



# National Bank of the Republic of North Macedonia Statistics Department

Skopje, 28 December 2023

## Press Release

### Significant changes in the external debt, external claims and international investment position: third quarter of 2023

At the end of the third quarter of 2023, **the gross external debt** total Euro 11,072 million and decreased on a quarterly basis by Euro 323 million. **Gross external claims** decreased by Euro 155 million and amounted to Euro 6,918 million. The larger quarterly decrease in liabilities against claims led to a fall in **the net external debt** by Euro 168 million, so that at the end of September 2023 it amounted to Euro 4,154 million.

### External Debt and International Investment Position of the Republic of North Macedonia

	31.12.2022		30.06.2023		30.09.2023		Quarterly Change			change in respect to the end of the previous year		
	mill. EUR	% GDP	mill. EUR	% GDP	mill. EUR	% GDP	mill. EUR	%	p.p.	mill. EUR	%	p.p.
<b>Gross External Debt</b>	<b>10,790.0</b>	<b>82.8</b>	<b>11,394.6</b>	<b>80.6</b>	<b>11,072.1</b>	<b>78.3</b>	<b>-322.5</b>	<b>-2.8</b>	<b>-2.3</b>	<b>282.1</b>	<b>2.6</b>	<b>-4.5</b>
<i>Gross External Debt-Excluding Debt of the Central Bank from Repo Arrangements</i>	<i>10,345.2</i>	<i>79.4</i>	<i>11,019.2</i>	<i>78.0</i>	<i>10,633.8</i>	<i>75.2</i>	<i>-385.4</i>	<i>-3.5</i>	<i>-2.7</i>	<i>288.6</i>	<i>2.8</i>	<i>-4.2</i>
Long-term debt	7,787.4	59.7	8,392.1	59.4	8,038.7	56.9	-353.4	-4.2	-2.5	251.3	3.2	-2.9
Short-term debt	3,002.6	23.0	3,002.5	21.2	3,033.4	21.5	30.9	1.0	0.2	30.8	1.0	-1.6
<i>Short-term debt-excluding debt of the Central Bank from repo arrangements</i>	<i>2,557.9</i>	<i>19.6</i>	<i>2,627.1</i>	<i>18.6</i>	<i>2,595.1</i>	<i>18.4</i>	<i>-32.0</i>	<i>-1.2</i>	<i>-0.2</i>	<i>37.2</i>	<i>1.5</i>	<i>-1.3</i>
Public debt	5,206.8	39.9	5,545.6	39.2	5,238.1	37.1	-307.5	-5.5	-2.2	31.3	0.6	-2.9
<i>Public debt-excluding debt of the Central Bank from repo arrangements</i>	<i>4,762.1</i>	<i>36.5</i>	<i>5,170.2</i>	<i>36.6</i>	<i>4,799.9</i>	<i>34.0</i>	<i>-370.3</i>	<i>-7.2</i>	<i>-2.6</i>	<i>37.8</i>	<i>0.8</i>	<i>-2.6</i>
Private debt	5,583.2	42.8	5,849.0	41.4	5,834.0	41.3	-15.1	-0.3	-0.1	250.8	4.5	-1.6
<b>Gross External Claims</b>	<b>6,478.3</b>	<b>49.7</b>	<b>7,072.8</b>	<b>50.0</b>	<b>6,917.9</b>	<b>48.9</b>	<b>-154.9</b>	<b>-2.2</b>	<b>-1.1</b>	<b>439.7</b>	<b>6.8</b>	<b>-0.8</b>
<i>Gross External Claims-Excluding Claims of the Central Bank from Reverse Repo Arrangements</i>	<i>6,333.6</i>	<i>48.6</i>	<i>6,994.7</i>	<i>49.5</i>	<i>6,813.7</i>	<i>48.2</i>	<i>-181.0</i>	<i>-2.6</i>	<i>-1.3</i>	<i>480.1</i>	<i>7.6</i>	<i>-0.4</i>
<b>Net External Debt</b>	<b>4,311.7</b>	<b>33.1</b>	<b>4,321.8</b>	<b>30.6</b>	<b>4,154.2</b>	<b>29.4</b>	<b>-167.6</b>	<b>-3.9</b>	<b>-1.2</b>	<b>-157.6</b>	<b>-3.7</b>	<b>-3.7</b>
<i>Net External Debt-Excluding Debt of the Central Bank from Repo Arrangements</i>	<i>4,011.6</i>	<i>30.8</i>	<i>4,024.5</i>	<i>28.5</i>	<i>3,820.1</i>	<i>27.0</i>	<i>-204.4</i>	<i>-5.1</i>	<i>-1.4</i>	<i>-191.6</i>	<i>-4.8</i>	<i>-3.8</i>
<b>IIP, net</b>	<b>-8,147.8</b>	<b>-62.5</b>	<b>-8,363.8</b>	<b>-59.2</b>	<b>-8,318.1</b>	<b>-58.8</b>	<b>45.6</b>	<b>-0.5</b>	<b>0.3</b>	<b>-170.3</b>	<b>2.1</b>	<b>3.7</b>

