



National Bank of the Republic of Macedonia Statistics Department

Skopje, 21 September 2017

PRESS RELEASE

Monetary developments in the Republic of Macedonia: August 2017

- In August 2017, **broad money (monetary aggregate M4¹)** registered monthly growth of 1.1%, driven by the increase in demand deposits², short-term and long-term deposits, as opposed to the decrease in currency in circulation. On an annual basis, the broad money registered an increase of 6.5% with the largest contribution made by demand deposits followed by long-term and short-term deposits, as well as currency in circulation.
- In August, **total deposits** registered a monthly and annual growth of 1.4% and 6.1%, respectively, given the growth in both sectors. In addition, the monthly growth of deposits mostly (61%) reflects the increase in corporate deposits, with significant contribution of household deposits to the annual deposit growth (64.6%).

Table 1 Total deposits and loans of the non-government sector

	Stocks (in millions of MKD)									annual changes (in %)								monthly changes (in %)		
	12.2015 ¹	3.2016	6.2016	9.2016	12.2016 ¹	3.2017	6.2017	7.2017	8.2017	12.2015 ¹	3.2016	6.2016	9.2016	12.2016 ¹	3.2017	6.2017	7.2017	8.2017	7.2017	8.2017
Broad Money (M4)	331,007	330,713	322,156	329,379	351,222	344,729	347,157	348,072	352,016	6.8	6.2	2.5	4.0	6.1	4.2	7.8	7.4	6.5	0.3	1.1
<i>of which:</i>																				
Currency in Circulation	26,300	25,726	25,957	26,356	28,193	26,802	28,473	29,632	29,179	13.3	9.0	7.5	6.2	7.2	4.2	9.7	8.7	10.6	4.1	-1.5
Total Deposits	304,552	304,820	296,027	302,828	321,888	317,720	318,426	318,188	322,503	6.5	6.2	2.3	4.0	5.7	4.2	7.6	7.3	6.1	-0.1	1.4
<i>of which:</i>																				
Corporations	77,034	75,742	73,011	76,062	87,377	82,420	80,885	81,368	84,002	13.0	16.0	5.6	11.3	13.4	8.8	10.8	11.4	6.2	0.6	3.2
Households	212,056	213,661	206,118	209,734	217,394	217,554	219,505	218,543	219,834	4.1	3.1	0.2	1.2	2.5	1.8	6.5	5.4	5.7	-0.4	0.6
Total Loans	279,871	280,023	274,453	275,096	282,461	280,157	286,408	287,256	287,904	9.5	8.4	3.5	2.5	0.9	0.0	4.4	4.9	5.1	0.3	0.2
<i>of which:</i>																				
Corporations	157,834	154,987	149,131	147,535	151,905	146,851	149,179	148,947	148,582	7.1	5.1	-0.5	-1.2	-3.8	-5.2	0.0	0.8	1.0	-0.2	-0.2
Households	120,832	123,887	124,192	126,505	129,321	132,080	136,034	137,173	138,210	12.9	13.0	8.8	7.3	7.0	6.6	9.5	9.8	10.0	0.8	0.8

1) Data in accordance with the final balance sheets submission

Source: NBRM.

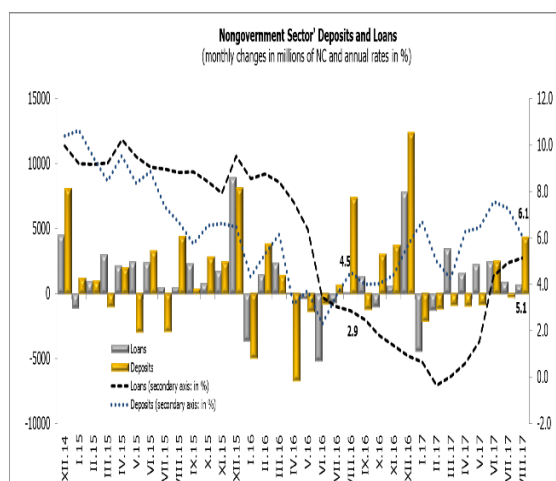
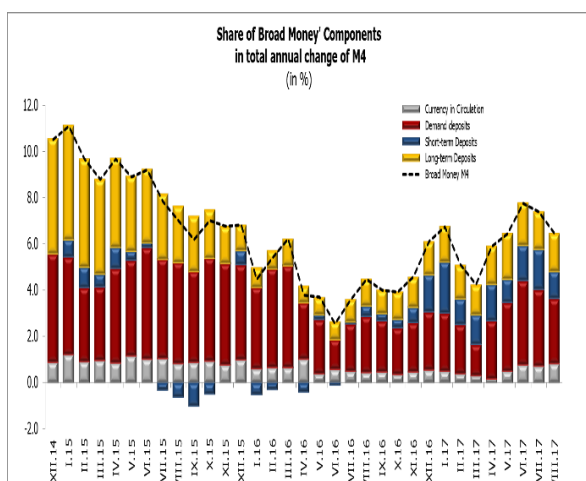
- In August, **total loans** registered a minimal monthly increase of 0.2%, amid higher household credit growth and reduced lending to the corporate sector. The annual credit growth of 5.1% mostly (89%) arises from the growth of household loans.

