



National Bank of the Republic of Macedonia Statistics Department

Skopje, 30 November 2016

PRESS RELEASE

Significant developments in the balance of payments¹ in September 2016

In September 2016, the current account surplus totaled Euro 27.3 million, while the financial account registered net inflows of currency and deposits, loans and portfolio investments.

Main components of the balance of payments of the Republic of Macedonia

(in millions of euros)

	IX-2016	I-IX.2016	monthly change		annual change		cumulative change	
			millions of euros	%	millions of euros	%	millions of euros	%
Current account	27.3	-70.1	-10.7	-28.1	-32.0	-54.0	-25.5	57.2
Goods	-117.0	-1,333.3	42.0	-26.4	-10.9	10.2	-46.9	3.6
Services	28.2	336.1	-14.4	-33.9	-16.2	-36.4	35.7	11.9
Primary income	-23.5	-220.6	2.0	-7.8	-0.6	2.5	-7.2	3.4
Secondary income	139.7	1,147.7	-40.2	-22.4	-4.4	-3.1	-7.1	-0.6
Capital account	0.3	10.2	-4.0		0.1		5.2	
Financial account	22.1	-79.4	-21.1		-36.5		-52.3	
Direct investment	22.5	-183.3	74.7		16.6		-51.6	
Portfolio investment	-4.8	-431.7	-1.5		-9.3		-459.0	
Currency and deposits	-31.4	152.7	-57.4		-29.8		-70.5	
Loans	-21.9	-126.0	6.4		11.0		-212.7	
Trade credit and advances	31.2	70.1	28.9		-43.6		41.9	
Reserve assets	26.4	439.5	-73.2		18.5		700.3	

Note: In the financial account, the sign (-) denotes net-inflows.

Source: NBRM.

Current account

In September 2016, the current transactions with non-residents resulted in a positive balance on the current account of Euro 27.3 million, since the surplus in the secondary income and the trade in services (of Euro 139.7 million and Euro 28.2 million, respectively), exceeded the deficit in the trade in goods and the primary income (Euro 117 million and Euro 23.5 million, respectively).

On a monthly basis, the current account surplus decreased by Euro 10.7 million, mainly resulting from the reduced surplus in secondary income (by Euro 40.2 million) and trade in services (by Euro 14.4 million), partly offset by the lower trade deficit in goods (by Euro 42 million) and lower net outflows in primary income (by Euro 2 million).

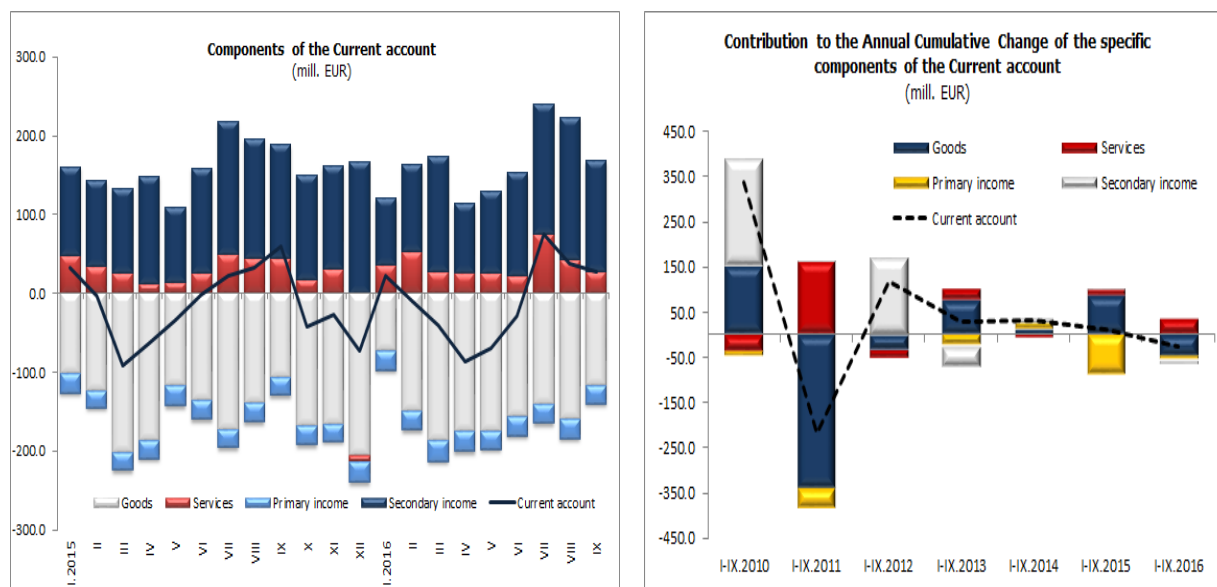
On a cumulative basis, for the period January-September 2016, the current account deficit amounted to Euro 70.1 million, which is by Euro 25.5 million (57.2%) more compared to the

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



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same period in 2015. The increased trade deficit in goods, and primary income (by Euro 46.9 million and Euro 7.2 million, respectively), and the lower surplus in secondary income (by Euro 7.1 million), were only partially offset by the higher surplus in trade in services (by Euro 35.7 million).



