



National Bank of the Republic of Macedonia Statistics Department

Skopje, 21 August 2017

PRESS RELEASE

Monetary developments in the Republic of Macedonia: July 2017

- In July, **broad money (money aggregate M4¹)**, registered an upward monthly change of 0.3%, mainly influenced by the growth of currency in circulation and long-term deposits to a lesser extent, compared to the decline in demand² and short-term deposits. On an annual basis, broad money registers a growth of 7.4% with the largest contribution of demand deposits followed by short-term and long-term deposits, as well as currency in circulation.
- At the end of July, **total deposits** register a minimal monthly decline of 0.1%, whereby the decrease in household deposits exceeds the growth of deposits in the corporate sector. On an annual basis, deposits increased by 7.3% amid more pronounced contribution of the corporate sector.

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

	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	12.2015 ¹⁾	3.2016	6.2016	9.2016	12.2016 ¹⁾	3.2017	6.2017	7.2017	6.2017	7.2017
Broad Money (M4)	331,007	330,713	322,156	329,379	351,222	344,729	347,157	348,072	6.8	6.2	2.5	4.0	6.1	4.2	7.8	7.4	1.0	0.3
<i>of which:</i>																		
Currency in Circulation	26,300	25,726	25,957	26,356	28,193	26,802	28,473	29,632	13.3	9.0	7.5	6.2	7.2	4.2	9.7	8.7	3.6	4.1
Total Deposits	304,552	304,820	296,027	302,828	321,888	317,720	318,426	318,188	6.5	6.2	2.3	4.0	5.7	4.2	7.6	7.3	0.8	-0.1
<i>of which:</i>																		
Corporations	77,034	75,742	73,011	76,062	87,377	82,420	80,885	81,368	13.0	16.0	5.6	11.3	13.4	8.8	10.8	11.4	0.2	0.6
Households	212,056	213,661	206,118	209,734	217,394	217,554	219,505	218,543	4.1	3.1	0.2	1.2	2.5	1.8	6.5	5.4	1.2	-0.4
Total Loans	279,871	280,023	274,453	275,096	282,461	280,157	286,408	287,256	9.5	8.4	3.5	2.5	0.9	0.0	4.4	4.9	0.9	0.3
<i>of which:</i>																		
Corporations	157,834	154,987	149,131	147,535	151,905	146,851	149,179	148,947	7.1	5.1	-0.5	-1.2	-3.8	-5.2	0.0	0.8	0.9	-0.2
Households	120,832	123,887	124,192	126,505	129,321	132,080	136,034	137,173	12.9	13.0	8.8	7.3	7.0	6.6	9.5	9.8	0.8	0.8

1) Data in accordance with the final balance sheets submission

Source: NBRM.

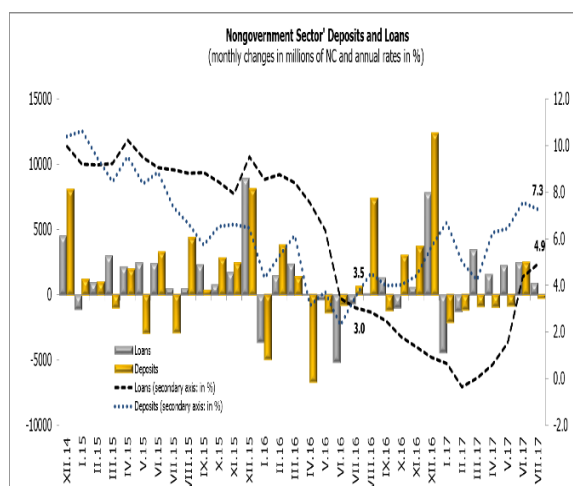
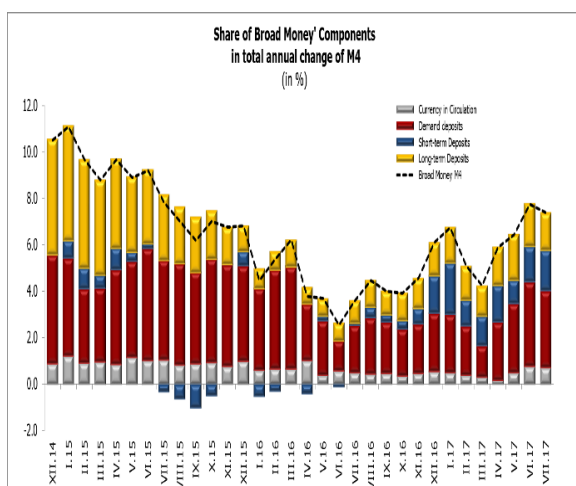
- **Total loans**, in July this year registered a monthly growth of 0.3%, which is entirely due to the increased lending to the households, amid decreased lending to the corporate sector. On an annual basis, the credit growth rate amounts to 4.9%, amid more significant contribution to the growth of loans granted to the household sector (90.7%).

