



National Bank of the Republic of Macedonia Statistics Department

Skopje, 21 June 2018

Press Release

Monetary developments in the Republic of Macedonia: May 2018

- In May, **broad money (money aggregate M4¹)** registered a monthly increase of 1.7% which is mostly due to the growth in short-term deposits (contribution of 64% in the monthly increase). On an annual basis, given the growth in all components, the broad money increased by 10.2%, which is mostly due to the growth in demand deposits² and long-term deposits.
- In May, **total deposits** registered a monthly increase of 1.9%, whereby, in conditions of deposit growth in both sectors, the monthly change is mostly due to the increase in corporate deposits. On the other hand, there was an acceleration of the deposit growth of 9.8% on an annual basis (highest growth rate since January 2015 onwards), with the most significant contribution of the household deposits.

Table 1. Total deposits and loans³ 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	12.2017 ¹⁾	3.2018	4.2018	5.2018	12.2016 ¹⁾	3.2017	6.2017	9.2017	12.2017 ¹⁾	3.2018	4.2018	5.2018	4.2018	5.2018
Broad Money (M4)	351,222	344,729	347,157	350,513	369,882	370,961	372,139	378,483	6.1	4.2	7.8	6.4	5.3	7.6	7.9	10.2	0.3	1.7
of which:																		
Currency in Circulation	28,193	26,802	28,473	28,968	29,968	28,658	28,992	29,285	7.2	4.2	9.7	9.9	6.3	6.9	4.5	6.6	1.2	1.0
Total Deposits	321,888	317,720	318,426	320,952	339,314	340,135	340,571	347,000	5.7	4.2	7.6	6.0	5.4	7.1	7.5	9.8	0.1	1.9
of which:																		
Corporations	87,377	82,420	80,885	80,304	89,248	85,791	84,991	88,257	13.4	8.8	10.8	5.6	2.1	4.1	4.1	9.3	-0.9	3.8
Households	217,394	217,554	219,505	221,570	230,744	233,485	234,739	236,201	2.5	1.8	6.5	5.6	6.1	7.3	8.2	8.9	0.5	0.6
Total Loans	282,461	280,157	286,408	286,950	298,672	296,455	298,144	301,758	0.9	0.0	4.4	4.3	5.7	5.8	5.8	6.3	0.6	1.2
of which:																		
Corporations	151,905	146,851	149,179	146,764	156,137	150,582	150,840	152,524	-3.8	-5.2	0.0	-0.5	2.8	2.5	2.3	3.2	0.2	1.1
Households	129,321	132,080	136,034	138,951	141,232	144,491	145,889	147,829	7.0	6.6	9.5	9.8	9.2	9.4	9.6	9.6	1.0	1.3

1) Data in accordance with the final balance sheets submission

Source: NBRM.

- In May, **total loans** registered a monthly growth of 1.2% which is due to the increased lending to both sectors that have an almost equal share in the monthly change. The annual loans growth was 6.3% mostly due to the growth of loans granted to the "household" sector (contribution of 72.5% to the growth).

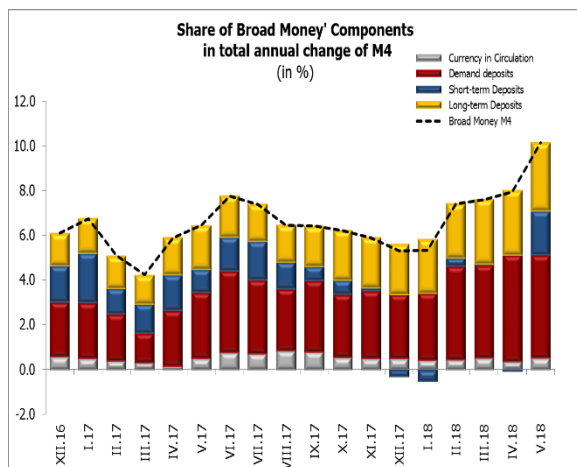
¹ Monetary aggregate M1 includes currency in circulation and demand deposits. Monetary aggregate M2 is composed of monetary aggregate M1 and short-term deposits, whereas the monetary aggregate M4 (broad money) besides the monetary aggregate M2 also includes long-term deposits. For more details see the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

