



## National Bank of the Republic of Macedonia Statistics Department

Skopje, 21 November 2017

### Press Release

#### Monetary developments in the Republic of Macedonia: October 2017

- In October, **broad money (monetary aggregate M4<sup>1</sup>)** registered monthly growth of 0.7%, which is explained by the growth in long-term and short-term deposits, as opposed to the fall in currency in circulation. On an annual basis, given the growth in all components, the broad money increased by 6.2%, which is mostly due to the growth in demand deposits<sup>2</sup> and long-term deposits.
- In October, **total deposits** registered a monthly growth rate of 1.1%, mainly driven by the increase in corporate deposits (contribution of 82.4% to the monthly growth). On the other hand, the annual deposit growth rate of 6.1% was due to the increase in deposits in both sectors, with a larger contribution of the households sector (60.5%).

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

	Stocks (in millions of NC)					annual changes (in %)					monthly changes (in %)	
	12.2016 <sup>1)</sup>	3.2017	6.2017	9.2017	10.2017	12.2016 <sup>1)</sup>	3.2017	6.2017	9.2017	10.2017	9.2017	10.2017
<b>Broad Money (M4)</b>	<b>351,222</b>	<b>344,729</b>	<b>347,157</b>	<b>350,513</b>	<b>352,854</b>	<b>6.1</b>	<b>4.2</b>	<b>7.8</b>	<b>6.4</b>	<b>6.2</b>	<b>-0.4</b>	<b>0.7</b>
<i>of which:</i>												
Currency in Circulation	28,193	26,802	28,473	28,968	28,008	7.2	4.2	9.7	9.9	7.0	-0.7	-3.3
<b>Total Deposits</b>	<b>321,888</b>	<b>317,720</b>	<b>318,426</b>	<b>320,952</b>	<b>324,344</b>	<b>5.7</b>	<b>4.2</b>	<b>7.6</b>	<b>6.0</b>	<b>6.1</b>	<b>-0.5</b>	<b>1.1</b>
<i>of which:</i>												
Corporations	87,377	82,420	80,885	80,304	83,099	13.4	8.8	10.8	5.6	7.2	-4.4	3.5
Households	217,394	217,554	219,505	221,570	222,364	2.5	1.8	6.5	5.6	5.3	0.8	0.4
<b>Total Loans</b>	<b>282,461</b>	<b>280,157</b>	<b>286,408</b>	<b>286,950</b>	<b>287,322</b>	<b>0.9</b>	<b>0.0</b>	<b>4.4</b>	<b>4.3</b>	<b>4.8</b>	<b>-0.3</b>	<b>0.1</b>
<i>of which:</i>												
Corporations	151,905	146,851	149,179	146,764	146,449	-3.8	-5.2	0.0	-0.5	0.9	-1.2	-0.2
Households	129,321	132,080	136,034	138,951	139,632	7.0	6.6	9.5	9.8	9.3	0.5	0.5

1) Data in accordance with the final balance sheets submission

Source: NBRM.

