



# National Bank of the Republic of North Macedonia Statistics Department

Skopje, 20 May 2022

## Press Release

### Monetary developments in the Republic of North Macedonia: April 2022

- In April 2022, the **broad money (monetary aggregate M3<sup>1,2</sup>)** registered a minimal monthly growth of 0.1%. The monthly change is a result of the increase in short-term deposits and currency in circulation, amid drop of long-term deposits up to two years and demand deposits<sup>3</sup>. The broad money increased by 4.2% on an annual basis, mostly due to the growth of short-term deposits, amid smaller growth of demand deposits, given the decline in long-term deposits up to two years and currency in circulation.

Table 1. Total deposits and loans<sup>4,5</sup> of the non-government sector

	stocks (in millions of NC)						annual changes (in %)						monthly changes (in %)	
	3.2021	6.2021	9.2021	12.2021	3.2022	4.2022	3.2021	6.2021	9.2021	12.2021	3.2022	4.2022	3.2022	4.2022
<b>Broad Money M4</b>	<b>491,717</b>	<b>500,202</b>	<b>507,536</b>	<b>521,005</b>	<b>505,462</b>	<b>505,720</b>	<b>7.9</b>	<b>6.7</b>	<b>8.2</b>	<b>7.0</b>	<b>2.8</b>	<b>3.0</b>	<b>-1.7</b>	<b>0.1</b>
<b>Broad Money M3</b>	<b>441,478</b>	<b>451,639</b>	<b>460,723</b>	<b>474,753</b>	<b>459,254</b>	<b>459,560</b>	<b>9.4</b>	<b>8.3</b>	<b>10.1</b>	<b>8.8</b>	<b>4.0</b>	<b>4.2</b>	<b>-1.8</b>	<b>0.1</b>
of which:														
Currency in Circulation	43,350	43,604	44,951	44,480	42,729	44,128	14.4	6.0	7.9	1.8	-1.4	-0.7	-1.3	3.3
<b>Total Deposits</b>	<b>439,343</b>	<b>447,237</b>	<b>453,469</b>	<b>468,649</b>	<b>454,763</b>	<b>453,296</b>	<b>7.4</b>	<b>6.8</b>	<b>8.3</b>	<b>7.8</b>	<b>3.5</b>	<b>3.6</b>	<b>-1.7</b>	<b>-0.3</b>
of which:														
Corporations	122,085	128,970	130,048	137,557	126,859	122,971	12.9	16.7	15.6	11.6	3.9	1.7	-2.4	-3.1
In national currency	85,618	88,994	87,402	92,116	83,302	80,164	12.8	14.7	9.7	6.7	-2.7	-2.2	-4.2	-3.8
In foreign currency	36,467	39,976	42,646	45,441	43,557	42,807	13.0	21.4	29.8	23.2	19.4	9.7	1.1	-1.7
Households	289,941	292,359	297,702	305,407	301,216	303,839	5.2	4.2	6.9	7.1	3.9	4.6	-1.8	0.9
In national currency	152,839	152,597	154,062	151,822	142,047	143,083	3.6	2.3	5.7	0.5	-7.1	-6.5	-4.8	0.7
In foreign currency	137,102	139,762	143,640	153,585	159,169	160,756	7.1	6.4	8.3	14.4	16.1	17.0	1.1	1.0
<b>Total Loans</b>	<b>361,561</b>	<b>370,862</b>	<b>375,116</b>	<b>386,884</b>	<b>397,016</b>	<b>400,488</b>	<b>5.2</b>	<b>5.1</b>	<b>6.3</b>	<b>8.3</b>	<b>9.8</b>	<b>10.0</b>	<b>1.7</b>	<b>0.9</b>
of which:														
Corporations	171,117	175,067	176,093	184,675	191,504	193,683	2.1	1.2	4.8	8.7	11.9	12.3	2.4	1.1
In national currency	103,024	106,876	107,485	114,622	117,780	119,156	-0.6	0.2	5.5	11.6	14.3	12.8	1.8	1.2
In foreign currency	68,093	68,191	68,608	70,053	73,724	74,528	6.3	2.9	3.7	4.3	8.3	11.4	3.3	1.1
Households	188,697	193,906	197,127	200,249	203,523	204,636	8.1	8.7	7.5	7.8	7.9	7.8	1.1	0.5
In national currency	106,994	109,484	111,470	113,317	115,296	115,848	10.7	10.1	7.2	7.9	7.8	7.9	1.1	0.5
In foreign currency	81,703	84,422	85,657	86,932	88,227	88,788	4.8	7.0	7.8	7.6	8.0	7.5	1.1	0.6

Source: NBRNM.

<sup>1</sup> The National Bank has been using the monetary aggregate M3 as a new standard definition of broad money since June 2018. The monetary aggregate M4 will continue to be calculated and published for analytical purposes.