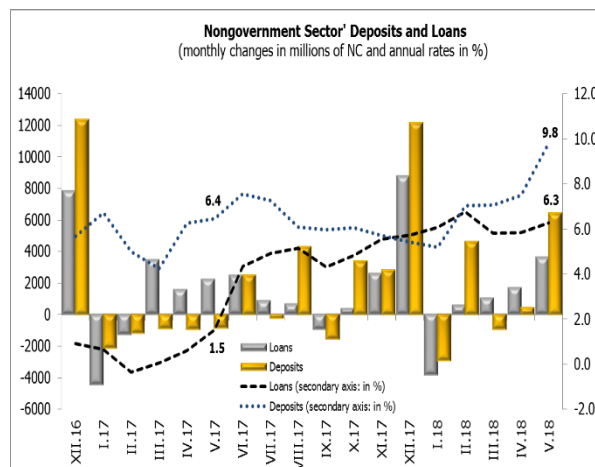
³ The annual loan rates in the period June 2016-May 2017 were influenced by the effects from the NBRM's measure to write off claims that were fully provisioned for more than two years.



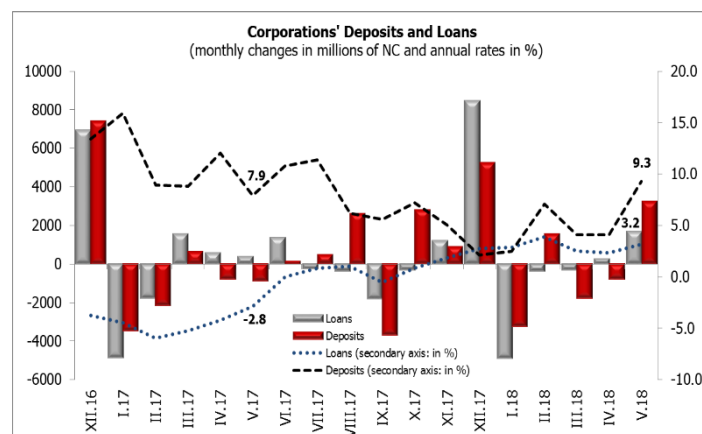
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Source: NBRM.



1. Deposits and loans of the corporate sector⁴



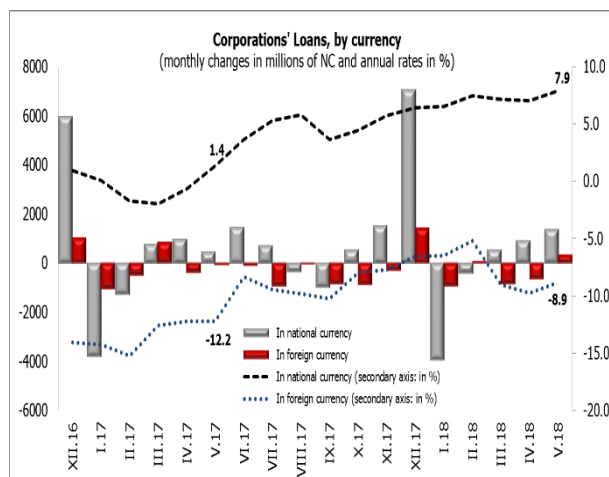
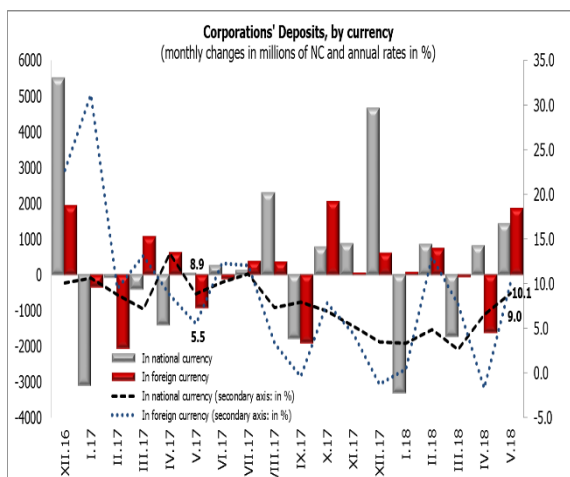
Source: NBRM.