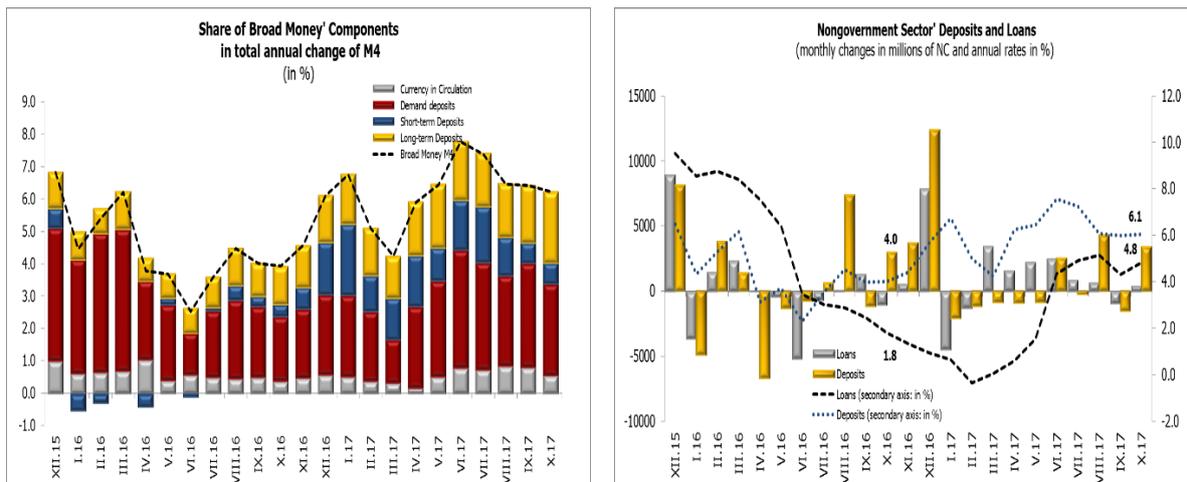
- In October, **total loans** registered a minimal monthly increase of 0.1% as a result of the growth of lending to the households sector, in times when the corporate sector credit growth registered negative monthly rates continuously since July 2017. On an annual basis, the credit growth of 4.8% mostly relies on the growth of loans in the households sector (89.4%).

<sup>1</sup> 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-pregledi-na-depozitni-institucii-en.nspix>

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

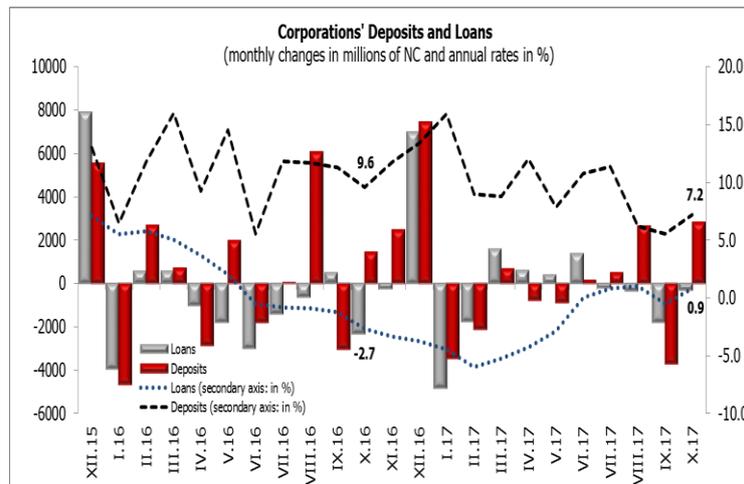


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Source: NBRM.

### 1. Deposits and loans of the corporate sector<sup>3</sup>



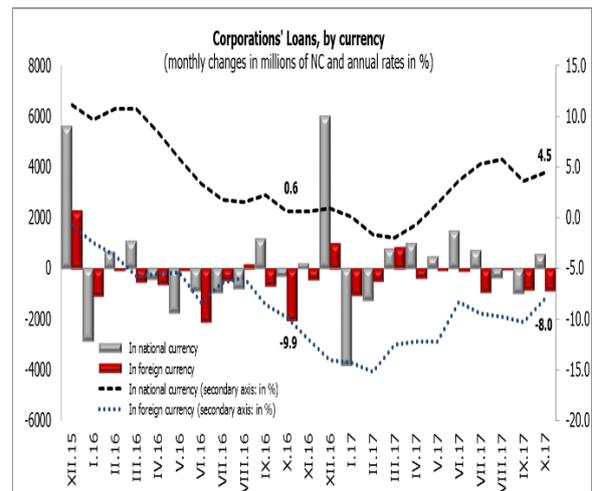
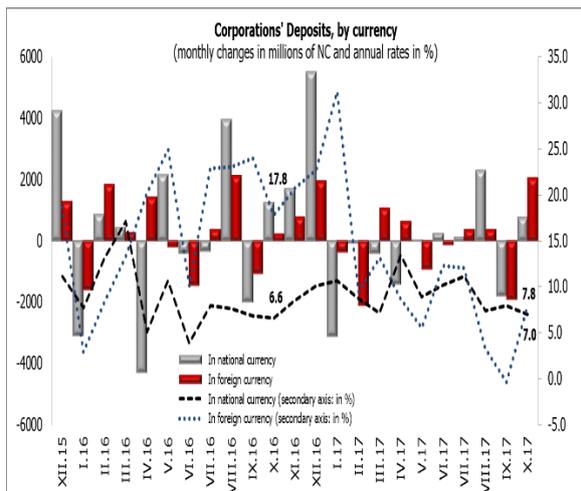
Source: NBRM.

