



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 28 February 2025

Press Release

Significant developments in the balance of payments¹ in the fourth quarter of 2024

In the fourth quarter of 2024, current transactions with non-residents registered a deficit of Euro 291.4 million, as a result of the deficit in the trade of goods and in the primary income balance. Financial transactions with non-residents registered net inflows based on loans, direct investments, trade loans and currencies and deposits, while net outflows based on portfolio investments.

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	Q4 2024	Q1-Q4-2024	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1-Q4-2023	millions of euros	%	millions of euros	%	millions of euros	%
Current account	-196.8	-118.8	251.5	-291.4	-355.5	78.6	-126.7	229.1	-125.4	55.6	-542.9	...	-166.1	...	-411.1	...
Goods	-817.0	-748.5	-644.6	-893.3	-3,103.4	-620.5	-596.4	-634.0	-783.2	-2,634.1	-248.7	38.6	-110.1	14.1	-469.3	17.8
Services	303.0	242.8	370.1	146.0	1,061.9	254.3	14.5	292.9	173.9	735.5	-224.1	-60.6	-27.9	-16.0	326.4	44.4
Primary income	-202.2	-198.8	-202.3	-197.6	-800.9	-183.0	-184.4	-189.6	-185.4	-742.4	4.7	-2.3	-12.2	6.6	-58.5	7.9
Secondary income	519.4	585.7	728.3	653.5	2,486.9	627.8	639.7	759.8	669.4	2,696.6	-74.8	-10.3	-15.9	-2.4	-209.7	-7.8
Capital account	-1.0	0.5	-0.3	9.8	9.1	0.2	-0.5	-0.5	-0.1	-0.9	10.1		9.9		10.0	
Financial account	-192.3	-77.6	251.6	-212.3	-230.6	75.6	-119.8	256.5	-116.4	95.9	-463.9		-95.9		-326.5	
<i>Significant components:</i>																
Direct investment	-277.0	-218.3	-237.6	-355.2	-1,088.1	-129.5	-119.7	-40.1	-198.8	-488.1	-117.5		-156.3		-600.0	
Net acquisition of financial assets	219.7	17.1	57.7	-307.0	-12.6	214.7	130.1	168.1	-407.9	104.9	-364.7		100.9		-117.5	
Equity	28.1	30.9	31.3	41.9	132.3	15.2	22.1	19.0	23.5	79.8	10.6		18.5		52.5	
Reinvestment of earnings	4.8	2.6	5.2	4.4	17.1	1.3	1.3	1.3	1.3	5.3	-0.9		3.1		11.7	
Debt instruments	186.7	-16.4	21.1	-353.3	-161.9	198.2	106.6	147.8	-432.7	19.8	-374.5		79.4		-181.7	
Net incurrence of liabilities	496.6	235.5	295.3	48.1	1,075.5	344.2	249.7	208.2	-209.1	593.0	-247.2		257.2		482.5	
Equity	97.7	71.6	39.9	104.4	313.6	49.8	68.5	104.4	48.9	271.7	64.5		55.5		41.9	
Reinvestment of earnings	144.6	87.2	27.2	-3.6	255.3	34.8	34.8	34.8	34.8	139.4	-30.8		-38.5		116.0	
Debt instruments	254.4	76.6	228.2	-52.6	506.6	259.6	146.4	68.9	-292.9	182.0	-280.8		240.2		324.6	
Portfolio investment	67.0	47.3	106.8	69.4	290.5	-438.5	20.0	414.9	37.6	34.0	-37.4		31.8		256.4	
Currency and deposits	174.3	89.1	139.4	-18.3	384.5	124.0	120.1	268.1	-99.5	412.7	-157.7		81.2		-28.2	
Loans	22.4	-48.3	66.3	-401.0	-360.6	163.7	-174.2	-8.1	-384.9	-403.5	-467.3		-16.1		42.9	
Trade credit and advances	114.3	37.7	183.4	-104.8	230.6	84.9	-17.7	-69.8	-63.6	-66.2	-288.2		-41.2		296.8	
Reserve assets	-291.9	15.4	-3.4	598.6	318.7	266.7	52.3	-308.7	592.8	603.1	601.9		5.8		-284.4	

