



# National Bank of the Republic of North Macedonia Statistics Department

Skopje, 31 March 2023

## Press Release

### Significant changes in the external debt, external claims and international investment position: fourth quarter of 2022

At the end of the fourth quarter of 2022, **the gross external debt** totaled Euro 10,856 million and registered a quarterly decrease of Euro 241 million. **Gross external claims** decreased by Euro 673 million to Euro 6,507 million. The larger quarterly decrease in claims against the liabilities resulted in increased **net external debt** by Euro 432 million, so at the end of December 2022 it amounted to Euro 4,349 million. Thus, the increase in the net external debt in the fourth quarter results from the increase in the private net debt by Euro 389 million and the public net debt by Euro 43 million.

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

	31.12.2021		30.09.2022		31.12.2022		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>9,576.6</b>	<b>81.9</b>	<b>11,096.6</b>	<b>86.0</b>	<b>10,855.8</b>	<b>84.2</b>	<b>-240.8</b>	<b>-2.2</b>	<b>-1.9</b>	<b>1,279.2</b>	<b>13.4</b>	<b>2.2</b>
<i>Gross External Debt-Excluding Debt of the Central Bank from Repo Arrangements</i>	<i>9,440.9</i>	<i>80.8</i>	<i>10,386.6</i>	<i>80.5</i>	<i>10,411.0</i>	<i>80.7</i>	<i>24.4</i>	<i>0.2</i>	<i>0.2</i>	<i>970.2</i>	<i>10.3</i>	<i>0.0</i>
Long-term debt	7,410.7	63.4	7,598.2	58.9	7,811.0	60.6	212.8	2.8	1.7	400.4	5.4	-2.8
Short-term debt	2,166.0	18.5	3,498.4	27.1	3,044.8	23.6	-453.7	-13.0	-3.5	878.8	40.6	5.1
<i>Short-term debt-excluding debt of the Central Bank from repo arrangements</i>	<i>2,030.2</i>	<i>17.4</i>	<i>2,788.5</i>	<i>21.6</i>	<i>2,600.0</i>	<i>20.2</i>	<i>-188.5</i>	<i>-6.8</i>	<i>-1.5</i>	<i>569.8</i>	<i>28.1</i>	<i>2.8</i>
Public debt	4,802.0	41.1	5,344.0	41.4	5,205.5	40.4	-138.5	-2.6	-1.1	403.5	8.4	-0.7
<i>Public debt-excluding debt of the Central Bank from repo arrangements</i>	<i>4,666.2</i>	<i>39.9</i>	<i>4,634.1</i>	<i>35.9</i>	<i>4,760.8</i>	<i>36.9</i>	<i>126.7</i>	<i>2.7</i>	<i>1.0</i>	<i>94.6</i>	<i>2.0</i>	<i>-3.0</i>
Private debt	4,774.6	40.8	5,752.6	44.6	5,650.3	43.8	-102.3	-1.8	-0.8	875.6	18.3	3.0
<b>Gross External Claims</b>	<b>5,915.2</b>	<b>50.6</b>	<b>7,179.7</b>	<b>55.7</b>	<b>6,507.1</b>	<b>50.5</b>	<b>-672.6</b>	<b>-9.4</b>	<b>-5.2</b>	<b>591.9</b>	<b>10.0</b>	<b>-0.2</b>
<i>Gross External Claims-Excluding Claims of the Central Bank from Reverse Repo Arrangements</i>	<i>5,880.7</i>	<i>50.3</i>	<i>6,739.3</i>	<i>52.3</i>	<i>6,362.5</i>	<i>49.3</i>	<i>-376.8</i>	<i>-5.6</i>	<i>-2.9</i>	<i>481.8</i>	<i>8.2</i>	<i>-1.0</i>
<b>Net External Debt</b>	<b>3,661.4</b>	<b>31.3</b>	<b>3,916.9</b>	<b>30.4</b>	<b>4,348.6</b>	<b>33.7</b>	<b>431.8</b>	<b>11.0</b>	<b>3.3</b>	<b>687.2</b>	<b>18.8</b>	<b>2.4</b>
<i>Net External Debt-Excluding Debt of the Central Bank from Repo Arrangements</i>	<i>3,560.2</i>	<i>30.5</i>	<i>3,647.3</i>	<i>28.3</i>	<i>4,048.6</i>	<i>31.4</i>	<i>401.2</i>	<i>11.0</i>	<i>3.1</i>	<i>488.4</i>	<i>13.7</i>	<i>0.9</i>
<b>IIP, net</b>	<b>-7,244.9</b>	<b>-62.0</b>	<b>-7,833.2</b>	<b>-60.7</b>	<b>-8,150.8</b>	<b>-63.2</b>	<b>-317.6</b>	<b>4.1</b>	<b>-2.5</b>	<b>-905.9</b>	<b>12.5</b>	<b>-1.2</b>

