



# National Bank of the Republic of Macedonia Statistics Department

Skopje, 20 July 2018

## Press Release

### Monetary developments in the Republic of Macedonia: June 2018<sup>1</sup>

- In June, **broad money (monetary aggregate M3<sup>2,3</sup>)** registered monthly growth of 0.8%, mostly as a result of the growth in short-term deposits (contribution of 83.7% to the monthly growth). The annual growth rate of the broad money was 10.1%, with an increase in all components. In terms of the contribution of individual components, most of the annual growth results from the growth of demand deposits<sup>4</sup>, followed by short-term deposits and long-term deposits up to two years.
- In June, **total deposits<sup>5</sup>** increased by 0.8% on a monthly basis, mainly due to the increase in corporate deposits (share in the growth of 72.4%). On an annual basis, the upward trend of growth of deposits, which reached 9.9%, continued in June. These achievements are the result of the growth of deposits of the two sectors, with a more pronounced contribution of household deposits.

Table 1. Total deposits and loans<sup>6</sup> 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	12.2017 <sup>1)</sup>	3.2018	5.2018	6.2018	12.2016 <sup>1)</sup>	3.2017	6.2017	9.2017	12.2017 <sup>1)</sup>	3.2018	5.2018	6.2018	5.2018	6.2018
<b>Broad Money M4</b>	<b>354,712</b>	<b>348,470</b>	<b>351,004</b>	<b>354,261</b>	<b>372,931</b>	<b>374,681</b>	<b>382,987</b>	<b>386,470</b>	<b>6.2</b>	<b>4.2</b>	<b>7.5</b>	<b>6.2</b>	<b>5.1</b>	<b>7.5</b>	<b>10.2</b>	<b>10.1</b>	<b>1.7</b>	<b>0.9</b>
<b>Broad Money M3</b>	<b>322,199</b>	<b>314,850</b>	<b>316,183</b>	<b>319,137</b>	<b>336,989</b>	<b>337,684</b>	<b>345,285</b>	<b>348,090</b>	<b>6.0</b>	<b>3.6</b>	<b>6.8</b>	<b>5.4</b>	<b>4.6</b>	<b>7.3</b>	<b>10.3</b>	<b>10.1</b>	<b>1.8</b>	<b>0.8</b>
of which:																		
Currency in Circulation	28,193	26,802	28,473	28,968	29,968	28,658	29,285	29,681	7.2	4.2	9.7	9.9	6.3	6.9	6.6	4.2	1.0	1.3
<b>Total Deposits</b>	<b>321,888</b>	<b>317,720</b>	<b>318,426</b>	<b>320,952</b>	<b>339,314</b>	<b>340,135</b>	<b>347,000</b>	<b>349,816</b>	<b>5.7</b>	<b>4.2</b>	<b>7.6</b>	<b>6.0</b>	<b>5.4</b>	<b>7.1</b>	<b>9.8</b>	<b>9.9</b>	<b>1.9</b>	<b>0.8</b>
of which:																		
Corporations	87,377	82,420	80,885	80,304	89,248	85,791	88,257	90,295	13.4	8.8	10.8	5.6	2.1	4.1	9.3	11.6	3.8	2.3
Households	217,394	217,554	219,505	221,570	230,744	233,485	236,201	236,832	2.5	1.8	6.5	5.6	6.1	7.3	8.9	7.9	0.6	0.3
<b>Total Loans</b>	<b>284,782</b>	<b>282,037</b>	<b>288,227</b>	<b>288,854</b>	<b>300,257</b>	<b>298,059</b>	<b>303,378</b>	<b>306,049</b>	<b>-0.1</b>	<b>-1.1</b>	<b>4.1</b>	<b>4.1</b>	<b>5.4</b>	<b>5.7</b>	<b>6.1</b>	<b>6.2</b>	<b>1.2</b>	<b>0.9</b>
of which:																		
Corporations	154,225	148,730	150,998	148,668	157,722	152,187	154,144	155,427	-5.3	-7.2	-0.4	-0.9	2.3	2.3	2.9	2.9	1.1	0.8
Households	129,321	132,080	136,034	138,951	141,232	144,491	147,829	149,254	7.0	6.6	9.5	9.8	9.2	9.4	9.6	9.7	1.3	1.0

1) Data in accordance with the final balance sheets submission

Source: NBRM.