¹ Monetary aggregate M1 includes currency in circulation and demand deposits. Monetary aggregate M2 is composed of monetary aggregate M1 and short-term deposits, whereas the monetary aggregate M4 (broad money) besides the monetary aggregate M2 also includes the long-term deposits. For more details see the methodology at: <http://www.nbrm.mk/ns-newsarticle-bilansi-i-pregledi-na-depozitni-institucii-en.nspix>

² The demand deposits refer to the current accounts with the banks and savings houses and the current accounts of other financial corporations with the National Bank.

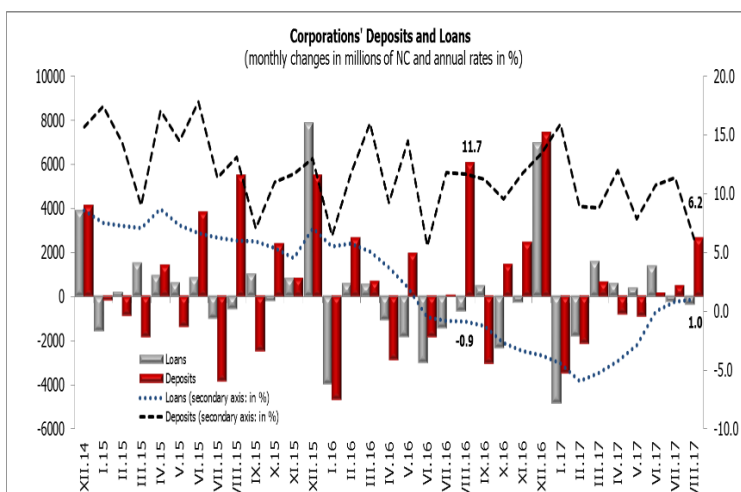


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Source: NBRM.

1. Deposits and loans of the corporate sector³



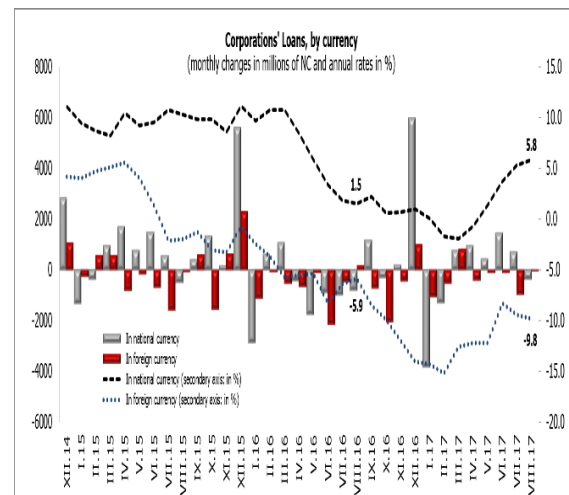
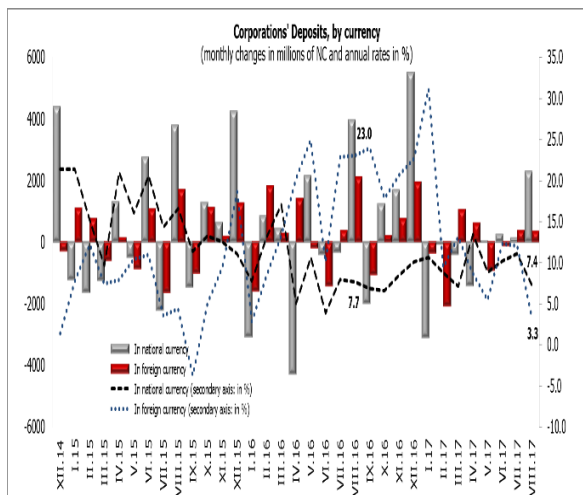
Source: NBRM.