\*/The data on gross domestic product (GDP) for 2021 are preliminary, while the data for 2022 are estimated (source: State Statistical Office, Press Release Gross Domestic Product, fourth quarter of 2022 as of 2 March 2023).

Source: NBRNM, SSO.

At the end of December 2022, the negative **net international investment position**<sup>1</sup> amounted to Euro 8,151 million, or 63.2% of the estimated GDP<sup>2</sup> for 2022. Most of this amount, or 84% are net liabilities on direct investments, 69% of which account 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.

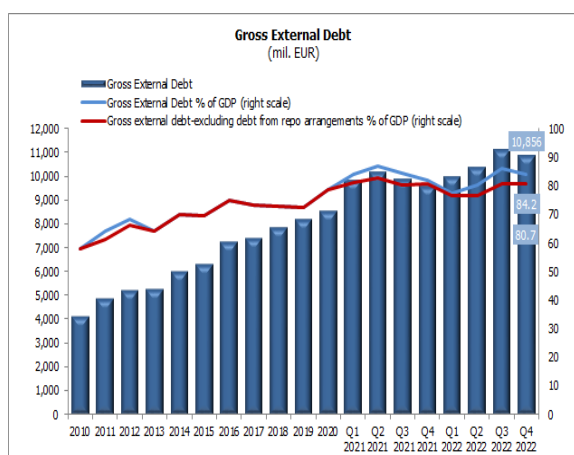
The GDP data for 2022 are estimated data. Source: State Statistical Office, Press Release Gross Domestic Product, fourth quarter of 2022 as of 2 March 2023).



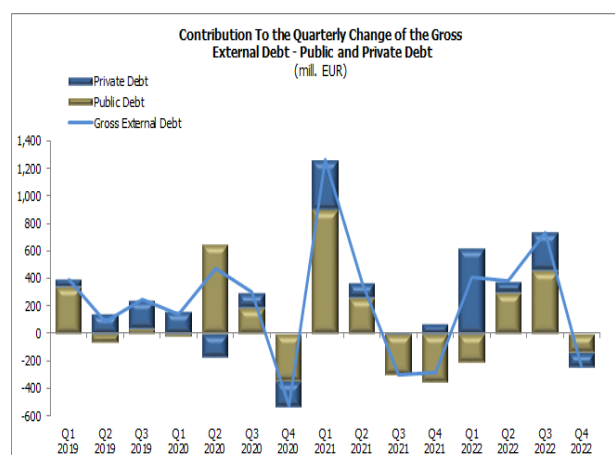
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### Gross external debt

At the end of December 2022, the gross external debt amounted to Euro 10,856 million (or 84.2% of the estimated GDP), which is a quarterly decrease of Euro 241 million (or by 2.2%). Corrected for the effect of the specific foreign reserves management activities of the central bank<sup>3</sup> from the debt, the gross debt registers a quarterly increase of Euro 24 million. At the same time, the public debt increased by Euro 127 million, driven by the increase in the "government" sector liabilities of Euro 160 million. On the other hand, in the last quarter of 2022, the private debt decreased by Euro 102 million, exclusively due to the reduced debt based on intercompany lending (by Euro 130 million). Its other components, the liabilities of the nonbanking private sector and private banks, recorded a quarterly growth of Euro 20 million and Euro 7 million, respectively.



Source: NBRNM, SSO.