...* 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

As for the developments in the individual current account components, in the fourth quarter of 2024, current transactions with non-residents recorded a deficit in the trade of goods (Euro 893.3 million) and primary income (Euro 197.6 million) which exceeded the net inflows in the secondary income and in the trade in services (Euro 653.5 million and Euro 146 million, respectively). Despite the current account surplus in the third quarter of 2024 (Euro 251.5 million), the fourth quarter registered a deficit of Euro 291.4 million, indicating a quarterly increase in the current account net outflows of Euro 542.9 million. Such situation reflects the seasonally increased trade deficit (Euro 248.7 million), as well as from reduced net inflows of trade in services and secondary

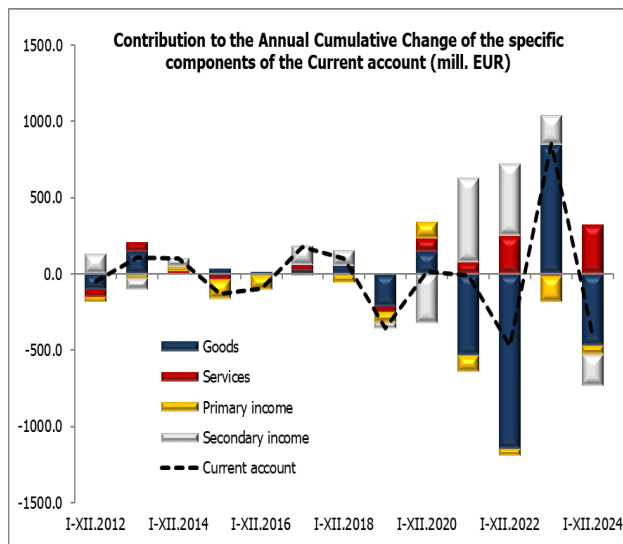
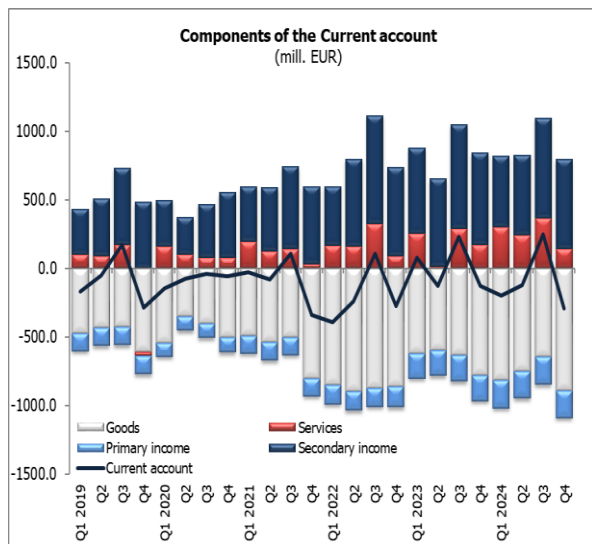
¹ The balance of payments is a statistical report that systematically summarizes all international economic transactions of the Republic of North Macedonia within a certain time frame, i.e. it summarizes current, capital and financial transactions between residents and non-residents.



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income (by Euro 224.1 and 74.8 million, respectively), amid moderate positive contribution in primary income (by Euro 4.7 million).

Compared to the fourth quarter of the previous year, the current account deficit increased by Euro 166.1 million, which is due to the higher deficit in the trade of goods (by Euro 110.1 million) and in primary income (by Euro 12.2 million), as well as lower surplus in trade of services and in the secondary income (by Euro 27.9 million and Euro 15.9 million, respectively).



Source: NBRNM.