- In May, **total corporate deposits** register an upward monthly and annual change of 3.8% and 9.3%, respectively. Furthermore, the contribution to the monthly growth is mainly distributed between foreign currency and denar short-term deposits and demand deposits, while the annual growth is mostly driven from demand deposits and to short-term foreign currency deposits to a lesser extent which all together explain 93.3% of the growth.
- In May, **corporate loans** registered an increase both on a monthly and annual basis by 1.1% and 3.2%, respectively. Analyzing the currency structure, loans granted in denars have a larger share in the monthly growth, while on an annual basis, the growth is entirely due to denar loans, amid decreased lending in foreign currency.

⁴ For the purposes of this press release, the corporate sector includes public and private non-financial corporations.

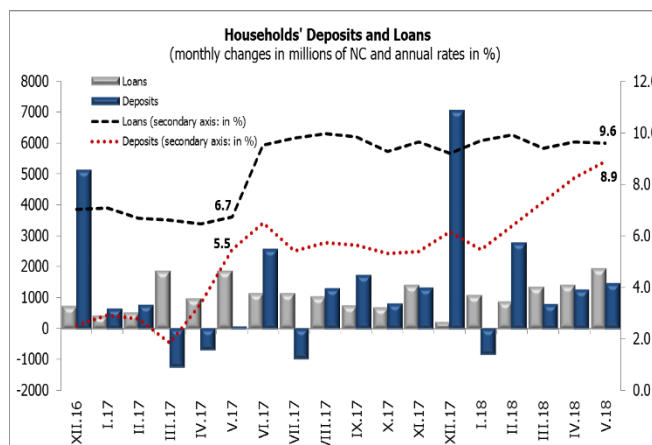


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Source: NBRM.

2. Deposits and loans of the households⁵



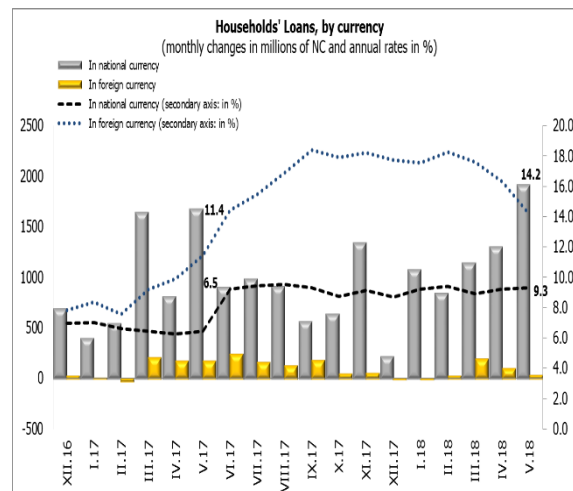
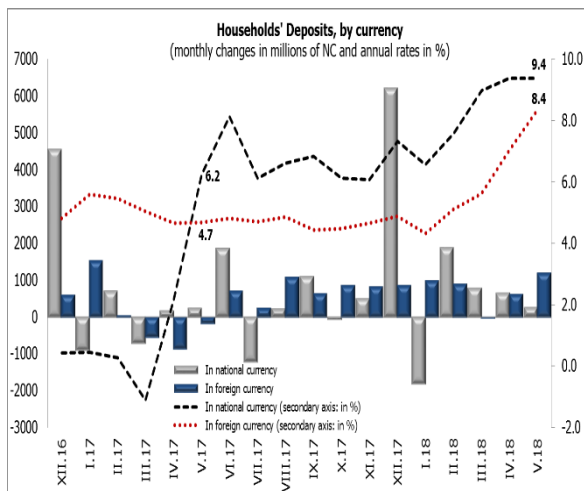
Source: NBRM.