\* / GDP data for 2022 is preliminary (source: State Statistical Office, Press Release Gross Domestic Product, third quarter of 2023 as of 7.12.2023). The data for 2023 is a NBRNM forecast (October 2023).

Source: NBRNM, SSO.

At the end of September 2023, the negative **net international investment position**<sup>1</sup> amounted to Euro 8,318 million, or 58.8% of the GDP<sup>2</sup> forecast for 2023. Most of this amount (86%) is net liabilities on direct investments, of which 72% on equity.

<sup>1</sup> The international investment position (IIP) is a statistical report which presents the balances of the external financial assets and financial liabilities of the Republic of North Macedonia on a specific date, i.e. claims from and liabilities to nonresidents based on financial instruments. In addition, negative net international investment position means that the financial liabilities exceed the financial claims on non-residents.

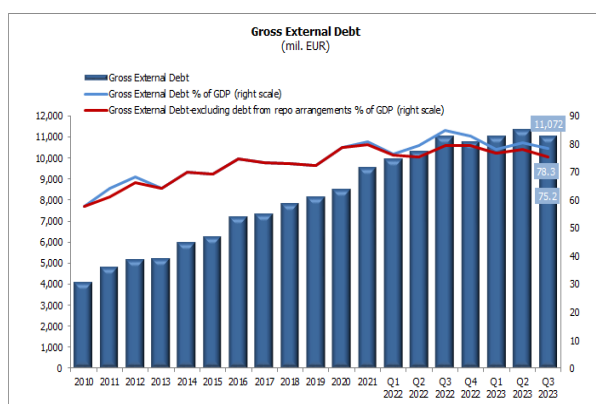
<sup>2</sup> The GDP data for 2023 is forecasted by the NBRNM (October 2023).



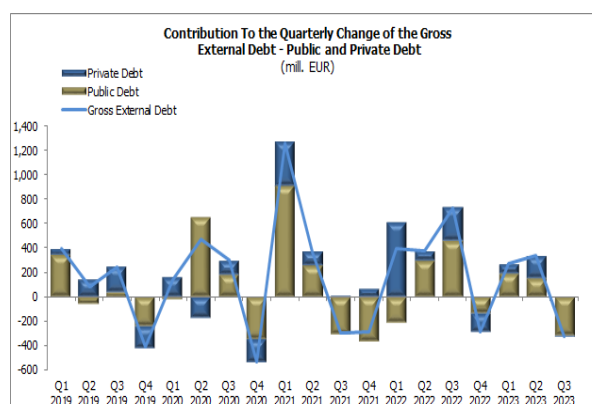
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### Gross external debt

At the end of September 2023, the gross external debt totaled Euro 11,072 million (or 78.3% of the GDP forecast) and registered a quarterly decrease of Euro 323 million (or 2.8%). If we exclude the effect of the specific activities for managing the foreign reserves of the central bank<sup>3</sup> from the debt, gross debt registers quarterly decrease of Euro 385 million. This quarterly growth is a result of the decreased public debt (by Euro 370 million) and the reduced private debt (by Euro 15 million). The quarterly decrease in the public external debt of Euro 370 million is a result of the reduction of the government sector debt by Euro 389 million<sup>4</sup>, amid increased debt of public banks and public enterprises by Euro 14 million and of the central bank by Euro 4 million. The fall in private debt is due to the reduced debt of private banks (by Euro 104 million), amid higher liabilities of intercompany lending (by Euro 53 million) and of non-banking private sector (by Euro 35 million).



