	-	-	-	47.4083	72.6380	45.0951	61.5075	54.5762
	3	-	-	-	-	47.8229	71.0588	43.9906	61.5183	53.8322

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

Source: National Bank of the Republic of Macedonia

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 lays upon market and flexible base, which ensures their permanent alteration, for increasing their efficiency and successful achievement of their established goals.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Claims on central government include claims on loans, securities and trade credits and advances. Sources of loans to the Government include foreign loans, credit lines, deposit potential and other sources. Claims on Government based on securities include claims on specific securities (issued

by the government in the process of rehabilitation of one bank, bonds issued for the old foreign currency savings).

Claims on local government include claims on local currency credits.

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

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

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

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

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

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

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

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

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

Table 10. Banks and savings houses' loans

Loans approved by other depository corporations to nongovernment sector have been classified by currency: loans in Denars and in foreign currency. They are further classified into short-term and long-term loans, accrued interest and doubtful and contested claims. Short-term and long-term loans have been divided in to loans with and without currency clause. Loans to nongovernment sector include loans to the following sectors: nonfinancial corporations, households, nonprofit institutions serving households, local government and other financial corporations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. Discount rate is valid interest rate in the current month.
2. Interest rate on credits over night - Lombard credit is the valid interest rate in the current month.
3. Interest rate on repo transactions for creating liquidity in the banking system is shown as average weighted interest rate achieved at the auctions in that month.
4. Interest rate on CB bills is shown as average weighted interest rate achieved at the auctions with maturity of 28 days in that month. The interest rate is differentiated by the type of tender which can be: volume tender or interest rate tender.
5. Interest rate on repo transactions for liquidity withdrawal from the banking system is shown as average weighted interest rate achieved at the auctions in that month.

Table no. 16 Reserve requirement of banks and saving houses

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

Table no.17 Interest rates on Government securities

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

FOREIGN EXCHANGE SECTOR

Table no. 18-23 BALANCE OF PAYMENTS

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

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

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

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

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

BALANCE OF PAYMENTS: SEPARATE ITEMS

CURRENT ACCOUNT

Goods

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

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

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

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

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

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

Services

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

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

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

Income

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

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

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

Other investment income: The data include received and paid interest on the deposits, short-term, 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). An adjustment is made in Other investment income, by redistribution of part of this income in the financial intermediation services item, based upon the calculation of exports and imports of financial intermediation services indirectly measured (FISIM).

Current transfers

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

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

CAPITAL AND FINANCIAL ACCOUNT

CAPITAL ACCOUNT

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

FINANCIAL ACCOUNT

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

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

Other investment:

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

Loans: Within the "loans" category, disbursements and amortization on 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

1. General methodological notes

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

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

Gross external debt

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

Gross external claims

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

Net external debt

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

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

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

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

- trade credits - consist of claims or liabilities arising from the direct extension of credit by suppliers for transactions in goods and services, and advance payment by buyers for goods and services and for work in progress (or to be undertaken);
- loans - include those claims or liabilities created through the direct lending of funds by a creditor (lender) to a debtor (borrower) based on a credit agreement;
- debt securities - creation of debt or a claim through the issuance/purchasing of securities as part of the portfolio investment in the country, being traded on organized markets or over-the-counter;

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

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

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

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

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

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

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

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

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

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

- for the category currency and deposits - data from reports of the NBRM on the official foreign reserves of the Republic of Macedonia;
- for the category loans the data are used from the reporting system on external debt (ED)
- for the category other the data are used from the reporting system on external debt (ED) and include a debt liability for SDR allocations.

Data sources for the net external debt of the Banking sector

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

Data sources for the net external debt of the Other sectors

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

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

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

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

Table no. 33 Reserve assets

The data reflect the stock of reserve assets 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.