¹ Monetary aggregate M1 includes currency in circulation and demand deposits. Monetary aggregate M2 is composed of the monetary aggregate M1 and short-term deposits, whereas the monetary aggregate M4 (broad money) despite 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.

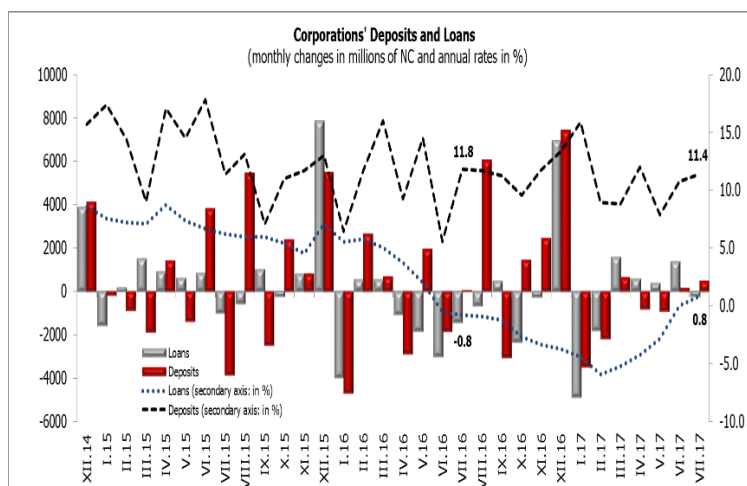


National Bank of the Republic of Macedonia Statistics Department



Source: NBRM.

1. Deposits and loans of the corporate sector³



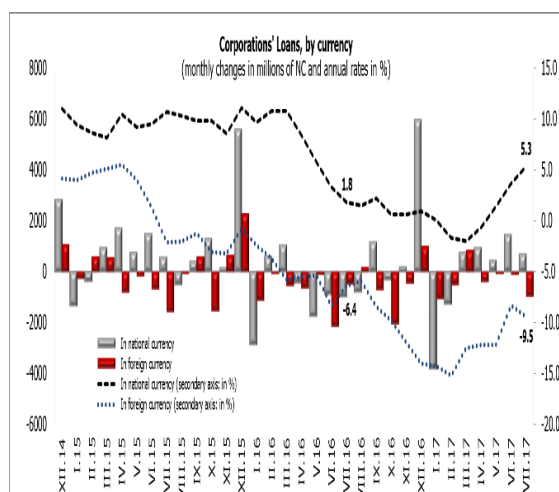
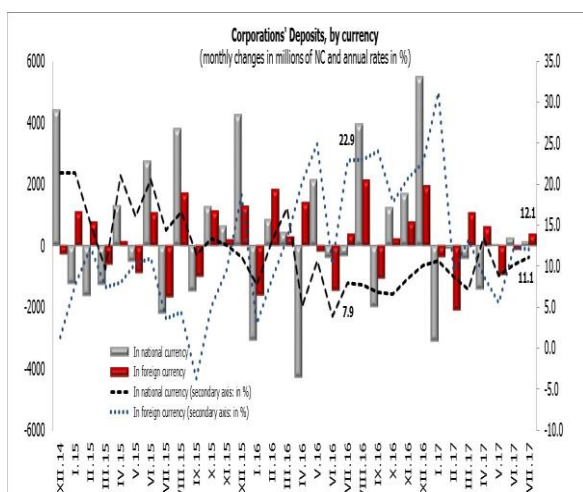
Source: NBRM.