<sup>1</sup> The data published in this press release are prepared according to a new methodology, the application of which caused a change in the monetary data, which are subject to analysis in this press release. For more information about the changes please see the Information on methodological changes in the monetary statistics, the statistics of other financial corporations' - and the statistics of interest rates, at:

[http://www.nbrm.mk/content/statistika/informacii/Informacija\\_za\\_promeni\\_vo\\_monetarnata\\_statistika\\_eng.pdf](http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf)

<sup>2</sup> Starting from June 2018, the NBRM will use the monetary aggregate M3 as a new standard definition of broad money. For analytical purposes, the monetary aggregate M4 will continue to be calculated and published.

<sup>3</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 M3 (broad money) besides the monetary aggregate M2 also includes deposits with a maturity of one to two years. Consequently, monetary aggregate M4 contains monetary aggregate M3 and long-term deposits with maturity over two years. For more details see the methodology at: [http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija\\_monetarna\\_07\\_2018\\_eng.pdf](http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_monetarna_07_2018_eng.pdf)

<sup>4</sup> Demand deposits refer to current accounts with banks and savings houses and current accounts of other financial corporations with the National Bank.

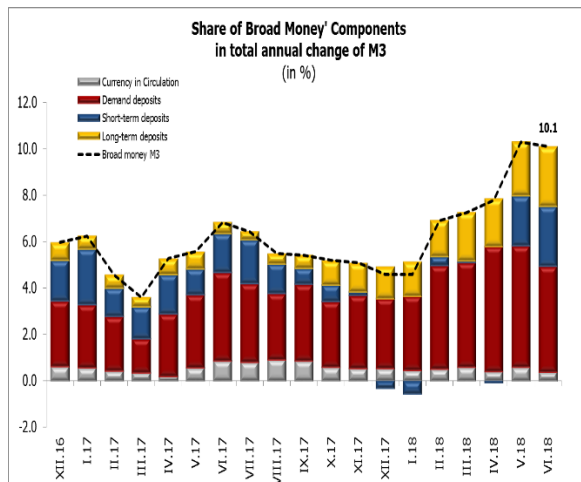
<sup>5</sup> Total deposits include all deposits included in the monetary aggregate M4.

<sup>6</sup> The annual rates of loans in the period June 2016 – May 2017 were affected by the effects of the NBRM's measure for write-off of the claims that have been fully covered for more than two years.

