



National Bank of the Republic of Macedonia Statistics Department

Skopje, 21 December 2017

Press Release

Monetary developments in the Republic of Macedonia: November 2017

- In November, **broad money (monetary aggregate M4¹)** registered monthly growth of 0.7%, identical as the previous month, mainly driven by the increase in demand deposits², long-term, and less in short-term deposits, as opposed to the decrease in currency in circulation. On an annual basis, the broad money registered an increase of 5.9%, with the largest contribution made by demand deposits and long-term deposits, given the smaller contribution of currency in circulation and short-term deposits.
- In November, **total deposits** registered monthly and annual growth rate of 0.9% and 5.7%, respectively, given the deposit growth in both sectors. In addition, the monthly and annual growth are mostly a result of the growth of household deposits.

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

| | stocks (in millions of NC) | | | | | | annual changes (in %) | | | | | | monthly changes (in %) | |
|-------------------------|----------------------------|----------------|----------------|----------------|----------------|----------------|-----------------------|------------|------------|------------|------------|------------|------------------------|------------|
| | 12.2016 ¹⁾ | 3.2017 | 6.2017 | 9.2017 | 10.2017 | 11.2017 | 12.2016 ¹⁾ | 3.2017 | 6.2017 | 9.2017 | 10.2017 | 11.2017 | 10.2017 | 11.2017 |
| Broad Money (M4) | 351,222 | 344,729 | 347,157 | 350,513 | 352,854 | 355,448 | 6.1 | 4.2 | 7.8 | 6.4 | 6.2 | 5.9 | 0.7 | 0.7 |
| <i>of which:</i> | | | | | | | | | | | | | | |
| Currency in Circulation | 28,193 | 26,802 | 28,473 | 28,968 | 28,008 | 27,609 | 7.2 | 4.2 | 9.7 | 9.9 | 7.0 | 6.6 | -3.3 | -1.4 |
| Total Deposits | 321,888 | 317,720 | 318,426 | 320,952 | 324,344 | 327,153 | 5.7 | 4.2 | 7.6 | 6.0 | 6.1 | 5.7 | 1.1 | 0.9 |
| <i>of which:</i> | | | | | | | | | | | | | | |
| Corporations | 87,377 | 82,420 | 80,885 | 80,304 | 83,099 | 83,995 | 13.4 | 8.8 | 10.8 | 5.6 | 7.2 | 5.0 | 3.5 | 1.1 |
| Households | 217,394 | 217,554 | 219,505 | 221,570 | 222,364 | 223,684 | 2.5 | 1.8 | 6.5 | 5.6 | 5.3 | 5.4 | 0.4 | 0.6 |
| Total Loans | 282,461 | 280,157 | 286,408 | 286,950 | 287,322 | 289,912 | 0.9 | 0.0 | 4.4 | 4.3 | 4.8 | 5.6 | 0.1 | 0.9 |
| <i>of which:</i> | | | | | | | | | | | | | | |
| Corporations | 151,905 | 146,851 | 149,179 | 146,764 | 146,449 | 147,670 | -3.8 | -5.2 | 0.0 | -0.5 | 0.9 | 1.9 | -0.2 | 0.8 |
| Households | 129,321 | 132,080 | 136,034 | 138,951 | 139,632 | 141,023 | 7.0 | 6.6 | 9.5 | 9.8 | 9.3 | 9.7 | 0.5 | 1.0 |

1) Data in accordance with the final balance sheets submission

Source: NBRM.

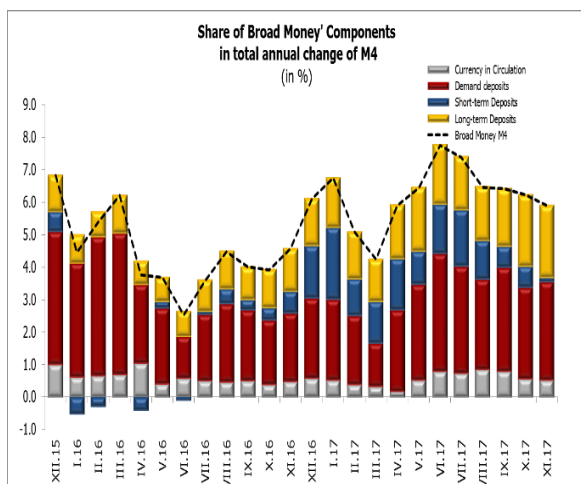
- In November, **total loans** registered a monthly increase of 0.9% with almost equal contribution of both sectors to the growth. On an annual basis, the loan growth rate accelerated and this month equals 5.6%. The annual growth is mostly determined by the growth of lending to the households sector (81.2%).