Source: NBRNM, SSO.



Compared to the end of 2022, the gross external debt increased by Euro 282 million or 2.6%. However, the debt, with the effect of the specific foreign reserves management activities of the central bank being excluded, increased by Euro 289 million. The growth is due to the increased private external debt (by Euro 251 million) and the increased public debt (by Euro 38 million). The increase in private debt is a result of the increased liabilities of intercompany lending (by Euro 345 million) and non-banking private sector (by Euro 76 million), while the debt of private banks decreased (by Euro 170 million). The higher public debt is a result of the growth of the

<sup>3</sup> The specific foreign reserves management activities of the central bank include repo agreements and other foreign reserves management operations. Repo transactions create liabilities (classified under the loan category) that increase gross debt. Claims arising from reverse repo agreements, however, tend to increase gross claims. In general, if concluded simultaneously and with the same amount, these transactions have a neutral net effect. When the concluded transactions are not with the same amount in both directions, they have an effect on the gross and the net external debt and on gross claims.

<sup>4</sup> The fifth Eurobond in the nominal amount of Euro 450 million was repaid.



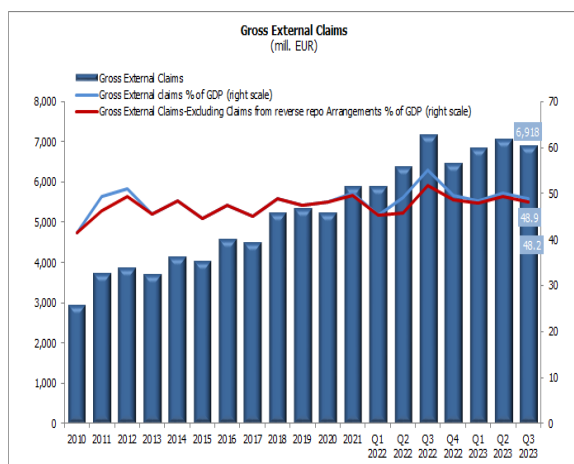
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government sector debt (by Euro 66 million), amid decreased liabilities of public banks and public enterprises (by Euro 27 million) and of the central bank (by Euro 1 million).

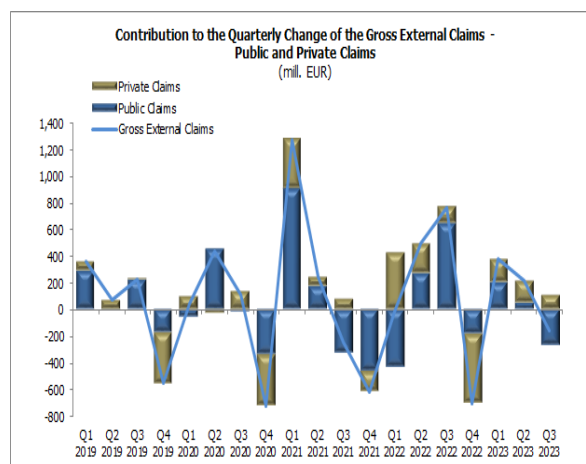
### ***Gross external claims***

At the end of the third quarter of 2023, the gross external claims amounted to Euro 6,918 million (or 48.9% of the GDP forecast) and registered a quarterly decrease of Euro 155 million (or 2.2%). If we exclude the effect of the central bank specific activities related to foreign reserves management, the gross external claims are lower by Euro 181 million and amount to Euro 6,814 million. This quarterly change is a result of the lower public claims by Euro 294 million, amid growth of private claims by Euro 113 million. The fall in public claims is a result of the reduced claims of the central bank, while the growth of private claims results from the increased claims of intercompany lending (by Euro 143 million) and deposit-taking corporations (by Euro 92 million), amid reduced claims of other sectors (by Euro 122 million).

