



National Bank of the Republic of Macedonia Statistics Department

Skopje, 20 April 2018

Press Release

Monetary developments in the Republic of Macedonia: March 2018

- In March, **broad money (monetary aggregate M4¹)** registered slight monthly decline of 0.2%. This performance is due to the decrease in the demand deposits² and the short-term deposits, in conditions of rise in the long-term deposits and currency in circulation. Annually, broad money increased by 7.6%, with the largest contribution to the growth accounting for demand deposits and the long-term deposits, which explain 92% of the annual change.
- In March, **the total deposits** registered annual drop of 0.3%, as a result of the reduced deposits of corporate sector. On the other hand, annually, they grew by 7.1%, most of which (71.1%) as a result of the increase in the 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	12.2017 ¹⁾	2.2018	3.2018	12.2016 ¹⁾	3.2017	6.2017	9.2017	12.2017 ¹⁾	2.2018	3.2018	2.2018	3.2018
Broad Money (M4)	351,222	344,729	347,157	350,513	369,882	371,581	370,961	6.1	4.2	7.8	6.4	5.3	7.4	7.6	1.7	-0.2
<i>of which:</i>																
Currency in Circulation	28,193	26,802	28,473	28,968	29,968	28,406	28,658	7.2	4.2	9.7	9.9	6.3	5.9	6.9	0.1	0.9
Total Deposits	321,888	317,720	318,426	320,952	339,314	341,043	340,135	5.7	4.2	7.6	6.0	5.4	7.0	7.1	1.4	-0.3
<i>of which:</i>																
Corporations	87,377	82,420	80,885	80,304	89,248	87,574	85,791	13.4	8.8	10.8	5.6	2.1	7.1	4.1	1.8	-2.0
Households	217,394	217,554	219,505	221,570	230,744	232,708	233,485	2.5	1.8	6.5	5.6	6.1	6.4	7.3	1.2	0.3
Total Loans	282,461	280,157	286,408	286,950	298,672	295,435	296,455	0.9	0.0	4.4	4.3	5.7	6.8	5.8	0.2	0.3
<i>of which:</i>																
Corporations	151,905	146,851	149,179	146,764	156,137	150,887	150,582	-3.8	-5.2	0.0	-0.5	2.8	3.9	2.5	-0.2	-0.2
Households	129,321	132,080	136,034	138,951	141,232	143,165	144,491	7.0	6.6	9.5	9.8	9.2	9.9	9.4	0.6	0.9

1) Data in accordance with the final balance sheets submission

Source: NBRM.

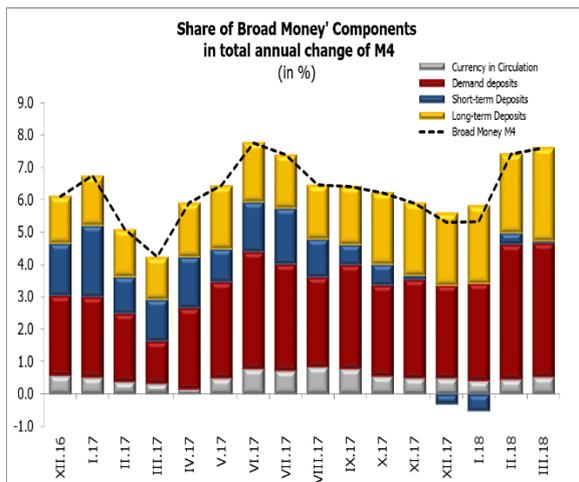
- In March, **total loans** registered upward monthly change of 0.3%, fully due to the enhanced lending to household sector. The annual growth equaled 5.8%, most of which determined by the growth in lending to households sector (76.2%).