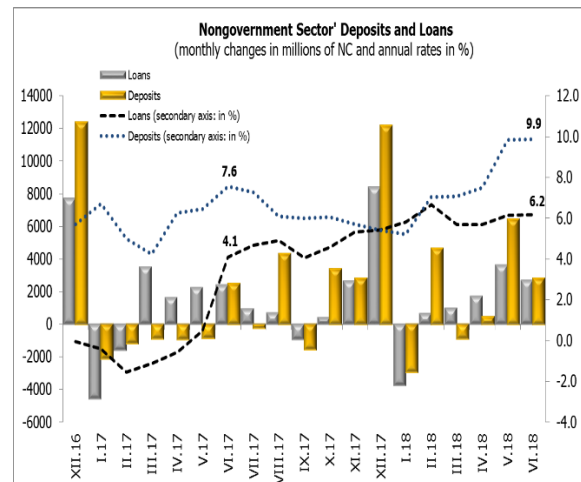


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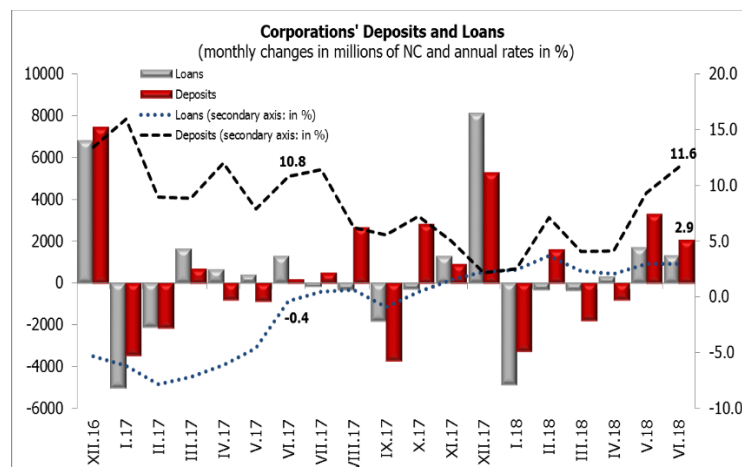
- In June, **total loans** registered monthly increase of 0.9% due to the enhanced lending to the two sectors which have almost equal share in the monthly increase. On an annual basis, the loan growth was 6.2% and largely resulted from the enhanced lending to the households sector (share in the growth of 74.2%).



Source: NBRM.



### 1. Deposits and loans of the corporate sector<sup>7</sup>



Source: NBRM.

- Total **corporate deposits** registered a monthly and annual growth of 2.3% and 12.7%, respectively. The upward monthly change is mainly due to the increase in the short-term foreign currency deposits (contribution to the growth of 77.0%), and the annual growth is due to the increased demand deposits and short-term foreign currency deposits, amid decline in short-term denar deposits.
- In June, the **corporate loans** increased by 0.8% on a monthly basis, amid almost equal contribution to the growth of lending in denars and in foreign currency<sup>8</sup>. On an annual

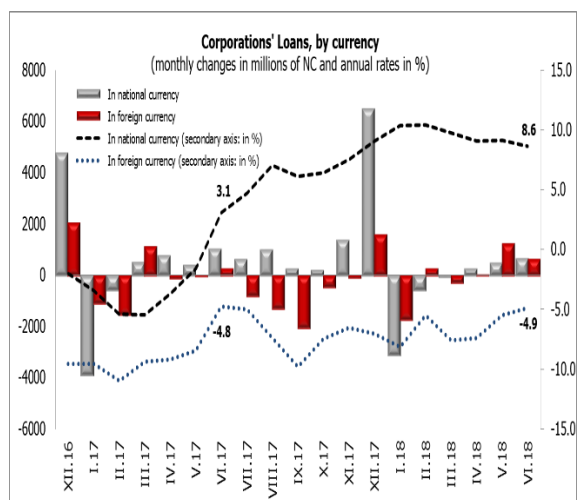
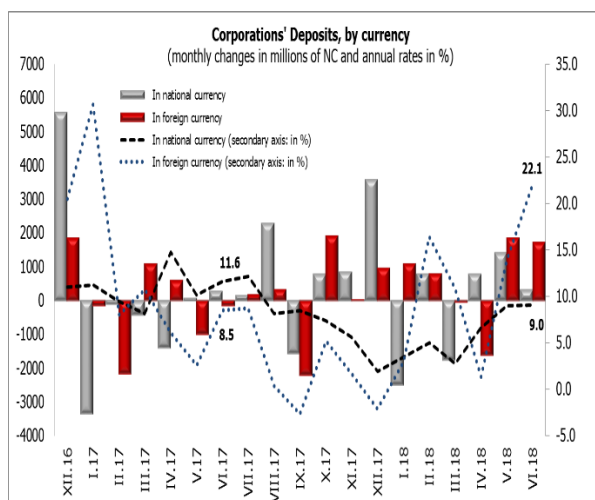
<sup>7</sup> For the purposes of this press release, the corporate sector includes public and private non-financial corporations.

<sup>8</sup> Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause are included in foreign currency.



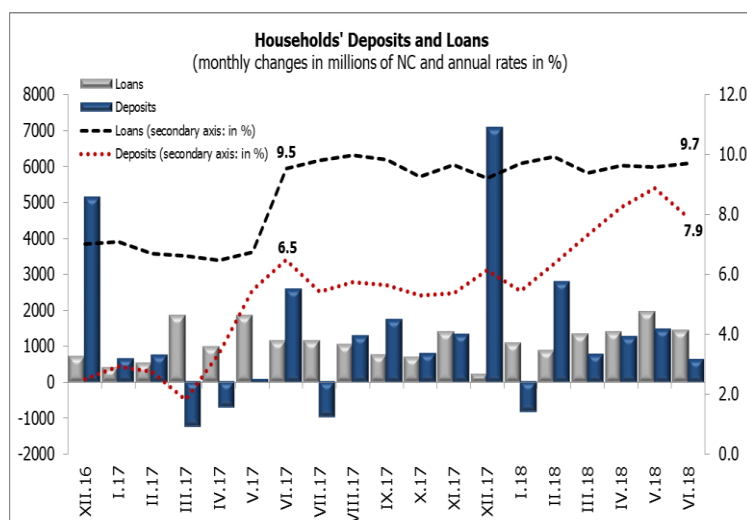
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basis, the credit activity increased by 2.9%, which, amid reduced lending in foreign currency, is fully due to the enhanced denar lending.



