



# National Bank of the Republic of North Macedonia Statistics Department

Skopje, 29 November 2024

## Press Release

### Significant developments in the balance of payments<sup>1</sup> in the third quarter of 2024

In the third quarter of 2024, current transactions with non-residents registered a surplus of Euro 263.3 million, as a result of the surplus in secondary income balance and in the trade in services. Financial transactions with non-residents registered net inflows from direct investments, while net outflows from trade credits, currencies and deposits, portfolio investments and loans.

### Main components of the balance of payments of the Republic of North Macedonia (in millions of euros)

	current year				previous year				quarterly change		annual change		cumulative change	
	Q1 2024	Q2 2024	Q3 2024	Q1-Q3-2024	Q1 2023	Q2 2023	Q3 2023	Q1-Q3-2023	millions of euros	%	millions of euros	%	millions of euros	%
<b>Current account</b>	<b>-190.4</b>	<b>-104.9</b>	<b>263.3</b>	<b>-32.0</b>	<b>78.6</b>	<b>-126.7</b>	<b>229.1</b>	<b>181.0</b>	<b>368.2</b>	<b>...</b>	<b>34.2</b>	<b>14.9</b>	<b>-213.0</b>	<b>...</b>
Goods	-816.1	-740.3	-632.3	-2,188.7	-620.5	-596.4	-634.0	-1,850.9	108.1	-14.6	1.7	-0.3	-337.8	18.3
Services	303.1	243.0	366.4	912.5	254.3	14.5	292.9	561.6	123.4	50.8	73.5	25.1	350.9	62.5
Primary income	-196.9	-193.2	-197.8	-588.0	-183.0	-184.4	-189.6	-557.0	-4.6	2.4	-8.2	4.3	-31.0	5.6
Secondary income	519.4	585.7	727.0	1,832.2	627.8	639.7	759.8	2,027.3	141.4	24.1	-32.8	-4.3	-195.1	-9.6
<b>Capital account</b>	<b>0.0</b>	<b>0.5</b>	<b>-0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-0.8</b>	<b>-0.8</b>		<b>0.3</b>		<b>1.1</b>	
<b>Financial account</b>	<b>-182.6</b>	<b>-63.0</b>	<b>272.9</b>	<b>27.2</b>	<b>75.6</b>	<b>-119.8</b>	<b>256.5</b>	<b>212.3</b>	<b>335.9</b>		<b>16.4</b>		<b>-185.1</b>	
<i>Significant components:</i>														
Direct investment	-268.8	-209.3	-237.0	-715.1	-129.5	-119.7	-40.1	-289.3	-27.7		-197.0		-425.9	
Net acquisition of financial assets	219.9	17.1	55.2	292.2	214.7	130.1	168.1	512.9	38.1		-112.9		-220.7	
Equity	28.1	30.9	31.3	90.4	15.2	22.1	19.0	56.3	0.3		12.3		34.0	
Reinvestment of earnings	4.8	2.6	5.2	12.7	1.3	1.3	1.3	4.0	2.6		3.9		8.7	
Debt instruments	187.0	-16.5	18.7	189.2	198.2	106.6	147.8	452.6	35.2		-129.1		-263.4	
Net incurrence of liabilities	488.7	226.4	292.3	1,007.3	344.2	249.7	208.2	802.1	65.9		84.1		205.2	
Equity	97.7	71.6	39.9	209.2	49.8	68.5	104.4	222.8	-31.8		-64.6		-13.6	
Reinvestment of earnings	139.9	82.2	22.2	244.3	34.8	34.8	34.8	104.5	-60.0		-12.7		139.8	
Debt instruments	251.1	72.5	230.2	553.9	259.6	146.4	68.9	474.8	157.6		161.3		79.0	
Portfolio investment	67.0	47.3	106.8	221.1	-438.5	20.0	414.9	-3.5	59.5		-308.2		224.6	
Currency and deposits	174.3	89.2	140.3	403.8	124.0	120.1	268.1	512.2	51.2		-127.7		-108.4	
Loans	23.0	-48.2	69.7	44.5	163.7	-174.2	-8.1	-18.5	117.9		77.7		63.0	
Trade credit and advances	115.2	43.1	199.8	358.2	84.9	-17.7	-69.8	-2.6	156.7		269.7		360.8	
Reserve assets	-291.9	15.4	-3.4	-279.9	266.7	52.3	-308.7	10.3	-18.8		305.3		-290.2	

...\* the percentage change is above 100

Note: In the financial account, the sign (-) denotes net external inflows. In foreign reserves, the sign (+) denotes increase, whereas the sign (-) denotes decrease in foreign assets. Foreign reserves data exclude price changes and exchange rate differentials.