Source: NBRM.

Financial account

In September, the financial account registered net inflows of currencies and deposits (Euro 31.4 million), loans (Euro 21.9 million) and portfolio investments (Euro 4.8 million), and net outflows of trade credits (Euro 31.2 million) and direct investments (Euro 22.5 million). Foreign reserves have increased by Euro 26.4 million.

In September 2016, direct investments, net, registered outflows of Euro 22.5 million. Since the beginning of the year through September, net inflows of Euro 183.3 million were registered on this basis, which exceed the net inflows registered in the same period last year by Euro 51.6 million.

In September, liabilities on direct investments² decreased by Euro 7.5 million, amid net outflows of equity (Euro 1.9 million) and reinvestment of earnings (Euro 12.8 million), and net inflows of debt instruments (Euro 7.1 million). Cumulatively, liabilities to direct investors increased by Euro 358.6 million (by Euro 101.6 million or 39.5% more compared to the same period last year).

² It shows direct investment according to whether financial transactions create liabilities to or claim (assets) on abroad.

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

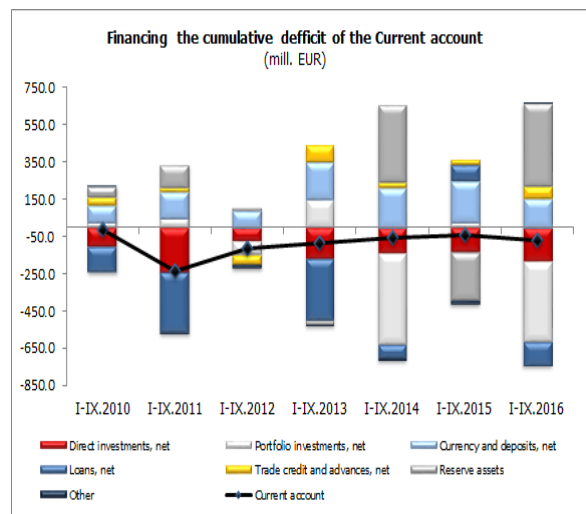
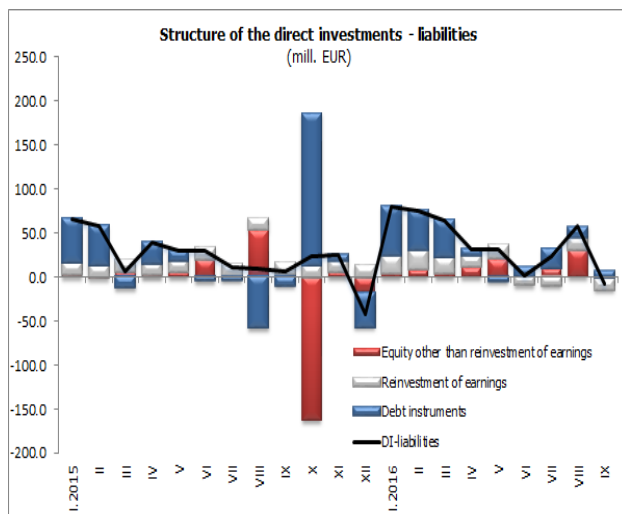


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In September, assets from direct investments registered net outflows of Euro 15 million, mainly based on debt instruments. Cumulatively, assets increased by Euro 175.3 million (which is by Euro 50 million or 39.9% more compared to the same period in 2015).

In September this year, net inflows of loans in the amount of Euro 21.9 million mainly resulted from the increased net liabilities of other sectors³ and the government sector.

As of September, financial transactions with non-residents registered net inflows of portfolio investments, direct investments, and loans that exceed net outflows in currencies and deposits, and trade credits. Higher net inflows financed the current account deficit (of Euro 70.1 million) and ensured additional accumulation in foreign reserves (of Euro 439.5 million).



Source: NBRM.

Data revisions

Data on the balance of payments in this press release contain regular data revisions for the period January - August 2016. These revisions did not cause significant changes in the previously disseminated data and mainly arise from the improved scope through statistical sources of data.



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Supporting information

Time series of data: annual, quarterly and monthly data on the balance of payments:
http://www.nbrm.mk/platen_bilans-en.nspix

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

Next publication: Advance Release Calendar
http://nbrm.mk/kalendar_na_objavuvanje_na_podatoci-en.nspix

Monthly balance of payments: 30 December 2016 (reference period as of October 2016).

For any questions, we kindly ask journalists to contact the Governor's Office.

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).