- In October, total corporate **deposits** registered a monthly growth of 3.5%, mostly due to the increase in short-term deposits in foreign currency. On an annual basis, the growth of corporate deposits amounted to 7.2%, which is due to the growth of demand deposits, long-term deposits in denars and short-term deposits in foreign currency.
- During this month, the total corporate **loans** registered a monthly fall of 0.2%, which resulted from the decrease in foreign currency loans, amid growth in denar lending. On an annual basis, credit growth of 0.9% was registered, whereby the increased lending to the corporate sector in denars was partly netted by the decline in lending in foreign currency.

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

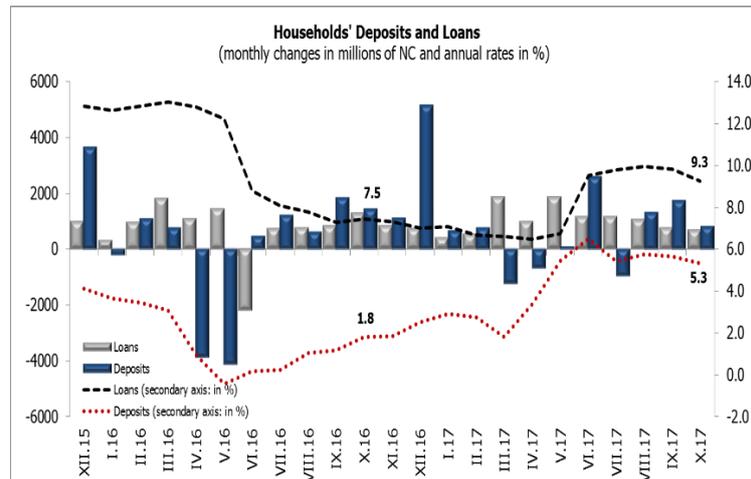


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Source: NBRM.

## 2. Deposits and loans of the households<sup>4</sup>



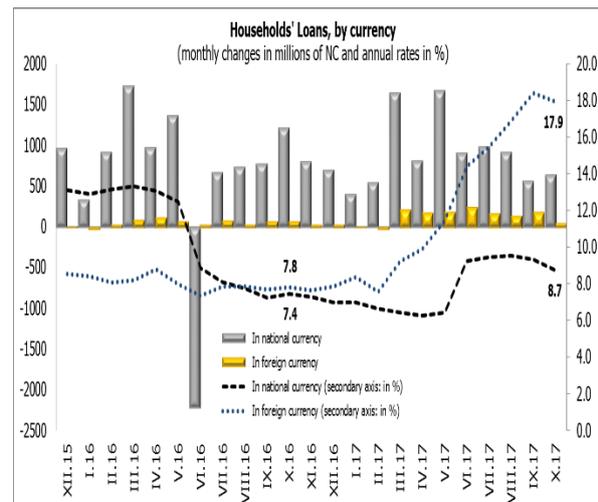
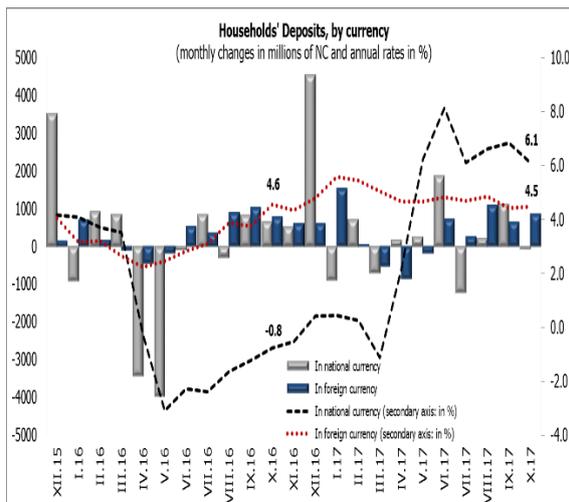
Source: NBRM.