Source: NBRM.

## 2. Deposits and loans of the households<sup>9</sup>



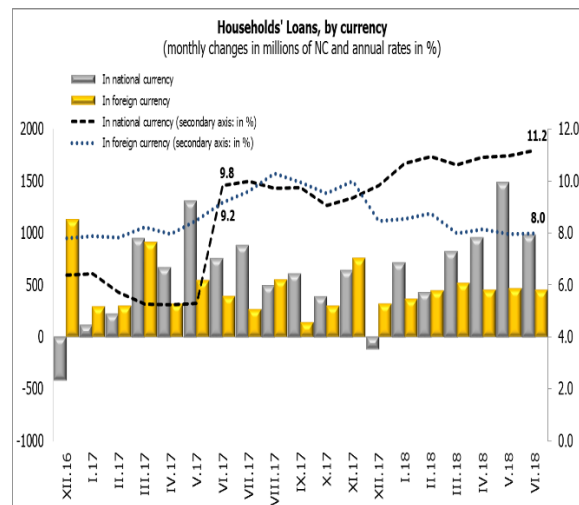
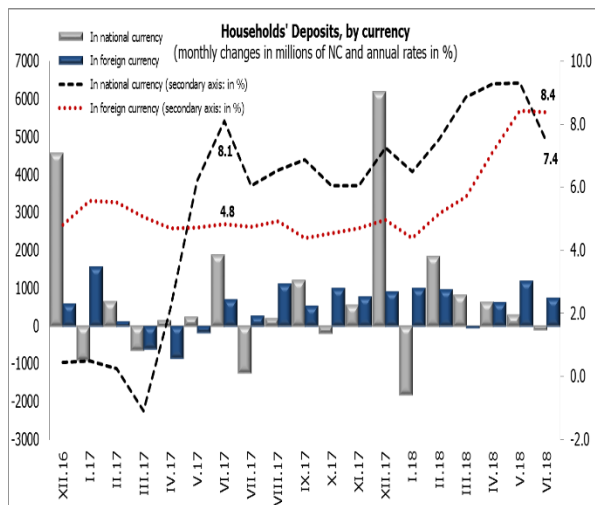
Source: NBRM.

- In June, the total **household deposits** increased by 0.3% on a monthly basis, due to the foreign currency deposits, given minimal fall in the denar deposits. Analyzed on annual basis, the growth was 7.9%, with almost equal share of both denar deposits and foreign currency deposits.
- In June, total household **loans** registered monthly and annual increase of 1.0% and 9.7%, respectively. Observing the currency structure, the enhanced household lending is largely due to the growth of denar loans (68.6% and 62.4%, respectively).

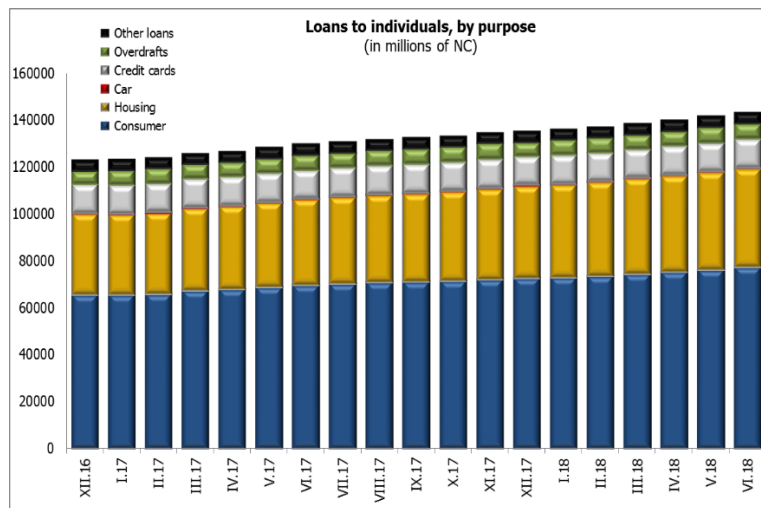
<sup>9</sup> For the purposes of this press release, households refer to individuals and self-employed professionals.