- Total corporate **deposits** increased in August on both monthly and annual basis by 3.2% and 6.2%, respectively. Thus, demand deposits and short-term deposits make the most significant contribution to the monthly and annual growth.
- In August, the total corporate **loans**, same as last month, registered a monthly fall of 0.2%, mainly determined by the denar component. On the other hand, on annual basis, the balance of loans to the corporate sector increased by 1.0% due to the higher denar lending, opposite to the annual decline in foreign currency lending.

³ For the purposes of this press release, the corporate sector refers to public and other non-financial corporations.

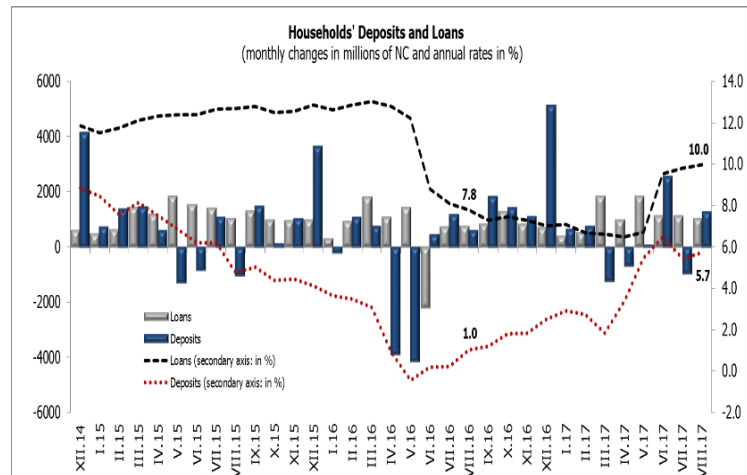


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Source: NBRM.

2. Deposits and loans of the households⁴



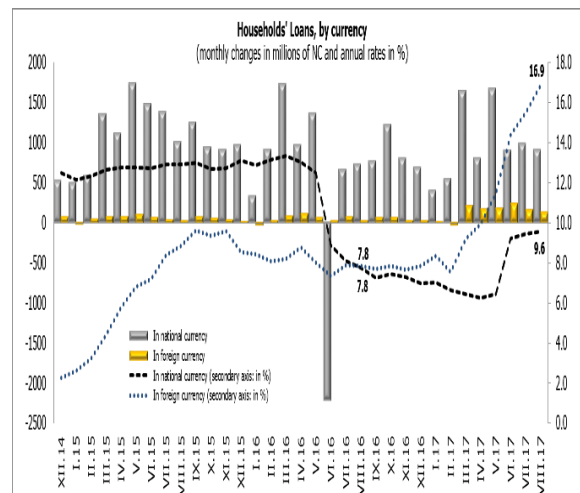
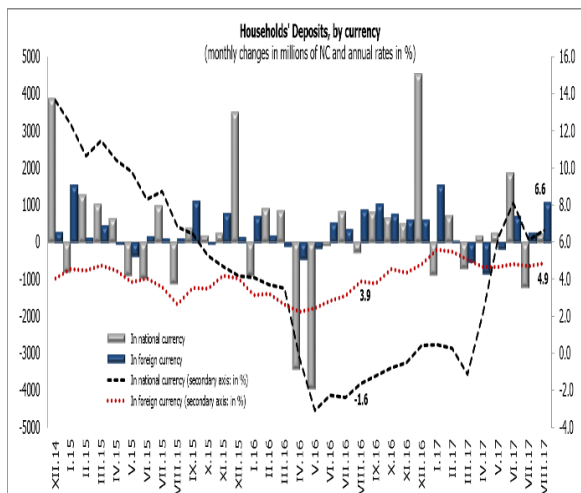
Source: NBRM.

- This month, total **household deposits** registered a monthly growth of 0.6% primarily reflecting the growth of deposits in foreign currency. Annually, household deposits increased by 5.7% amid growth in denar and foreign currency deposits, with more pronounced increase in denar deposits (contribution of 58.1% to the growth).

⁴ For the purposes of this press release, households refer to the individuals and self-employed professionals.