<sup>2</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, includes deposits with maturity from 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: [https://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija\\_monetarna\\_07\\_2018\\_eng.pdf](https://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_monetarna_07_2018_eng.pdf)

<sup>3</sup> Demand deposits refer to current accounts with banks and savings houses and current accounts of other financial corporations with the National Bank.

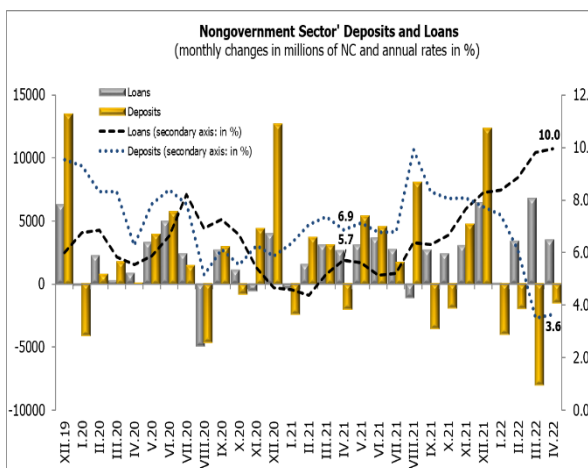
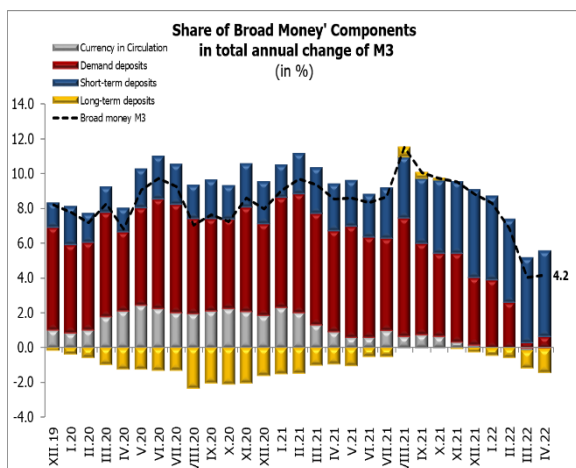
<sup>4</sup> The annual loan rates since July 2019 have been influenced by the National Bank's measure for writing-off of claims fully covered for more than a year.

<sup>5</sup> Data on monetary aggregates and total deposits and loans as of August 2020 do not include data on a bank whose founding and operating license was revoked and who went into bankruptcy in August 2020.



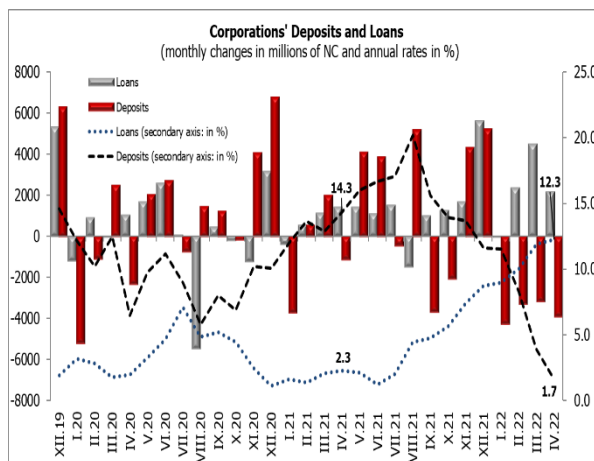
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- In April, **total deposits**<sup>6</sup> dropped by 0.3% on a monthly basis, which was entirely due to the reduction of corporate deposits. On an annual basis, total deposits increased by 3.6%, largely due to the increased household deposits.
- This month, **total loans**<sup>7</sup> increased by 0.9% on a monthly basis, amid annual growth of 10.0%. The growth on both bases is a result of the increase in loans in both sectors, which is more pronounced in the corporate sector.



Source: NBRNM.

### 1. Deposits and loans of the corporate sector<sup>8</sup>



Source: NBRNM.

<sup>6</sup> Total deposits consist of all deposits included in the monetary aggregate M4.