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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 <sup>(1)</sup>	3.2017	6.2017	9.2017	12.2017 <sup>(1)</sup>	3.2018	5.2018	6.2018	12.2016 <sup>(1)</sup>	3.2017	6.2017	9.2017	12.2017 <sup>(1)</sup>	3.2018	5.2018	6.2018	5.2018	6.2018
Consumer loans	65,438	67,041	69,424	71,068	72,595	74,218	76,109	77,100	13.4	12.8	11.8	11.9	10.9	10.7	11.0	11.1	1.3	1.3
Housing loans	34,608	35,448	36,815	37,788	39,535	40,899	41,793	42,309	14.3	13.4	13.6	14.1	14.2	15.4	15.0	14.9	1.1	1.2
Car loans	323	309	307	308	316	318	313	307	-19.1	-18.5	-11.9	-5.2	-2.2	2.9	2.0	0.2	-0.7	-2.0
Credit cards	12,380	12,294	12,295	12,341	12,281	12,157	12,193	12,192	0.3	0.5	-0.4	-1.0	-0.8	-1.1	-0.7	-0.8	0.2	0.0
Overdrafts	5,795	6,275	6,366	6,510	5,896	6,300	6,703	6,672	3.6	2.7	1.3	3.7	1.8	0.4	4.2	4.8	5.6	-0.5
Other loans	4,584	4,558	4,628	4,575	4,564	4,534	4,566	4,593	7.3	5.6	2.9	0.5	-0.4	-0.5	-1.0	-0.8	-0.1	0.6

Source: NBRM.



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- In June, analyzing the purpose of loans granted to individuals, the most common category – **consumer and housing loans** registered a monthly growth of 1.3% and 1.2%, respectively, which on annual basis is 11.1% and 14.9%, respectively. **Car loans** and **overdrafts** registered a monthly fall of 2.0% and 0.5%, respectively, while on an annual basis they increased by 0.2% and 4.8%, respectively. This month, **credit card** loans are unchanged on a monthly basis, while on an annual basis they decreased by 0.8%. In June, loans granted on **other basis** registered a monthly growth of 0.6%, with an annual decrease of 0.8%.

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### Data revisions

The disclosed data on the monetary developments have been prepared according to a new methodology, for which more detailed explanations are available in:

- a) Press Release: Harmonization of the monetary statistics, the statistics of other financial corporations and the statistics of interest rates with the latest international and European standards, at: <http://www.nbrm.mk/ns-newsarticle-soopstenie-nbrm-dir-st-19072018-en.nspix> and
- b) The Information on methodological changes in the monetary statistics, the statistics of the other financial corporations and the interest rate statistics, at: [http://www.nbrm.mk/content/statistika/informacii/Informacija\\_za\\_promeni\\_vo\\_monetarnata\\_statistika\\_eng.pdf](http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf)

In order to provide quality and consistent statistical data, we have also published a revised series of data for the period from January 2009 to May 2018, as well as new methodological explanations. Data for June 2018 will be disclosed according to the methodology applied by May 2018 and according to the new methodology.

### 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-depozitnite-institucii---mesečni-podatoci-en.nspix>

Methodological explanations:

[http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija\\_monetarna\\_07\\_2018\\_eng.pdf](http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_monetarna_07_2018_eng.pdf)

Next publications: Advance release calendar

[http://www.nbrm.mk/content/statistika/kalendar/Advance\\_Release\\_Calendar.pdf](http://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf)

Monetary developments in the Republic of Macedonia: 21 August 2018 (reference period as of July 2018).



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Statistics Department**

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For more information about 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).