Compared to the end of 2021, the gross external debt increased by Euro 1,279 million, or 13.4%. Excluding the effect of the specific activities for managing the foreign reserves of the central bank, the gross external debt increased by Euro 970 million, amid growth in both private external debt (of Euro 876 million) and public debt (of Euro 95 million). The increase in the private debt is due to the increased debt based on intercompany lending (by Euro 506 million), nonbanking private sector (by Euro 249 million) and private banks (by Euro 121 million). The larger public debt is a result of the increase in the debt of the public banks and public enterprises (by Euro 54 million), the "government" sector (by Euro 37 million) and the central bank (by Euro 3) million.

### Gross external claims

At the end of the fourth quarter of 2022, the gross external claims amounted to Euro 6,507 million (or 50.5% of the estimated GDP) and registered quarterly decrease of Euro 673 million (or by 9.4%). If exclude the effect of the central bank specific activities related to foreign reserves

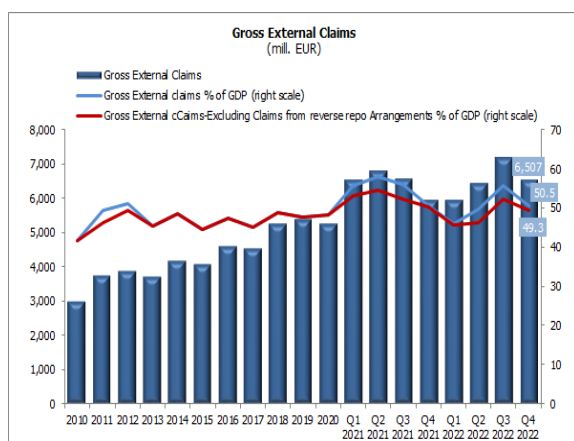
<sup>3</sup> The specific foreign reserves management activities of the central bank include repo agreements and other foreign reserves management operations. Repo transactions create liabilities (classified under the loan category) that increase gross debt. Claims arising from reverse repo agreements, 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.



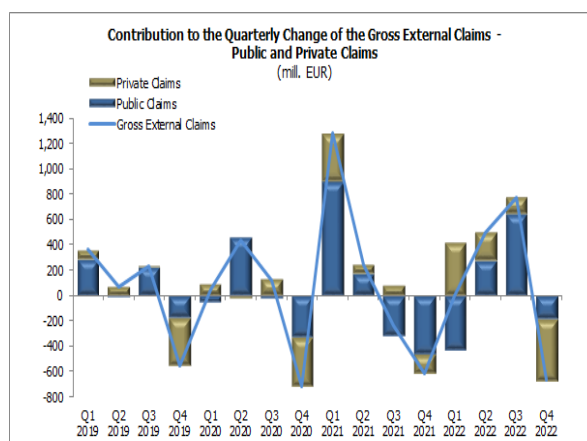
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management, the gross external claims are lower by Euro 377 million and amount to Euro 6,362 million. This quarterly change is a result of the lower private claims by Euro 491 million, in conditions of higher public claims by Euro 114 million. The fall in the private claims stems from the reduced claims of intercompany lending (by Euro 462 million) and other sectors (by Euro 50 million), amid growth of the claims of deposit-taking corporations (by Euro 22 million). The increase in public claims is a result of the increase in the claims of the central bank.

Compared to the end of the previous year, the gross external claims increased by Euro 592 million or 10%. If the effect of the central bank specific activities related to foreign reserves management is excluded, the gross external claims are higher by Euro 482 million, as a result of increased private and public claims (Euro 283 million and Euro 199 million, respectively). The growth of private claims is explained by the increased claims of other sectors (by Euro 199 million), intercompany lending (by Euro 81 million), and claims with deposit-taking corporations (by Euro 3 million), while the increased public claims reflect the increase in the official foreign reserves of the central bank.



Source: NBRNM, SSO.