- In June, total **deposits** to the household sector registered a monthly and annual increase of 0.6% and 11.4%, respectively. Therefore, demand deposits and short-term foreign currency deposits have the most significant contribution to the monthly and annual upward change.
- This month, total **loans** of the corporate sector registered a downward monthly change of 0.2% mainly due to the decline of foreign currency lending which exceeds the growth of denar lending. On the other hand, the lending activity to the corporate sector has increased by 0.8% on an annual basis, whereby the growth of denar loans neutralized the effect of reducing the foreign currency loans.

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

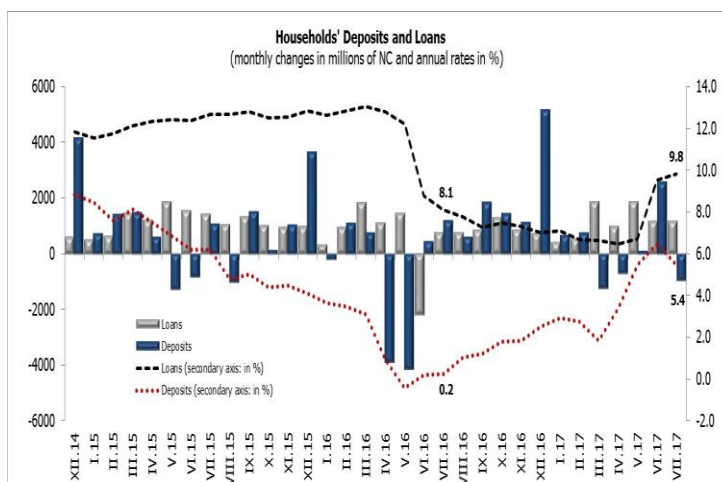


National Bank of the Republic of Macedonia Statistics Department



Source: NBRM.

2. Deposits and loans of the households⁴



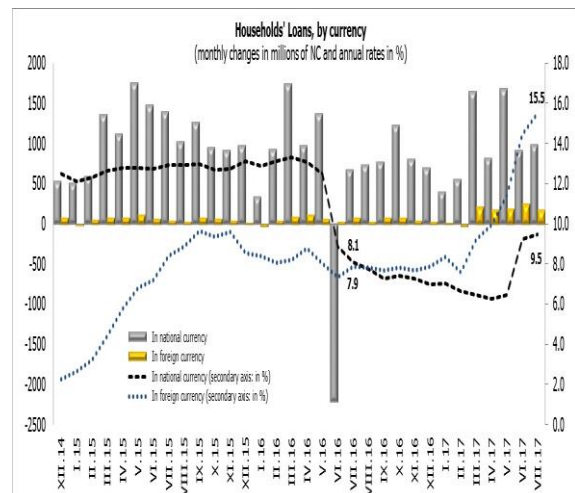
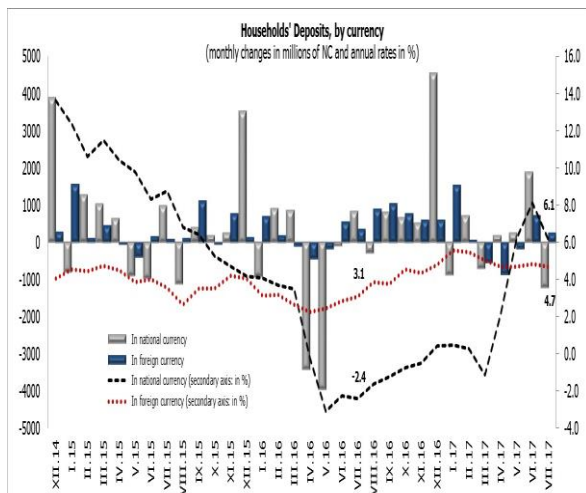
Source: NBRM.