In 2024, the current account registered a deficit in the amount of Euro 355.5 million, which is an increase of Euro 411.1 million compared to 2023 and it is mostly a result of the increased deficit in trade of goods (Euro 469.3 million) and the primary income (Euro 58.5 million), as well as of the reduced surplus in the secondary income (by Euro 209.7 million). Higher surplus in the amount of Euro 326.4 million was registered in the trade of services.

Financial account

In the fourth quarter of 2024, financial transactions with non-residents registered net inflows of Euro 212.3 million. Significant net inflows were registered in loans (Euro 401 million), direct investments (Euro 355.2 million), trade credits (Euro 104.8 million) and currencies and deposits (Euro 18.3 million), with net outflows being registered only in portfolio investments (Euro 69.4 million). Foreign reserves increased by Euro 598.6 million.

In the fourth quarter, direct investments registered net inflows of Euro 355.2 million. Analyzed by component, such performance is a result of net inflows in intercompany lending (Euro 300.7 million), equity (Euro 62.5 million), and in reinvestment of earnings (Euro 8 million). In 2024, net inflows in the amount of Euro 1,088.1 million based on direct investments were registered, which is an increase of Euro 600 million compared to 2023. In 2024, all components registered net inflows, as follows: intercompany lending (Euro 668.5 million), reinvested earnings (Euro 238.3 million) and equity (Euro 181.3 million).



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In the fourth quarter of 2024, liabilities based on direct investments² increased by Euro 48.1 million, as a result of increased liabilities based on investments in equity (Euro 104.4 million), given reduced liabilities based on intercompany lending (Euro 52.6 million) and reinvested earnings (Euro 3.6 million). Cumulatively in 2024, liabilities to direct investors increased by Euro 1,075.5 million, which is a growth of Euro 482.5 million, compared to 2023. The cumulative change compared to 2023 results from the increased liabilities based on intercompany lending (Euro 324.6 million), reinvested earnings (Euro 116 million) and equity (equity 41.9 million).

In the fourth quarter, assets based on direct investments decreased by Euro 307 million, as a result of the reduced claims based on debt instruments (Euro 353.3 million), amid growth of claims based on equity (Euro 41.9 million) and reinvested earnings (Euro 4.4 million). Cumulatively, for the fourth quarter of 2024, assets on direct investments decreased by Euro 12.6 million. For comparison, in 2023 an increase of Euro 104.9 million was registered. The cumulative change is mostly due to the reduced claims based on debt instruments (Euro 181.7 million), in conditions of increase in equity (Euro 52.5 million) and reinvested earnings (Euro 11.7 million).

In 2024, direct investments in the country amounted to Euro 1.255 million as a result of net inflows in all sub-components, namely: debt instruments (Euro 686 million), equity (Euro 313.6 million) and reinvestment of earnings (Euro 255.3 million). Compared to 2023, direct investments in the country increased by Euro 677.2 million.

In the fourth quarter of the year, net liabilities based on portfolio investments decreased by Euro 69.4 million. This change is primarily due to the increase in residents' investments in foreign debt securities, particularly by depository institutions (Euro 53.7 million) and by other financial institutions (Euro 12.1 million).