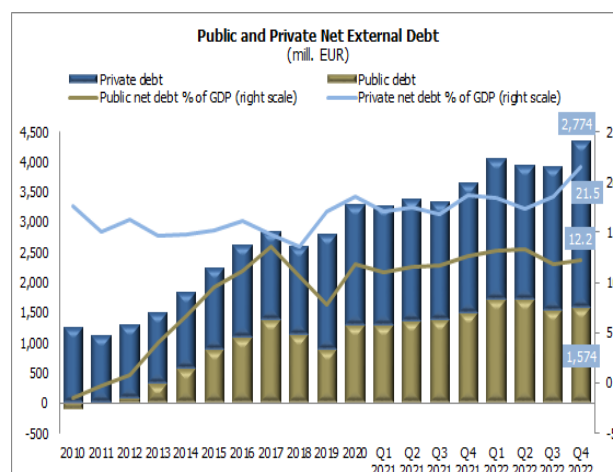
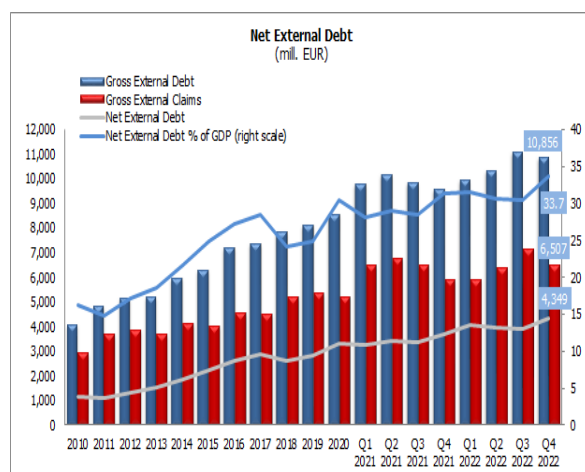
### ***Net external debt***

As of 31.12.2022, the net external debt equaled Euro 4,349 million (or 33.7% of the estimated GDP). In the fourth quarter of 2022, the net external debt increased by Euro 432 million, or by 11%. Analyzing the structure, the private net debt (64%) still has a larger share in the total net debt.

Compared to the end of 2021, the net external debt increased by Euro 687 million (or by 18.8%), given the rise of the net private debt and net public debt (of Euro 593 million and Euro 95 million, respectively).



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Source: NBRNM, SSO.

### International Investment Position, net

In the fourth quarter of 2022, the negative net international investment position (IIP) increased from Euro 318 million to Euro 8,151 million, which is 63.2% of the estimated GDP for 2022.

### International Investment Position of the Republic of North Macedonia (in millions of euros)

IIP, by instruments	2015	2016	2017	2018	2019	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
<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>-6,898.2</b>	<b>-7,012.8</b>	<b>-6,974.4</b>	<b>-7,244.9</b>	<b>-7,716.3</b>	<b>-7,751.4</b>	<b>-7,833.2</b>	<b>-8,150.8</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>7,477.9</b>	<b>7,773.2</b>	<b>7,555.2</b>	<b>7,041.4</b>	<b>7,066.8</b>	<b>7,542.1</b>	<b>8,323.7</b>	<b>7,687.9</b>
Direct investment	655.0	811.9	967.6	896.2	936.8	784.3	1,078.6	1,077.6	1,181.2	915.5	1,304.1	1,311.4	1,470.9	1,020.3
Portfolio investment	212.6	255.2	300.2	321.2	406.1	470.9	513.3	548.2	561.7	650.0	626.7	611.4	617.4	695.3
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	4.9	5.3	5.6	6.0	6.0	2.7	3.1	3.1
Currency and deposits	615.4	627.3	635.5	694.0	580.0	562.9	524.3	522.5	540.7	657.6	648.3	684.5	670.3	653.5
Loans	67.1	52.1	56.1	74.5	79.1	87.3	391.8	490.8	521.9	125.9	95.9	520.4	522.2	224.4
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	757.4	809.6	858.8	1,057.2	894.4	902.3	1,025.6	1,097.4	1,052.7	1,042.3	1,112.8	1,295.0	1,285.5	1,228.2
Other accounts receivable/payable	1.7	0.5	0.1	0.5	0.3	0.4	0.3	0.3	0.6	0.9	0.5	0.5	0.5	0.3
Reserve assets	2,261.8	2,613.4	2,336.3	2,867.1	3,262.6	3,359.9	3,939.2	4,031.1	3,690.7	3,643.3	3,272.5	3,116.1	3,753.8	3,862.9
<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>14,376.1</b>	<b>14,785.9</b>	<b>14,529.6</b>	<b>14,286.3</b>	<b>14,783.1</b>	<b>15,293.5</b>	<b>16,156.9</b>	<b>15,838.7</b>
Direct investment	4,951.3	5,392.2	5,598.1	6,141.3	6,580.0	6,537.1	6,797.7	6,944.4	7,029.6	7,089.2	7,582.0	7,723.4	8,076.2	7,864.9
Portfolio investment	848.8	1,362.2	1,476.3	1,813.2	1,730.7	2,103.8	2,699.3	2,707.4	2,222.6	2,159.2	2,014.5	1,820.3	2,037.9	2,110.2
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	4.5	3.9	3.3	2.7	3.0	3.3	3.4	3.4
Currency and deposits	148.5	174.2	195.2	206.2	254.2	253.3	272.8	271.0	226.2	297.3	442.8	484.9	467.6	471.0
Loans	2,961.7	3,014.7	2,872.0	2,883.4	3,100.9	3,267.2	3,597.9	3,831.9	3,857.8	3,580.3	3,502.8	3,988.3	4,223.4	4,058.4
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	924.7	948.6	948.1	910.3	989.3	1,020.4	1,084.0	1,080.7
Other accounts receivable/payable	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0	0.0	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	79.2	78.7	241.9	247.3	248.6	252.8	264.5	250.1