Compared to the end of the preceding year, the gross external claims increased by Euro 440 million. If we exclude the effect of the central bank's specific foreign reserves management activities, the gross external claims are higher by Euro 480 million, as a result of the increased private and public claims (by Euro 456 million and Euro 24 million, respectively). The rise in private claims stems from the increased claims from intercompany lending (by Euro 453 million) and deposit-taking corporations (by Euro 37 million), amid fall in the claims of other sectors (of Euro 33 million).



Source: NBRNM, SSO.



### ***Net external debt***

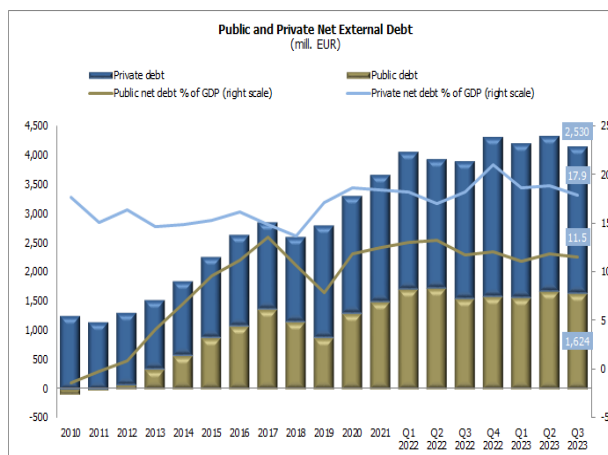
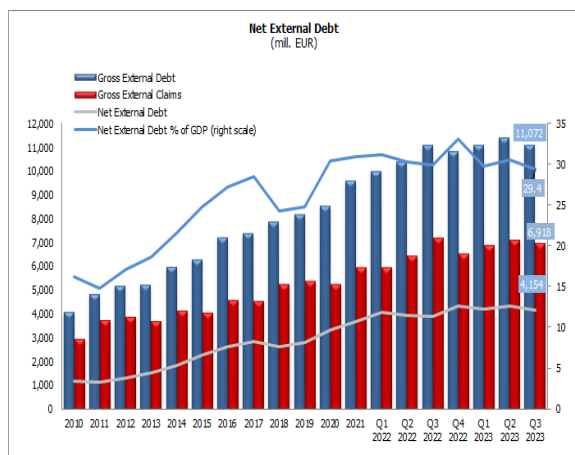
As of 30.9.2023, the net external debt equaled Euro 4,154 million (or 29.4% of the GDP forecast). In the third quarter of 2023, the net external debt of the country decreased by Euro 168 million,



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or by 3.9%. Observing structure, the private net debt still has greater share in the total net debt with 61%.

Compared to the end of 2022, the net external debt decreased by Euro 158 million (or by 3.7%), amid reduced net private debt (by Euro 206 million) and increased net public debt (by Euro 48 million).



Source: NBRNM, SSO.

### ***International Investment Position, net***

During the third quarter of 2023, the negative net international investment position (IIP) decreased by Euro 46 million to Euro 8,318 million, which is 58.8% of GDP forecasted for 2023.

The quarterly decrease in the negative net IIP results from the faster decrease in liabilities (by Euro 176 million) compared to the reduced assets (by Euro 131 million). Observed by instrument, the net liabilities based on debt instruments decreased by Euro 168 million, while net liabilities based on equity instruments increased by Euro 122 million.

Compared to the end of 2022, the negative net IIP increased by Euro 170 million, as a result of the increase in the net liabilities based on equity instruments (of Euro 328 million) and fall in debt instruments (of Euro 158 million).