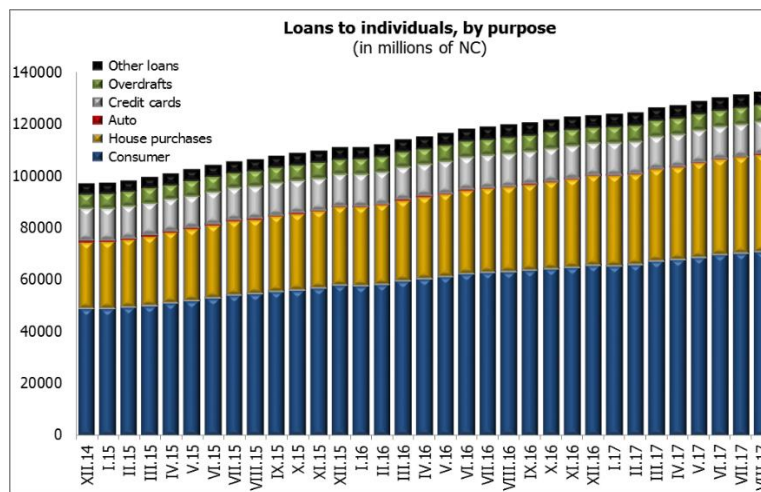


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Source: NBRM.

- At the end of August, total **loans** to households registered a monthly and annual increase of 0.8% and 10.0%, respectively. Moreover, the increased monthly and annual lending to the households was mostly in denars (contribution to the growth of 87.8% and 90.3%, respectively).



Source: NBRM.

Table 2 Banks and savings houses loans granted to individuals, by purpose

	Stocks (in millions of NC)								annual changes (in %)								monthly changes (in %)			
	12.2015 ¹⁾	3.2016	6.2016	9.2016	12.2016 ¹⁾	3.2017	6.2017	7.2017	8.2017	12.2015 ¹⁾	3.2016	6.2016	9.2016	12.2016 ¹⁾	3.2017	6.2017	7.2017	8.2017	7.2017	8.2017
Consumer loans	57,730	59,413	62,069	63,519	65,438	67,041	69,424	70,188	70,604	18.2	18.8	17.4	14.8	13.4	12.8	11.8	12.0	12.2	1.1	0.6
House purchases loans	30,287	31,259	32,404	33,123	34,608	35,448	36,815	37,012	37,518	17.9	16.8	14.9	13.8	14.3	13.4	13.6	13.7	14.2	0.5	1.4
Auto loans	399	379	348	325	323	309	307	304	302	-41.7	-36.5	-31.7	-27.2	-19.1	-18.5	-11.9	-10.8	-9.4	-0.9	-0.4
Credit cards	12,348	12,237	12,344	12,469	12,380	12,294	12,295	12,319	12,372	-0.5	0.0	0.4	0.4	0.3	0.5	-0.4	-0.5	-0.7	0.2	0.4
Overdrafts	5,592	6,112	6,281	6,276	5,795	6,275	6,366	6,430	6,510	5.0	5.4	6.4	3.5	3.6	2.7	1.3	4.5	2.9	1.0	1.3
Other loans	4,273	4,317	4,498	4,556	4,585	4,560	4,630	4,601	4,582	9.4	10.0	11.1	10.4	7.3	5.6	2.9	1.5	1.7	-0.6	-0.4

1) Data in accordance with the final balance sheets submission

Source: NBRM.



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- Analyzing the purpose of loans to individuals, in August, the most common categories - **consumer and housing loans** continued registering positive trends of monthly (0.6% and 1.4%, respectively) and annual growth (12.2% and 14.2%, respectively). On the other hand, **car loans** continued registering a downward trend, with monthly and annual decrease of 0.4% and 9.4%, respectively. In August, **credit card** loans registered a monthly growth of 0.4%, with an annual decrease of 0.7%. Furthermore, this month, **overdrafts** registered a monthly and annual growth of 1.3% and 2.9%, respectively, while loans approved on **other basis** registered a monthly decrease of 0.4%, with annual growth of 1.7%.

Supporting information

Time series of data: Balance sheets and list of depository institutions, monthly data
<http://www.nbrm.mk/ns-newsarticle-bilansi-i-pregledi-na-depozitni-institucii-en.nspix>

Methodological explanations:

<http://www.nbrm.mk/ns-newsarticle-bilansi-i-pregledi-na-depozitni-institucii-en.nspix>

Next publications: Advance release calendar

http://nbrm.mk/kalendar_na_objavuvanje_na_podatoci-en.nspix

Monetary developments in the Republic of Macedonia: 20 October 2017 (reference period as of September 2017).

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

For more information about the disseminated statistical data, please contact us at: contact.statistika@nbrm.mk or on the telephone number 02 3215 181 extension 116 (or 110/108).