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 long-term deposits. For more details see the methodology at: <http://www.nbrm.mk/ns-newsarticle-bilansi-i-prigledi-na-depozitni-institucii-en.nspix>

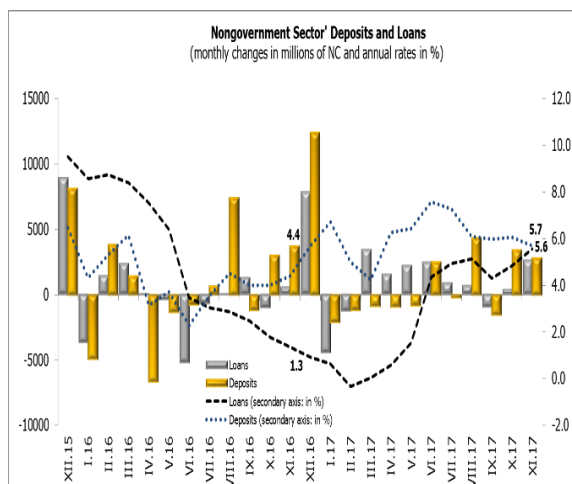
² Demand deposits refer to current accounts with banks and savings houses and current accounts of other financial corporations with the National Bank.



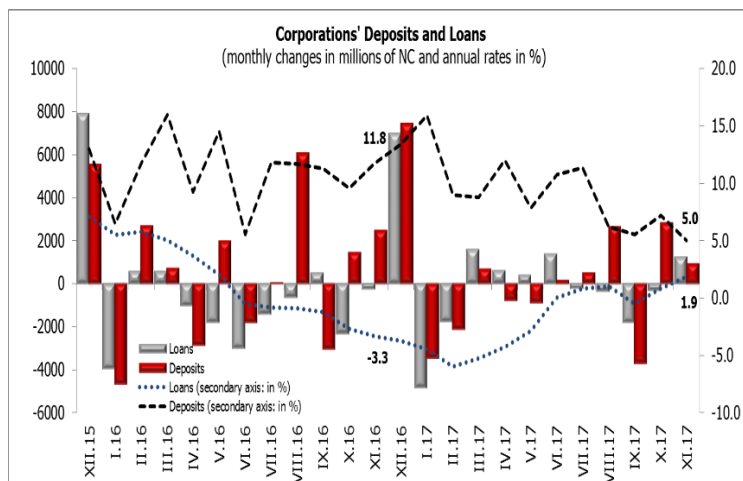
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Source: NBRM.



1. Deposits and loans of the corporate sector³



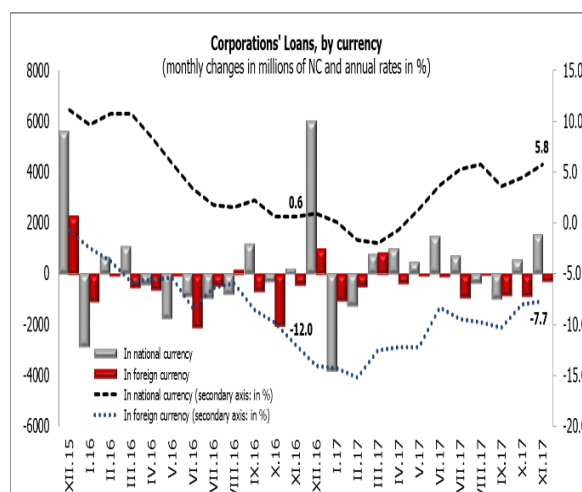
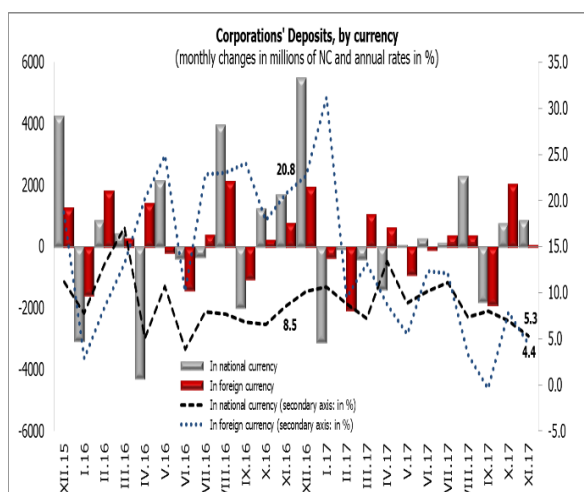
Source: NBRM.