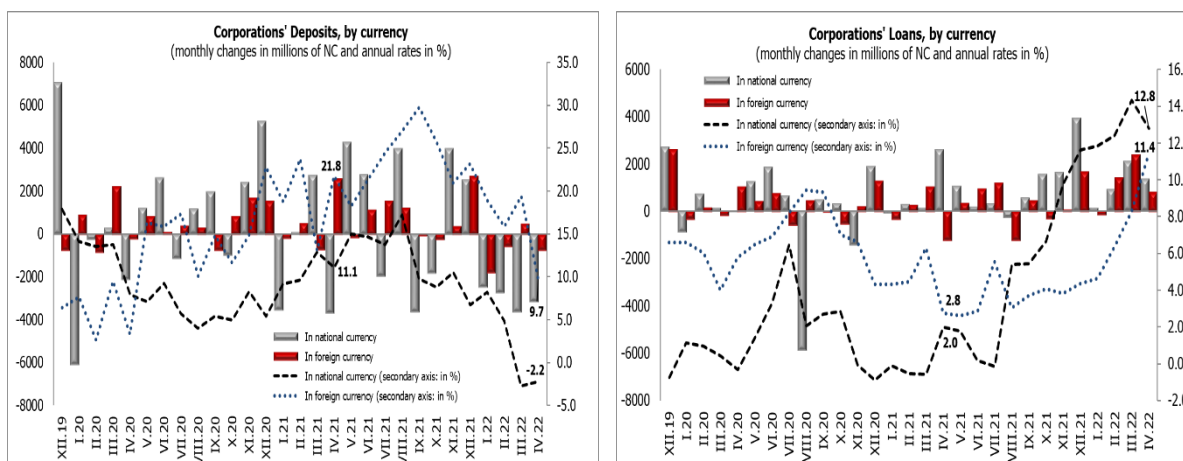
<sup>7</sup> On 9 August 2018, the National Bank Council adopted the Decision on the methodology for credit risk management (Official Gazette of the Republic of Macedonia No. 149/18) that requires from banks to transfer (and to continue to transfer) from on-balance sheet to off-balance sheet records all claims that have been fully booked for more than a year. The Decision on the methodology for credit risk management has been applied since 1 July 2019, with the base effect being exhausted as of July 2020. Hence, the difference in the annual growth rates of loans with and without the effect of write offs are insignificant, and therefore these comparisons have been discontinued as of the August release.

<sup>8</sup> For the purposes of this press release, corporate sector includes public and private non-financial corporations.



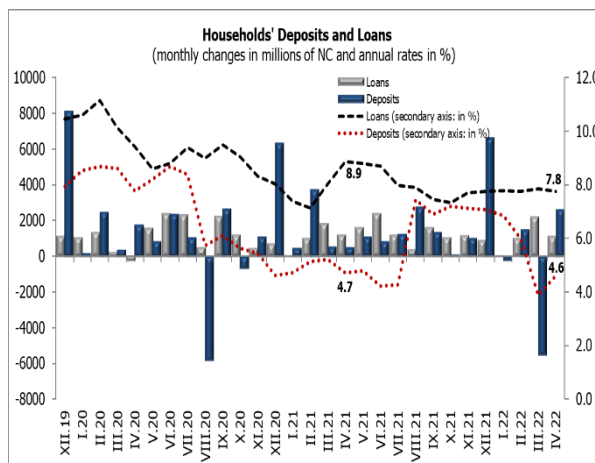
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- In April 2022, total **corporate deposits** went down by 3.1% on a monthly basis. Moreover, the downward change primarily results from the fall in demand deposits, amid a decline in long-term deposits in foreign currency and in denars, in circumstances of growth in short-term deposits in foreign currency and in denars. On an annual basis, the growth amounts to 1.7% and results from the higher short-term deposits in foreign currency and demand deposits, given the fall in other components.
- In April, **corporate loans**<sup>9</sup> increased by 1.1% and 12.3% on a monthly and annual basis, respectively. The upward monthly and annual change is due to the growth of denar and foreign currency loans, which is more pronounced in denar loans.



Source: NBRNM.

## 2. Deposits and loans of the households<sup>10</sup>



Source: NBRNM.

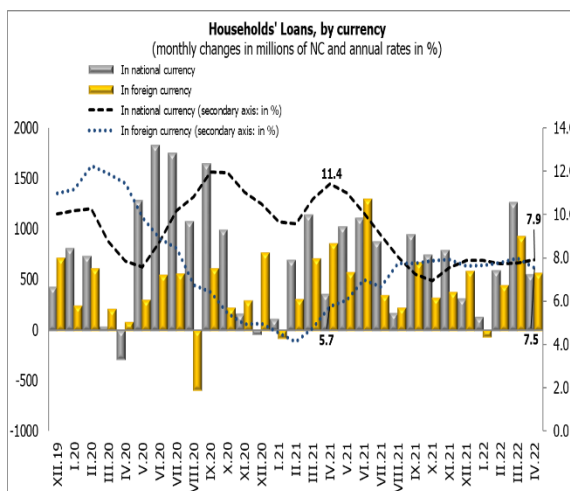
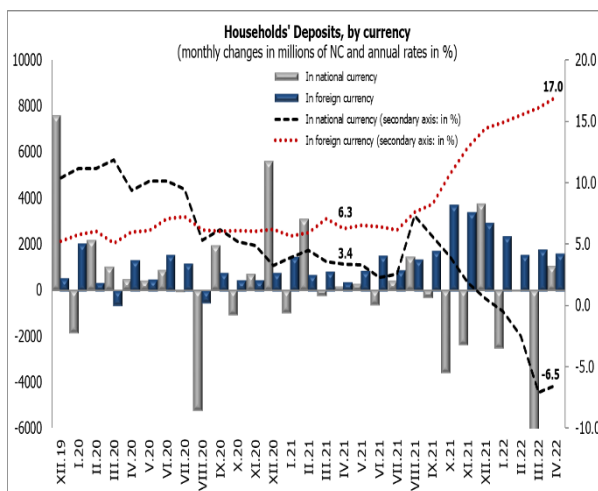
<sup>9</sup> Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

<sup>10</sup> For the purposes of this press release, households refer to individuals and self-employed professionals.