Source: NBRNM.

### Current account

Surplus in current transactions with non-residents in the third quarter of 2024 of Euro 263.3 million is the result of net inflows in secondary income and trade in services (Euro 727 million and Euro 366.4 million, respectively), which exceeded deficits in trade in goods (Euro 632.3 million) and in primary income (Euro 197.8 million).

Compared to the second quarter of the year, when the current account recorded a deficit of Euro 104.9 million, improvements have been registered in the secondary income (by Euro 141.4

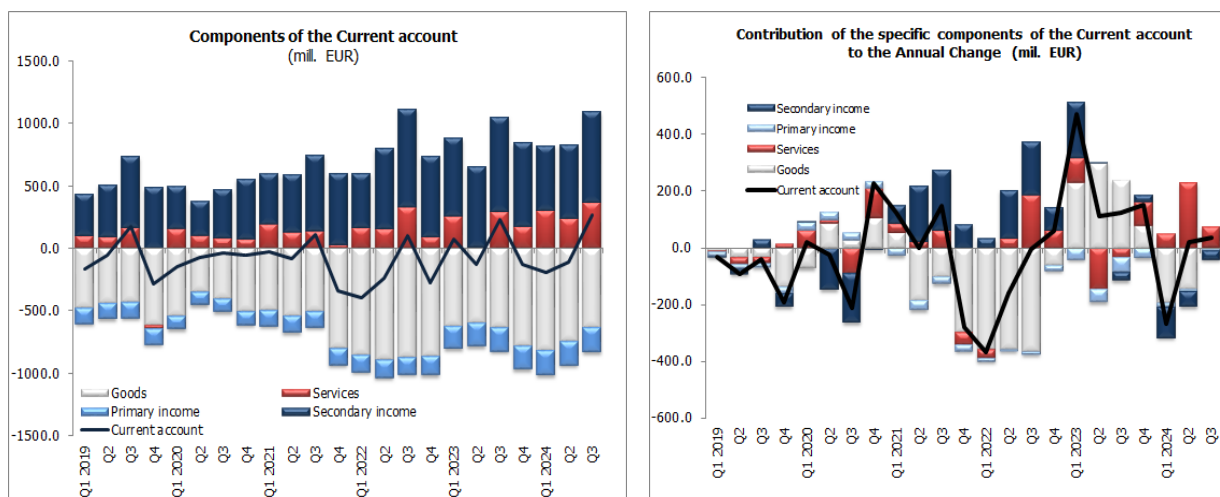
<sup>1</sup> The balance of payments is a statistical report that systematically summarizes all international economic transactions of the Republic of North Macedonia within a certain time frame, i.e. it summarizes current, capital and financial transactions between residents and non-residents.



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million), the trade in services (by Euro 123.4 million), and in trade in goods (by Euro 108.1 million), in contrast to the moderate deterioration in the sub-balance of primary income (by Euro 4.6 million).

Compared with the third quarter of the previous year, the current account surplus increased by Euro 34.2 million, which is mostly explained by the net inflows in trade in services (of Euro 73.5 million) and the reduced deficit in trade in goods (by Euro 1.7 million, respectively). The secondary and primary income sub-balances (Euro 32.8 million and Euro 8.2 million, respectively) were also worsened.



Source: NBRNM.

### ***Financial account***

In the third quarter of 2024, financial transactions with non-residents registered net inflows in direct investments (Euro 237 million), while net outflows were registered in trade credits (Euro 199.8 million), currencies and deposits (Euro 140.3 million), portfolio investments (Euro 106.8 million) and loans (Euro 69.7 million).

In the third quarter, direct investments registered net inflows of Euro 237 million. Analyzed by component, such performances are a result of the net inflows in intercompany lending (Euro 211.5 million), reinvested earnings (Euro 16.9 million) and in equity (Euro 8.6 million). Net inflows from direct investments in the amount of Euro 715.1 million were generated from the beginning of the year until September, which is an increase of Euro 425.9 million compared to the same period last year.

In the third quarter of 2024<sup>2</sup>, direct investment liabilities increased by Euro 292.3 million, due to the net growth of: intercompany lending (Euro 230.2 million), equity (Euro 39.9 million) and reinvested earnings (Euro 22.2 million).

<sup>2</sup> It shows direct investments depending on whether financial transactions create a liability to or a claim (assets) from abroad.