- In November, total **corporate deposits** registered a monthly and annual growth of 1.1% and 5.0%, respectively. Also, demand deposits are the main determinant of the growth on a monthly and annual basis, with a share of 79.9% and 89.8%, respectively.
- This month, the total **corporate loans** registered a monthly and annual growth of 0.8% and 1.9%, respectively. Enhanced lending on both monthly and annual basis is fully explained by the growth of denar lending, amid decline in foreign currency lending.

³ For the purposes of this press release, the corporate sector includes public and private non-financial corporations.

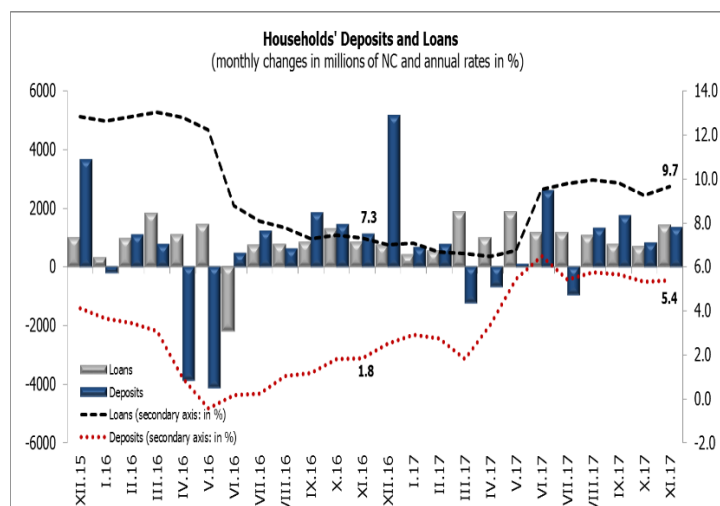


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Source: NBRM.

2. Deposits and loans of the households⁴



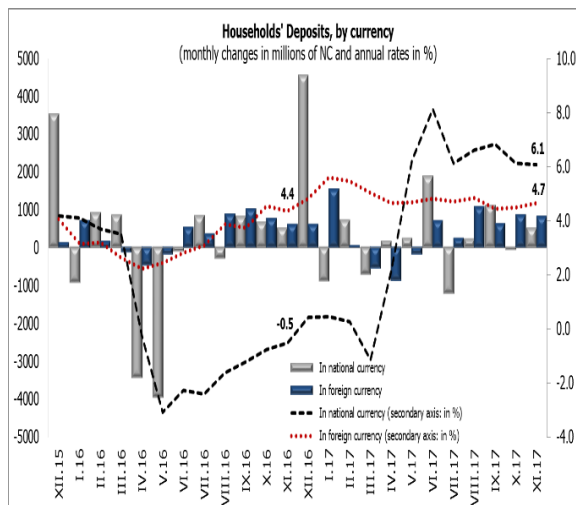
Source: NBRM.

- In November, total **household deposits** registered a monthly and annual growth of 0.6% and 5.4%, respectively. Analyzing the structure, demand deposits, as well as foreign currency short-term and long-term deposits, made the largest contribution to the growth.
- This month, total **loans to households** registered a monthly and annual increase of 1.0% and 9.7%, respectively, which was mostly due to the growth of denar loans (contribution to the growth of 96.3% and 89.2%, respectively).