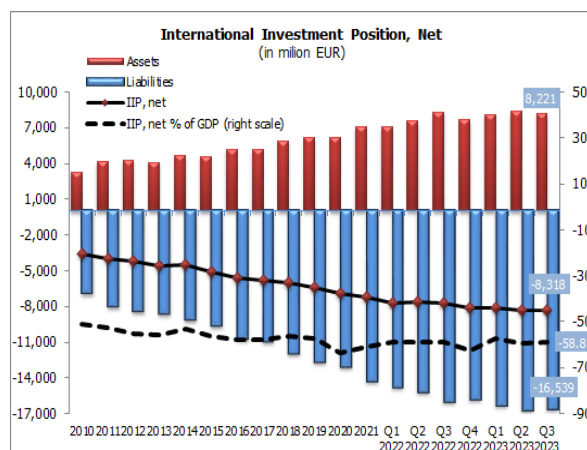
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## International Investment Position of the Republic of North Macedonia

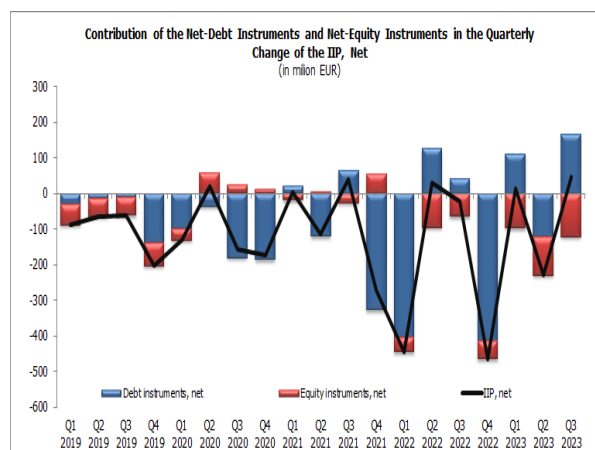
(in millions of euros)

IIP, by instruments	2015	2016	2017	2018	2019	2020	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
<b>Net International Investment Position</b>	<b>-5,082.7</b>	<b>-5,576.0</b>	<b>-5,822.5</b>	<b>-6,039.5</b>	<b>-6,458.4</b>	<b>-6,900.6</b>	<b>-7,244.9</b>	<b>-7,690.1</b>	<b>-7,661.0</b>	<b>-7,682.8</b>	<b>-8,147.8</b>	<b>-8,134.0</b>	<b>-8,363.8</b>	<b>-8,318.1</b>
<b>Assets</b>	<b>4,571.9</b>	<b>5,171.3</b>	<b>5,157.3</b>	<b>5,913.6</b>	<b>6,163.8</b>	<b>6,172.5</b>	<b>7,041.4</b>	<b>7,066.3</b>	<b>7,540.2</b>	<b>8,320.8</b>	<b>7,648.1</b>	<b>8,109.4</b>	<b>8,351.9</b>	<b>8,221.3</b>
Direct investment	655.0	811.9	967.6	896.2	936.8	784.3	915.5	1,303.2	1,305.8	1,466.2	996.2	1,201.5	1,323.1	1,470.3
Portfolio investment	212.6	255.2	300.2	321.2	406.1	470.9	650.0	626.7	611.4	617.4	695.3	736.3	778.8	810.7
Financial derivatives (other than reserves) and employee stock options	0.0	0.0	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 equity	1.0	1.2	2.8	2.9	4.4	4.5	6.0	6.0	6.0	6.0	6.0	5.6	5.0	5.1
Currency and deposits	615.4	627.3	635.5	694.0	580.0	562.9	657.6	648.3	684.5	670.3	653.5	561.9	604.7	676.5
Loans	67.1	52.1	56.1	74.5	79.1	87.3	125.9	93.8	517.9	519.6	221.6	154.7	158.8	188.1
Insurance, pension, and standardized guarantee schemes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	757.4	809.6	858.8	1,057.2	894.0	902.3	1,042.3	1,115.3	1,297.9	1,287.0	1,212.4	1,290.0	1,291.2	1,168.4
Other accounts receivable/payable	1.7	0.5	0.1	0.5	0.3	0.4	0.9	0.5	0.5	0.5	0.3	0.2	0.4	0.5
Reserve assets	2,261.8	2,613.4	2,336.3	2,867.1	3,262.6	3,359.9	3,643.3	3,272.5	3,116.1	3,753.8	3,862.9	4,159.2	4,189.7	3,901.7
<b>Liabilities</b>	<b>9,654.6</b>	<b>10,747.3</b>	<b>10,979.8</b>	<b>11,953.0</b>	<b>12,622.2</b>	<b>13,073.1</b>	<b>14,286.3</b>	<b>14,756.4</b>	<b>15,201.1</b>	<b>16,003.6</b>	<b>15,795.9</b>	<b>16,243.4</b>	<b>16,715.7</b>	<b>16,539.4</b>
Direct investment	4,951.3	5,392.2	5,598.1	6,141.3	6,580.0	6,537.1	7,089.2	7,559.4	7,644.1	7,939.9	7,853.6	8,217.3	8,460.0	8,660.2
Portfolio investment	848.8	1,362.2	1,476.3	1,813.2	1,730.7	2,103.8	2,159.2	2,015.4	1,819.9	2,034.2	2,106.7	2,564.3	2,592.1	2,225.2
Financial derivatives (other than reserves) and employee stock options	0.0	0.0	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 equity	4.3	6.0	2.3	4.2	4.0	5.0	2.7	2.9	3.0	3.2	3.3	3.3	3.4	3.2
Currency and deposits	148.5	174.2	195.2	206.2	254.2	253.3	297.3	442.8	484.9	467.6	471.0	363.4	398.9	300.1
Loans	2,961.7	3,014.7	2,872.0	2,883.4	3,100.9	3,267.2	3,580.3	3,501.7	3,973.2	4,205.6	4,043.3	3,793.9	3,952.9	4,013.4
Insurance, pension, and standardized guarantee schemes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	656.7	714.6	757.7	824.8	871.1	827.8	910.3	985.5	1,018.2	1,083.8	1,062.6	1,052.8	1,063.6	1,088.0
Other accounts receivable/payable	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	5.0	5.0	5.0	0.0	0.0	0.0
Special drawing rights (Net incurrence of liabilities)	83.2	83.2	78.2	79.8	81.3	77.4	247.3	248.6	252.8	264.5	250.5	248.5	244.8	249.2