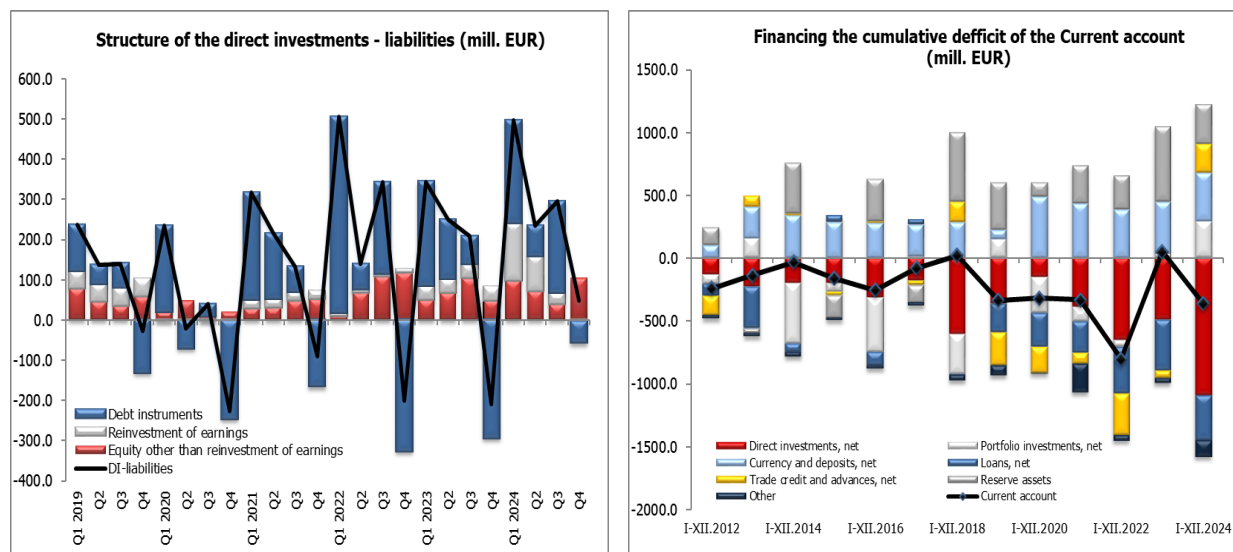
In the fourth quarter of 2024, the net loan-based inflows of Euro 401 million mostly resulted from the net inflows in the government sector (Euro 456.7 million), and to a lesser extent, from net inflows in other sectors³ (Euro 30.3 million), given the net outflows based on specific central bank activities related to the foreign reserves management (Euro 80.8 million) and in deposit-taking institutions sector (Euro 5.3 million). Cumulatively for 2024, the net loan-based inflows amounted to Euro 360.6 million, with significant net inflows in the government sector (Euro 565.6 million) and other sectors (Euro 65.1 million), given net outflows in the central bank (Euro 238.6 million) and in the deposit-taking institutions sector (Euro 31.4 million).

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

³ Other sectors include: other financial institutions, non-financial corporations, households, and NPISHs.



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Source: NBRNM.

In 2024, the net inflows based on direct investments (Euro 1,088.1 million) and loans (Euro 360.6 million) exceeded the net outflows based on currencies and deposits (Euro 384.5 million), portfolio investments (Euro 290.5 million) and trade credits (Euro 230.6 million), which enabled full financing of the current account deficit of Euro 355.5 million and increase of foreign reserves of Euro 318.7 million.

Data revisions

Balance of payments data in this press release contain regular data revision for the period January - September 2024 in order to improve their quality. In addition, the data revision contributed towards increase in the current account deficit of Euro 32 million, mainly as a result of the revision in the trade of goods and primary income sub-balance (increased deficit by Euro 21.4 million and by Euro 15.3 million, respectively), as opposed to the increase in the surplus in trade in services and in secondary income (by Euro 3.4 million and Euro 1.3 million, respectively).

The revision of the financial account led to higher net inflows of Euro 45.6 million, mainly as a result of the increase in net liabilities in trade credits (of Euro 22.7 million), direct investments (of Euro 17.8 million) and loans (of Euro 4 million).

The data revision reduced the errors and omissions for the period January - September 2024 by Euro 12.5 million.



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Supporting information

Time series of data: annual, quarterly and monthly data on the balance of payments:

https://www.nbrm.mk/platen_bilans-en.nspix

Methodological explanations: https://www.nbrm.mk/platen_bilans-en.nspix

Next publications: Advance Release Calendar

https://www.nbrm.mk/kalendar_na_objavuvanje_na_podatoci-en.nspix

Quarterly balance of payments: 30 May 2025 (reference period as of March 2025).

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 or phone: 02 3215 181 extension 103 (or 110/108).