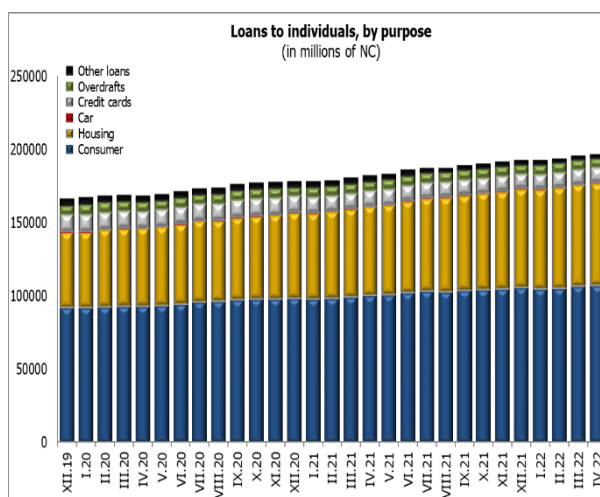


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- In April, total **household deposits** increased by 0.9% on a monthly basis. The upward change is a result of the increased demand deposits, as well as short-term and long-term foreign currency deposits, while long-term and short-term denar deposits decreased. On an annual basis, these deposits increased by 4.6%, mainly under the influence of the growth of short-term foreign currency deposits, given the smaller growth in long-term foreign currency deposits and demand deposits, amid a decline in long-term and short-term denar deposits.
- In April, total **household loans** increased by 0.5% on a monthly basis, as a result of almost equal growth of denar and foreign currency loans. Annual growth of 7.8% was registered, which was largely due to denar loans.



Source: NBRNM.



Source: NBRNM.



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Table 2. Bank and savings house loans granted to individuals, by purpose

	Stocks (in millions of NC)						annual changes (in %)						monthly changes (in %)	
	3.2021	6.2021	9.2021	12.2021	3.2022	4.2022	3.2021	6.2021	9.2021	12.2021	3.2022	4.2022	3.2022	4.2022
Consumer loans	99,721	102,516	103,902	105,888	106,781	107,291	6.7	7.9	6.2	7.2	7.1	6.6	1.0	0.5
Housing loans	59,901	62,384	65,006	67,353	69,378	70,043	13.1	14.7	16.1	15.5	15.8	15.4	1.5	1.0
Car loans	263	242	242	237	228	233	-14.0	-17.1	-16.9	-15.9	-13.5	-10.0	0.9	2.3
Credit cards	10,539	10,488	10,378	10,253	10,103	10,126	-8.9	-8.9	-10.9	-8.5	-4.1	-2.8	0.7	0.2
Overdrafts	6,399	6,419	6,470	5,907	6,443	6,344	-1.5	3.4	3.0	1.5	0.7	4.1	1.1	-1.5
Other loans	3,736	3,687	2,766	2,611	2,508	2,448	-5.8	-6.6	-29.3	-32.5	-32.9	-34.0	-2.3	-2.4

Source: NBRNM.

- In April, analyzing the purpose of loans granted to individuals, **consumer and housing loans**, as the most common categories, registered a monthly growth of 0.5% and 1.0%, respectively, amid an annual growth of 6.6% and 15.4%, respectively. This month, **car loans** and loans on **credit cards** increased by 2.3% and 0.2% on a monthly basis, respectively, while on an annual basis they decreased by 10.0% and 2.8%, respectively. In April, **overdrafts** decreased by 1.5% on a monthly basis, while on an annual basis they increased by 4.1%. Loans granted on **other basis** registered a monthly and annual decrease of 2.4% and 34.0%, respectively.

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### Supporting information

Time series of data: Balance sheets and list of depository institutions, monthly data  
[https://www.nbrm.mk/monetarna\\_statistika-en.nspix](https://www.nbrm.mk/monetarna_statistika-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)

Information on methodological changes in the monetary statistics, the statistics of the other financial corporations and the interest rates statistics:

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



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Monetary developments in the Republic of North Macedonia: 21 June 2022 (reference period as of May 2022).

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](mailto:contact.statistika@nbrm.mk) or phone: 02 3215 181 extension 116 (or 110/108).