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-pregledi-na-depozitni-institucii-en.nspix>

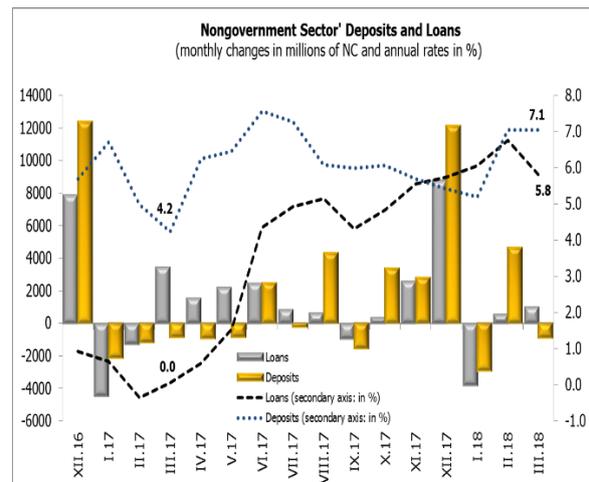
² Demand deposits refer to current accounts with banks and savings houses and current accounts of other financial corporations with the National Bank.



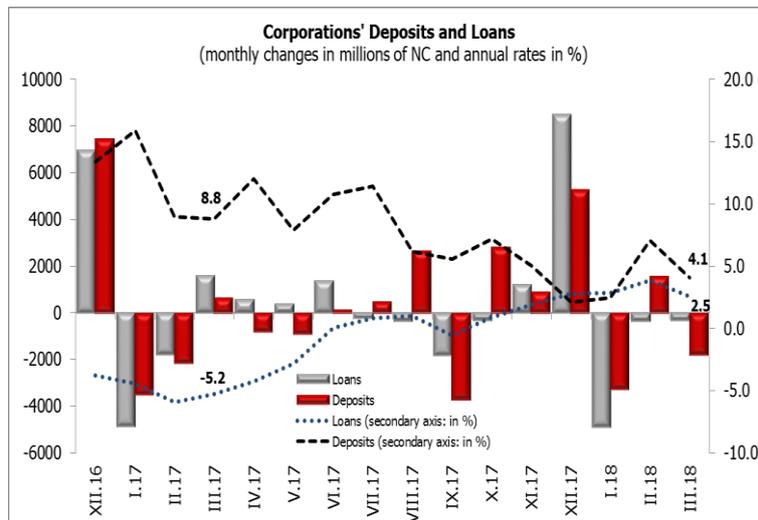
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Source: NBRM.



1. Deposits and loans of the corporate sector³



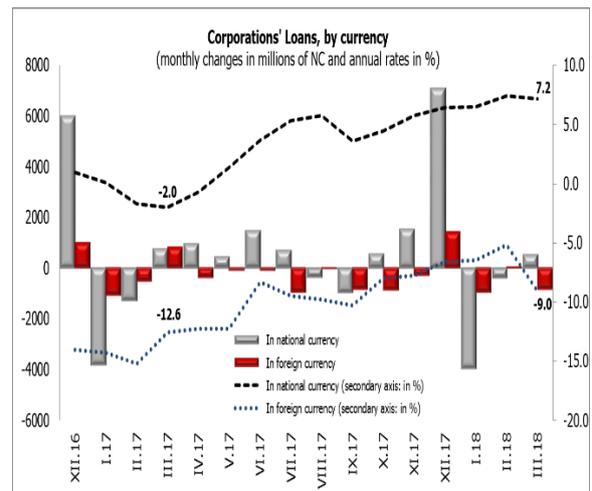
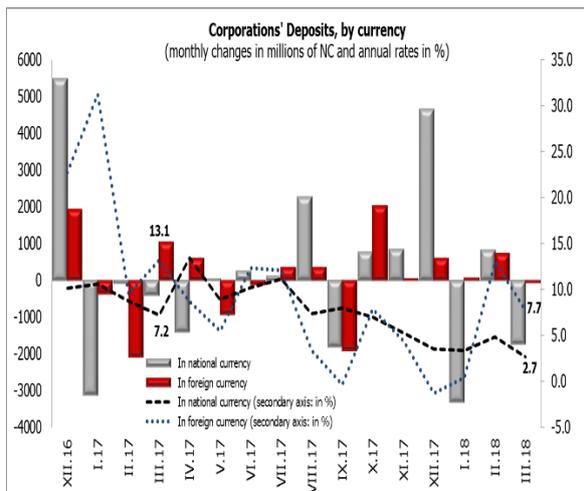
Source: NBRM.