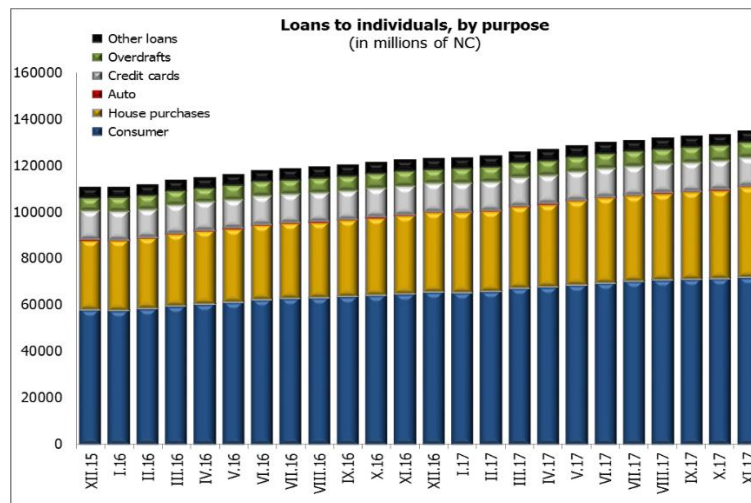
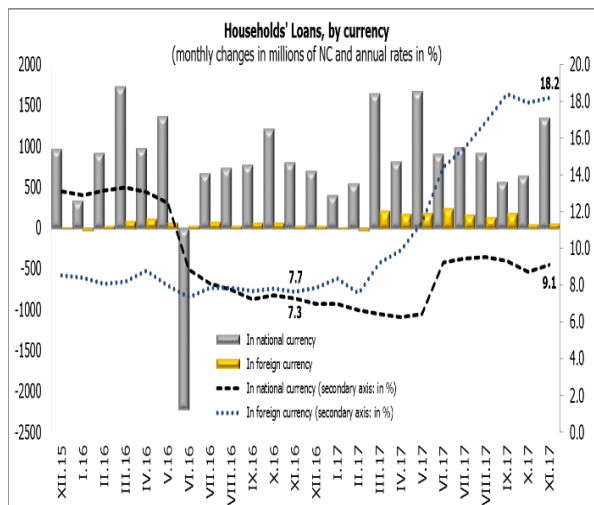
⁴ For the purposes of this press release, households refer to individuals and self-employed professionals.



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Source: NBRM.



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 %) | |
|-----------------------|----------------------------|--------|--------|--------|---------|---------|-----------------------|--------|--------|--------|---------|---------|------------------------|---------|
| | 12.2016 ¹⁾ | 3.2017 | 6.2017 | 9.2017 | 10.2017 | 11.2017 | 12.2016 ¹⁾ | 3.2017 | 6.2017 | 9.2017 | 10.2017 | 11.2017 | 10.2017 | 11.2017 |
| Consumer loans | 65,438 | 67,041 | 69,424 | 71,068 | 71,215 | 71,863 | 13.4 | 12.8 | 11.8 | 11.9 | 11.3 | 11.2 | 0.2 | 0.9 |
| House purchases loans | 34,608 | 35,448 | 36,815 | 37,788 | 38,268 | 39,039 | 14.3 | 13.4 | 13.6 | 14.1 | 13.7 | 15.0 | 1.3 | 2.0 |
| Auto loans | 323 | 309 | 307 | 308 | 311 | 312 | -19.1 | -18.5 | -11.9 | -5.2 | -5.6 | -4.0 | 1.0 | 0.4 |
| Credit cards | 12,380 | 12,294 | 12,295 | 12,341 | 12,379 | 12,402 | 0.3 | 0.5 | -0.4 | -1.0 | -1.0 | -0.7 | 0.3 | 0.2 |
| Overdrafts | 5,795 | 6,275 | 6,366 | 6,510 | 6,627 | 6,606 | 3.6 | 2.7 | 1.3 | 3.7 | 3.5 | 2.6 | 1.8 | -0.3 |
| Other loans | 4,585 | 4,560 | 4,630 | 4,578 | 4,541 | 4,597 | 7.3 | 5.6 | 2.9 | 0.5 | 0.2 | 1.0 | -0.8 | 1.2 |

1) Data in accordance with the final balance sheets submission

Source: NBRM.



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- Analyzing the purpose of loans granted to individuals, in November, the most common categories – **consumer and housing loans** registered a monthly growth of 0.9% and 2.0%, respectively, which on annual basis is 11.2% and 15.0%, respectively. This month, **car loans** and **credit card** loans registered a monthly growth of 0.4% and 0.2%, respectively, given the annual decrease in both categories, of 4.0% and 0.7%, respectively. Furthermore, in November, **overdrafts** registered a monthly decrease of 0.3%, opposite to the annual growth of 2.6%, while loans granted on **other basis** registered a monthly and annual growth of 1.2% and 1.0%, respectively.

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: 18 January 2018 (reference period as of December 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).