- Total **household deposits** increased in October on both monthly and annual basis by 0.4% and 5.3%, respectively. The monthly growth fully arises from the growth in foreign currency deposits, while the annual growth is allocated between deposits in denars and in foreign currency, with a larger share in the growth of denar deposits (58.1%).

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

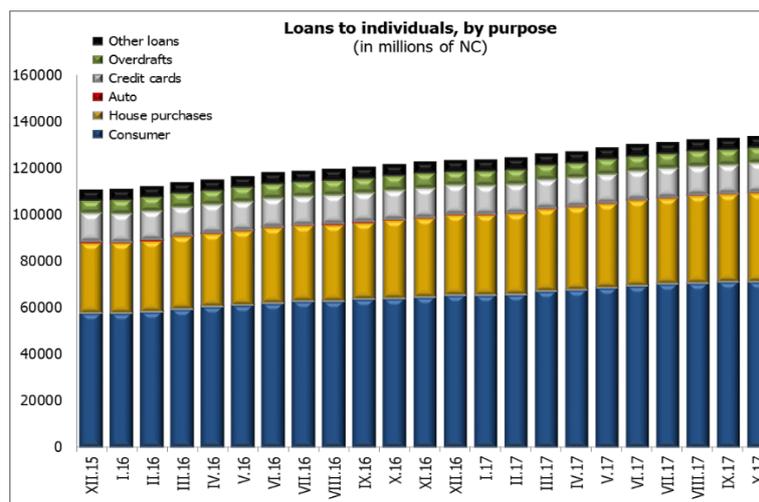


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Source: NBRM.

- Total **loans** to households registered a monthly and annual increase of 0.5% and 9.3%, respectively. The increased lending to households, on monthly and annual basis, is mainly concentrated in denar loans (share in the growth of 93.7% and 88.9%, 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 %)	
	12.2016 <sup>1)</sup>	3.2017	6.2017	9.2017	10.2017	12.2016 <sup>1)</sup>	3.2017	6.2017	9.2017	10.2017	9.2017	10.2017
Consumer loans	65,438	67,041	69,424	71,068	71,215	13.4	12.8	11.8	11.9	11.3	0.7	0.2
House purchases loans	34,608	35,448	36,815	37,788	38,268	14.3	13.4	13.6	14.1	13.7	0.7	1.3
Auto loans	323	309	307	308	311	-19.1	-18.5	-11.9	-5.2	-5.6	1.9	1.0
Credit cards	12,380	12,294	12,295	12,341	12,379	0.3	0.5	-0.4	-1.0	-1.0	-0.2	0.3
Overdrafts	5,795	6,275	6,366	6,510	6,627	3.6	2.7	1.3	3.7	3.5	0.0	1.8
Other loans	4,585	4,560	4,630	4,578	4,541	7.3	5.6	2.9	0.5	0.2	-0.1	-0.8

1) Data in accordance with the final balance sheets submission

Source: NBRM.



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- From the viewpoint of loan types granted to individuals, in October, the most common categories – **consumer and housing loans** registered a monthly increase of 0.2% and 1.3%, respectively, amid annual growth of 11.3% and 13.7%, respectively. This month, **credit card** loans registered a monthly growth of 0.3%, compared to the annual decline of 1.0%, while **overdrafts** registered a monthly and annual growth of 1.8% and 3.5%, respectively. Loans granted on **other basis** registered a monthly decrease of 0.8%, with annual growth of 0.2%. Finally, **car loans**, as least common instruments, registered a monthly growth of 1.0%, while on an annual basis, a decrease of 5.6% was registered.

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### 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](http://nbrm.mk/kalendar_na_objavuvanje_na_podatoci-en.nspix)

Monetary developments in the Republic of Macedonia: 21 December 2017 (reference period as of November 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](mailto:contact.statistika@nbrm.mk) or on the telephone number 02 3215 181 extension 116 (or 110/108).