- In March, total **corporate deposits** decreased by 2.0% on a monthly basis, mainly due to the fall in the denar deposits. On an annual basis, deposits increased by 4.1%. Analyzed by currency structure, the largest contribution to the annual growth accounted for the foreign currency deposits, as well as denar deposits (53.5% and 46.5%, respectively).
- In March, the **corporate loans** registered monthly decrease of 0.2%. In conditions of growth in denar loans, the monthly change is fully explained by the reduction of foreign currency loans. Compared on annual basis, credit activity increased by 2.5%, as a result of the increased denar lending, given reduced lending in foreign currency.

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

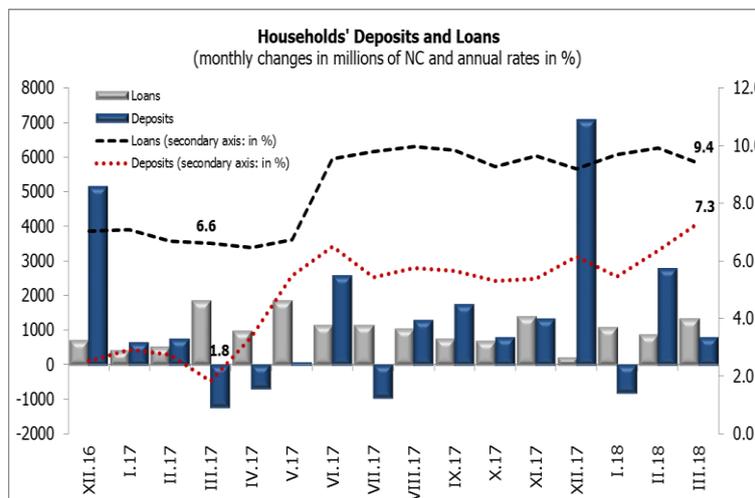


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Source: NBRM.

2. Deposits and loans of the households⁴



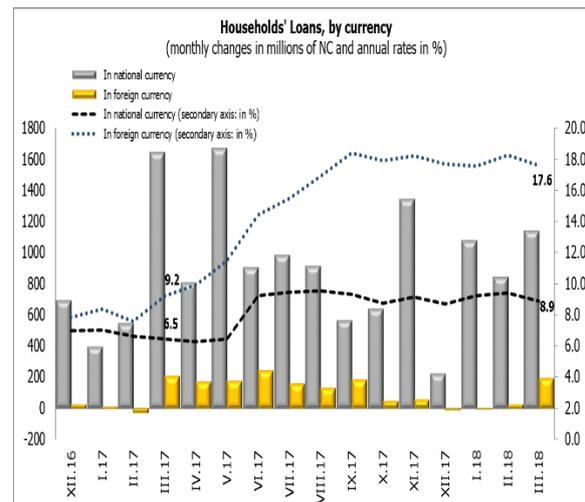
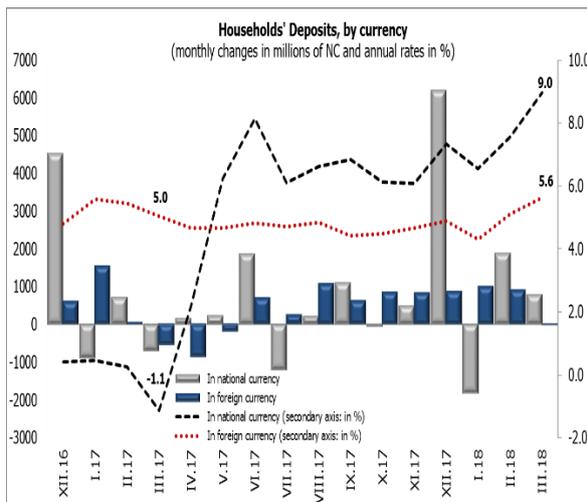
Source: NBRM.