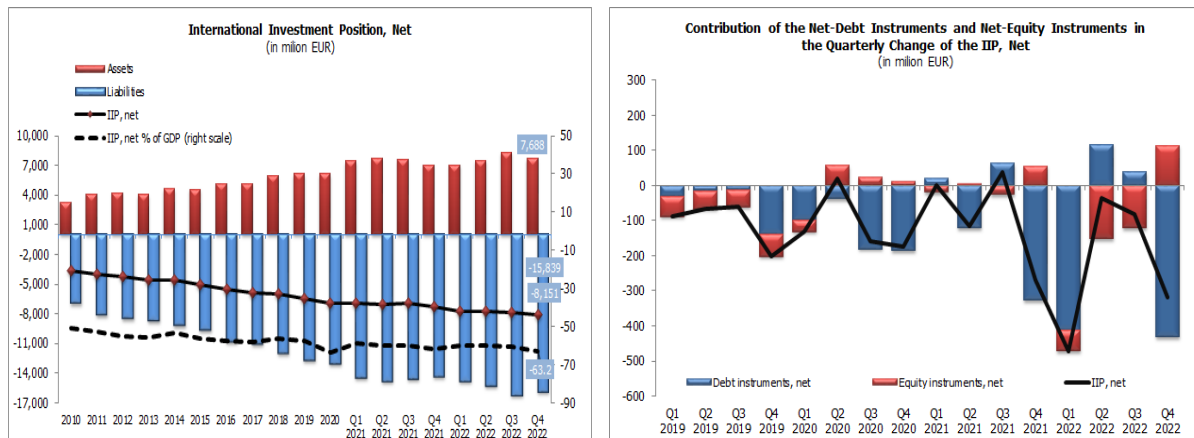
Source: NBRNM.

The quarterly increase in the negative net IIP results from the faster decrease in assets (by Euro 636 million) compared to the reduced assets (by Euro 318 million). Analyzed by instrument, the net liabilities based on debt instruments increased by Euro 432 million, while net liabilities based on equity instruments decreased by Euro 114 million.



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Compared to the end of 2021, the negative net IIP increased by Euro 906 million, as a result of the increase in the net liabilities based on debt instruments (of Euro 687 million) and equity instruments (of Euro 219 million).



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 – September 2022. 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 the changes, in the three quarters of 2022, the revision of the data led to an increase in the gross external debt by Euro 4 million in the first, Euro 8 million in the second and Euro 19 million in the third quarter. In addition, the gross external claims increased in all three quarters of 2022, by Euro 2 million, Euro 9 million and Euro 8 million, respectively. At the same time, these changes also reflected on the net external debt in form of an increase in the net external debt in the first and the third quarters (of Euro 3 million and Euro 12 million, respectively) and a decrease in the net debt in the second quarter (of Euro 1 million).

The revision of the data on the international investment position, net, led to decrease in the negative IIP of Euro 7 million in the first, Euro 21 million in the second and Euro 18 million in the third quarter. Besides the changes in debt instruments, the revision also includes the changes in equity instruments, which are almost entirely a result of the new data obtained from the quarterly reports on the achieved and planned financial result of companies with foreign direct investments.

### Supporting information

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



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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: 30 June 2023 (reference period as of March 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).