Source: NBRNM.



Source: NBRNM, SSO.



## Data revisions

The data on the gross external debt and claims in this press release contain regular data revisions for the period January - June 2023. Changes in gross external debt and claims arise from the improved coverage of data on loans and trade credits and advances. Regarding the direction of changes, in the first and second quarter of 2023, the revision of the data led to a reduction of the gross external debt (of Euro 1.5 million and Euro 2.7 million, respectively), while the gross external claims increased in the first quarter (by Euro 0.3 million), and decreased in the second



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quarter (by Euro 0.7 million). Consequently, these changes were reflected as a reduction of the net external debt (of Euro 1.8 million and Euro 2 million, respectively). These changes also reflected on the net IIP where in addition to debt instruments, adjustments were also made to equity instruments that cumulatively led to a higher negative net IIP (by Euro 3.2 million and by Euro 7 million, respectively).

### ***Supporting information***

Time series data - annual and quarterly data on gross external debt and gross external claims:  
[https://www.nbrm.mk/nadvoresen\\_dolg-en.nspix](https://www.nbrm.mk/nadvoresen_dolg-en.nspix)

Time series data - annual and quarterly data on international investment position:  
[https://www.nbrm.mk/megunarodna\\_investiciska\\_pozicija-en.nspix](https://www.nbrm.mk/megunarodna_investiciska_pozicija-en.nspix)

Methodological explanations on gross external debt and claims:  
[https://www.nbrm.mk/content/statistika/ND/metodologija/Methodological\\_Notes\\_debt\\_5\\_2\\_2018.pdf](https://www.nbrm.mk/content/statistika/ND/metodologija/Methodological_Notes_debt_5_2_2018.pdf)

Methodological explanations on international investment position:  
[https://www.nbrm.mk/content/statistika/mip/metodologija/Methodology\\_IIP\\_BPM6\\_9\\_10\\_2018.pdf](https://www.nbrm.mk/content/statistika/mip/metodologija/Methodology_IIP_BPM6_9_10_2018.pdf)

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Quarterly gross external debt, gross external claims and international investment position: 29 March 2024 (reference period as of December 2023).

We kindly ask journalists to contact the Governor's Office for any queries.

For more details about the disseminated statistical data, please contact us at: [contact.statistika@nbrm.mk](mailto:contact.statistika@nbrm.mk) or phone: 02 3215 181 extension 103 (or 110/108).