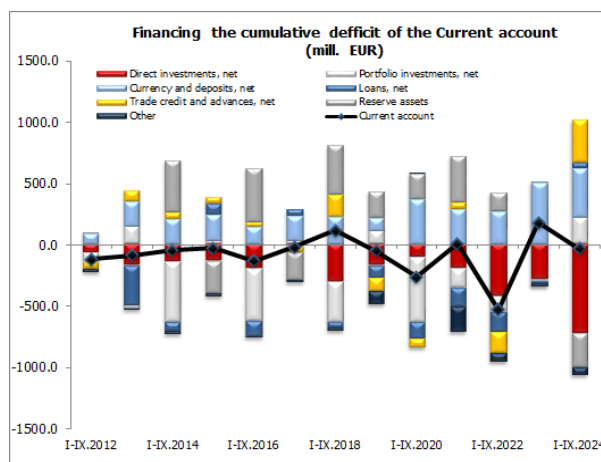
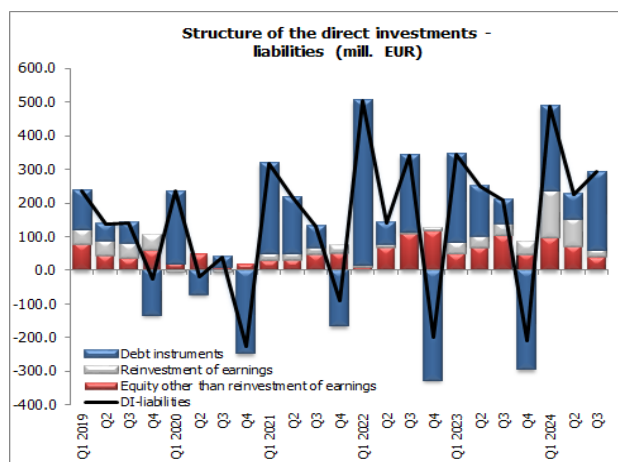


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Assets on the basis of direct investments increased by Euro 55.2 million, amid increased claims on the basis of: equity (by Euro 31.3 million), intercompany lending (by Euro 18.7 million) and reinvested earnings (by Euro 5.2 million).

In the third quarter of the year, the net liabilities based on portfolio investments decreased by Euro 106.8 million, mostly as a result of reduced liabilities on the basis of previously issued government debt securities, and to a lesser extent of repurchase of the domestic Eurobonds by residents. At the same time, higher claims from residents' investments in foreign equity and debt securities were registered (Euro 14.7 million and Euro 26 million, respectively).

Loan-based net liabilities decreased by Euro 69.7 million, mostly due to the net outflows in the central bank<sup>3</sup> (Euro 38.3 million) and the government (Euro 32.2 million), and to a lesser extent in the sector "other deposit-taking institutions" (Euro 3.4 million), as opposed to the net inflows in other sectors<sup>4</sup> (Euro 4.2 million).



Source: NBRNM.

In the period January-September 2024, net inflows from direct investments (Euro 715.1 million), as well as the foreign reserves enabled financing of the current account deficit and the net outflows registered in the other financial account components.

### Data revisions

Balance of payments data in this press release contain regular data revision for the period January - June 2024 in order to improve their quality. With the data revision, the current account deficit decreased by Euro 11.5 million, mainly as a result of the increased surplus in trade in services and in secondary income (by Euro 4.2 million and by Euro 2.1 million, respectively), and the

<sup>3</sup> National Bank activities for foreign reserves management.

<sup>4</sup> Other sectors include: other financial institutions, non-financial corporations, households and non-profit institutions serving households



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reduced deficit in trade in goods and in primary income sub-balance (by Euro 4.2 million and Euro 1 million, respectively).

The revision of the financial account led to higher net liabilities by Euro 13.6 million, mainly as a result of the increase in net inflows in direct investments (of Euro 22 million), amid increased net outflows in trade credits (by Euro 11.4 million).

The data revision reduced the errors and omissions for the period January - June 2024 by Euro 25.1 million.

### ***Supporting information***

Time series of data: annual, quarterly and monthly data on the balance of payments:  
[http://www.nbrm.mk/platen\\_bilans-en.nspix](http://www.nbrm.mk/platen_bilans-en.nspix)

Methodological explanations: [http://www.nbrm.mk/platen\\_bilans-en.nspix](http://www.nbrm.mk/platen_bilans-en.nspix)

Next publications: Advance Release Calendar

[https://www.nbrm.mk/kalendar\\_na\\_objavuvanje\\_na\\_podatoci-en.nspix](https://www.nbrm.mk/kalendar_na_objavuvanje_na_podatoci-en.nspix)

Quarterly balance of payments: 28 February 2025 (reference period as of December 2024).

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

For more information regarding 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).