- In March, the total **household deposits** increased by 0.3% on a monthly basis, due to the denar deposits (mainly long-term deposits and demand deposits), given minimal fall in the foreign currency deposits. Analyzed on annual basis, a growth rate of 7.3% was registered, which resulted from the growth in denar and foreign currency deposits, with a more significant contribution of denar deposits (62.2%).
- Total **household loans** registered monthly and annual increase of 0.9% and 9.4%, respectively. The upward change on both monthly and annual basis is a result of the increased lending activity towards the households by extending denar loans (share in the growth of 85.7% and 89.2%, respectively).

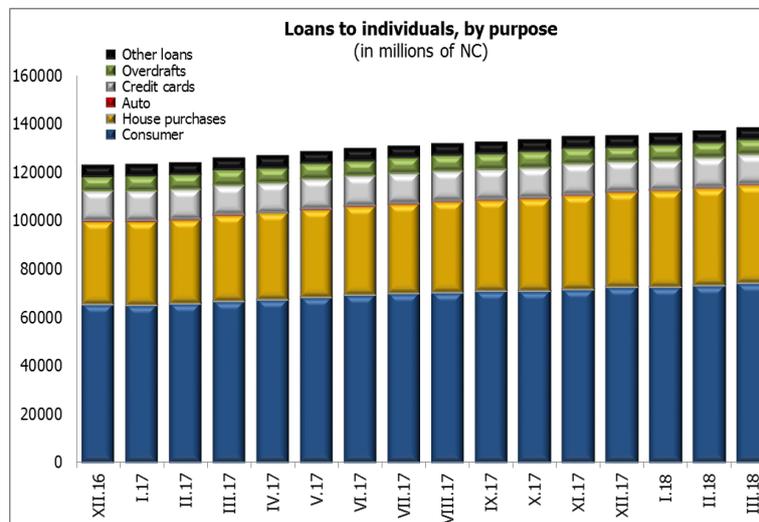
⁴ For the purposes of this press release, households refer to individuals and self-employed professionals.



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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	12.2017 ¹⁾	2.2018	3.2018	12.2016 ¹⁾	3.2017	6.2017	9.2017	12.2017 ¹⁾	2.2018	3.2018	2.2018	3.2018
Consumer loans	65,438	67,041	69,424	71,068	72,595	73,311	74,218	13.4	12.8	11.8	11.9	10.9	11.5	10.7	0.9	1.2
House purchases loans	34,608	35,448	36,815	37,788	39,535	40,421	40,899	14.3	13.4	13.6	14.1	14.2	16.0	15.4	1.1	1.2
Auto loans	323	309	307	308	316	315	318	-19.1	-18.5	-11.9	-5.2	-2.2	2.2	2.9	1.3	0.8
Credit cards	12,380	12,294	12,295	12,341	12,281	12,153	12,157	0.3	0.5	-0.4	-1.0	-0.8	-1.1	-1.1	-0.8	0.0
Overdrafts	5,795	6,275	6,366	6,510	5,896	6,424	6,300	3.6	2.7	1.3	3.7	1.8	1.9	0.4	-1.1	-1.9
Other loans	4,585	4,560	4,630	4,578	4,568	4,534	4,537	7.3	5.6	2.9	0.5	-0.4	-1.4	-0.5	0.4	0.1

1) Data in accordance with the final balance sheets submission

Source: NBRM.



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- In March, from the viewpoint of loan types granted to individuals, the most common category – **consumer and housing loans** registered identical monthly increase of 1.2%, respectively, amid annual growth of 10.7% and 15.4%, respectively. In March, monthly and annual increase of 0.8% and 2.9% was registered with **car loans**, the **credit cards** loans remained unchanged on a monthly basis, while they fell by 1.1% on an annual basis. This month, monthly decrease of 1.9% and annual rise of 0.4% in the **overdrafts** was registered. In March, loans granted on **other basis** registered a minimal monthly increase of 0.1%, while annually they dropped by 0.5%.

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 publications: Advance Release Calendar

http://nbrm.mk/kalendar_na_objavuvanje_na_podatoci-en.nspix

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