- In May, **total household deposits** registered a monthly growth of 0.6% mainly due to the increased foreign currency deposits. The annual growth is 8.9% and is distributed between denar and foreign currency deposits which have an almost equal contribution to the growth.
- Total **household loans** registered a monthly and annual increase of 1.3% and 9.6%, respectively. Furthermore, the monthly and annual growth of the lending activity is mostly due to the growth of loans granted in denars (98.3% and 91.3%, respectively).

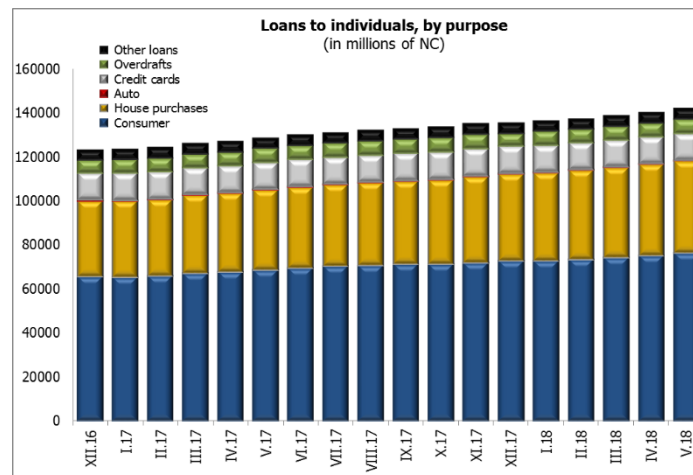
⁵ For the purposes of this press release, households refer to individuals and self-employed professionals.



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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	12.2017 ¹⁾	3,2018	4,2018	5,2018	12.2016 ¹⁾	3,2017	6,2017	9,2017	12.2017 ¹⁾	3,2018	4,2018	5,2018	4,2018	5,2018
Consumer loans	65.438	67.041	69.424	71.068	72.595	74.218	75.123	76.109	13,4	12,8	11,8	11,9	10,9	10,7	11,1	11,0	1,2	1,3
House purchases loans	34.608	35.448	36.815	37.788	39.535	40.899	41.343	41.793	14,3	13,4	13,6	14,1	14,2	15,4	15,4	15,0	1,1	1,1
Auto loans	323	309	307	308	316	318	316	313	-19,1	-18,5	-11,9	-5,2	-2,2	2,9	0,6	2,0	-0,7	-0,7
Credit cards	12.380	12.294	12.295	12.341	12.281	12.157	12.169	12.193	0,3	0,5	-0,4	-1,0	-0,8	-1,1	-1,0	-0,7	0,1	0,2
Overdrafts	5.795	6.275	6.366	6.510	5.896	6.300	6.349	6.703	3,6	2,7	1,3	3,7	1,8	0,4	2,8	4,2	0,8	5,6
Other loans	4.585	4.560	4.630	4.578	4.568	4.537	4.573	4.570	7,3	5,6	2,9	0,5	-0,4	-0,5	-1,2	-1,0	0,8	-0,1

1) Data in accordance with the final balance sheets submission

Source: NBRM.



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- Analyzing by the purpose of loans granted to individuals, in May, the most common category – **consumer and housing loans** registered a monthly growth of 1.3% and 1.1%, respectively, amid annual growth of 11.0% and 15.0%, respectively. **Car loans**, for the second consecutive month, register a monthly increase of 0.7%, while on an annual basis, an increase of 2.0% was registered. **Credit card** loans registered an upward monthly change of 0.2%, amid an annual decline of 0.7%. This month, **the overdrafts on the current account** increased on a monthly and annual basis by 5.6% and 4.2%, respectively, while loans approved on **other basis** register a monthly and annual decrease of 0.1% 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: 20 July 2018 (reference period as of June 2018).

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).