- In July, total **household deposits** registered a monthly decrease of 0.4%, mainly due to the monthly decline in demand deposits. Annually, household deposits are higher by 5.4% amid growth in denar and foreign currency deposits, slightly more expressed in deposits received in Denars (contribution of 57.2% to the growth).

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

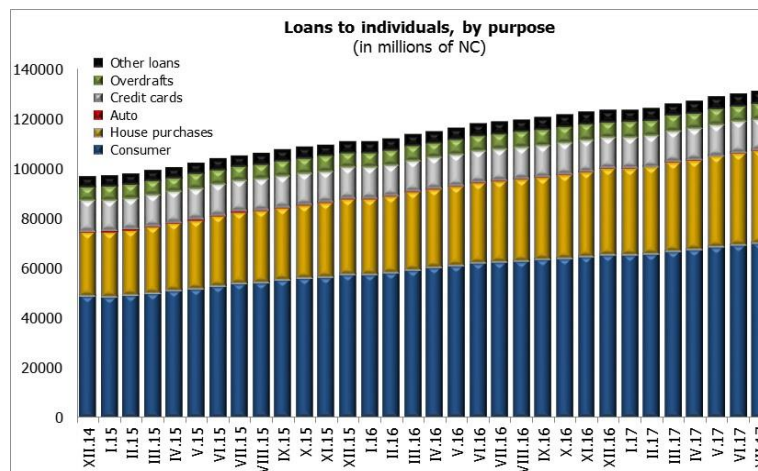


National Bank of the Republic of Macedonia Statistics Department



Source: NBRM.

- In July, total **loans** to households registered a monthly and annual increase of 0.8% and 9.8%, respectively. Therefore, the monthly and annual increases are mostly due to the growth of denar placements (contribution of 86.2% and 90.9% to the growth, 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	12.2015 ⁽¹⁾	3.2016	6.2016	9.2016	12.2016 ⁽¹⁾	3.2017	6.2017	7.2017	6.2017	7.2017
Consumer loans	57,730	59,413	62,069	63,519	65,438	67,041	69,424	70,188	18.2	18.8	17.4	14.8	13.4	12.8	11.8	12.0	1.2	1.1
House purchases loans	30,287	31,259	32,404	33,123	34,608	35,448	36,815	37,012	17.9	16.8	14.9	13.8	14.3	13.4	13.6	13.7	1.3	0.5
Auto loans	399	379	348	325	323	309	307	304	-41.7	-36.5	-31.7	-27.2	-19.1	-18.5	-11.9	-10.8	-0.2	-0.9
Credit cards	12,348	12,237	12,344	12,469	12,380	12,294	12,295	12,319	-0.5	0.0	0.4	0.4	0.3	0.5	-0.4	-0.5	0.1	0.2
Overdrafts	5,592	6,112	6,281	6,276	5,795	6,275	6,366	6,430	5.0	5.4	6.4	3.5	3.6	2.7	1.3	4.5	-1.0	1.0
Other loans	4,273	4,317	4,498	4,556	4,585	4,560	4,630	4,601	9.4	10.0	11.1	10.4	7.3	5.6	2.9	1.5	0.3	-0.6

1) Data in accordance with the final balance sheets submission

Source: NBRM.



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- From the viewpoint of loan types approved to individuals, in July, the most significant categories, **consumer and housing loans** registered a monthly increase of 1.1% and 0.5%, respectively, amid annual growth of 12.0% and 13.7%, respectively. The downward trend continued in **car loans**, amid monthly and annual decline of 0.9% and 10.8%, respectively. Furthermore, this month, loans granted on the basis of **credit cards** registered an increase of 0.2%, compared to the annual decline of 0.5%, whereas **overdrafts** registered a monthly and annual growth of 1.0% and 4.5%, respectively. During July, loans granted on **other basis** registered a monthly decline of 0.6% amid an annual growth of 1.5%.

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

Monetary developments in the Republic of Macedonia: 21 September 2017 (reference period as of August 2017).

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

For more detailed information regarding 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).