



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 21 September 2022

Press Release

Monetary developments in the Republic of North Macedonia: August 2022

- In August 2022, the **broad money (monetary aggregate M3^{1,2})** registered a monthly increase of 0.9%, which is mainly due to the increase in demand deposits, amid lower contribution of long-term deposits up to two years, in conditions of decline in currency in circulation and short-term deposits. The annual growth of 2.1% almost entirely reflects the increased short-term deposits, and currency in circulation also acts in positive direction, amid decline in long-term deposits up to two years, as well as in demand deposits.

Table 1. Total deposits and loans^{3,4} of the non-government sector

	stocks (in millions of NC)						annual changes (in %)						monthly changes (in %)	
	3.2021	6.2021	9.2021	12.2021	7.2022	8.2022	3.2021	6.2021	9.2021	12.2021	7.2022	8.2022	7.2022	8.2022
Broad Money M4	491,717	500,202	507,536	521,005	513,926	517,897	7.9	6.7	8.2	7.0	1.9	1.3	1.3	0.8
Broad Money M3	441,478	451,639	460,723	474,753	469,546	473,611	9.4	8.3	10.1	8.8	2.9	2.1	1.6	0.9
<i>of which:</i>														
Currency in Circulation	43,350	43,604	44,951	44,480	46,387	44,801	14.4	6.0	7.9	1.8	0.3	0.6	6.3	-3.4
Total Deposits	439,343	447,237	453,469	468,649	459,341	464,643	7.4	6.8	8.3	7.8	2.3	1.7	0.9	1.2
<i>of which:</i>														
Corporations	122,085	128,970	130,048	137,557	124,827	128,584	12.9	16.7	15.6	11.6	-2.9	-3.8	1.7	3.0
<i>In national currency</i>	85,618	88,994	87,402	92,116	81,572	87,015	12.8	14.7	9.7	6.7	-6.3	-4.4	-1.1	6.7
<i>In foreign currency</i>	36,467	39,976	42,646	45,441	43,254	41,569	13.0	21.4	29.8	23.2	4.2	-2.7	7.3	-3.9
Households	289,941	292,359	297,702	305,407	308,949	310,027	5.2	4.2	6.9	7.1	5.2	4.6	0.4	0.3
<i>In national currency</i>	152,839	152,597	154,062	151,822	143,352	143,152	3.6	2.3	5.7	0.5	-6.3	-7.3	0.2	-0.1
<i>In foreign currency</i>	137,102	139,762	143,640	153,585	165,597	166,875	7.1	6.4	8.3	14.4	17.8	17.6	0.6	0.8
Total Loans	361,561	370,862	375,116	386,884	409,865	408,716	5.2	5.1	6.3	8.3	9.7	9.7	0.5	-0.3
<i>of which:</i>														
Corporations	171,117	175,067	176,093	184,675	197,870	195,961	2.1	1.2	4.8	8.7	12.1	11.9	0.5	-1.0
<i>In national currency</i>	103,024	106,876	107,485	114,622	118,494	116,473	-0.6	0.2	5.5	11.6	10.5	8.9	-0.9	-1.7
<i>In foreign currency</i>	68,093	68,191	68,608	70,053	79,376	79,488	6.3	2.9	3.7	4.3	14.4	16.6	2.8	0.1
Households	188,697	193,906	197,127	200,249	209,869	210,638	8.1	8.7	7.5	7.8	7.6	7.7	0.5	0.4
<i>In national currency</i>	106,994	109,484	111,470	113,317	118,385	118,625	10.7	10.1	7.2	7.9	7.3	7.3	0.4	0.2
<i>In foreign currency</i>	81,703	84,422	85,657	86,932	91,484	92,013	4.8	7.0	7.8	7.6	7.9	8.3	0.7	0.6

Source: NBRNM.

¹ 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.

² 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

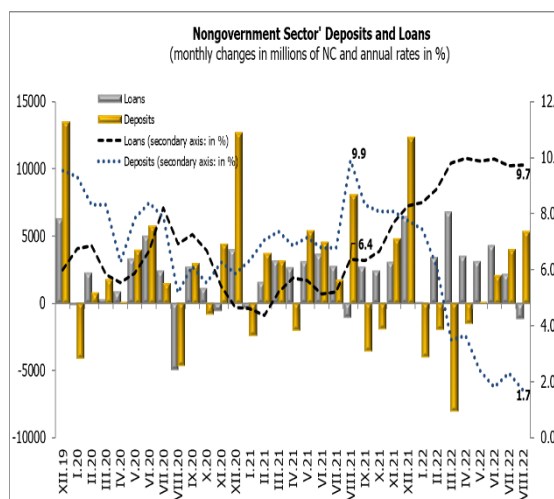
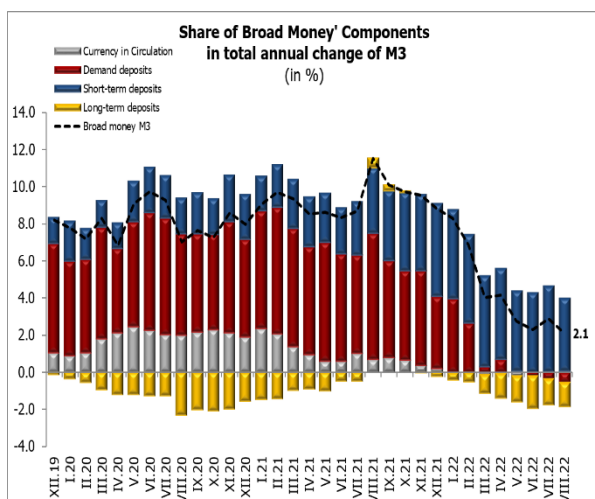
³ The annual loan rates since July 2019 have been influenced by the National Bank's measure for writing-off of claims fully covered for more than a year.

⁴ 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.



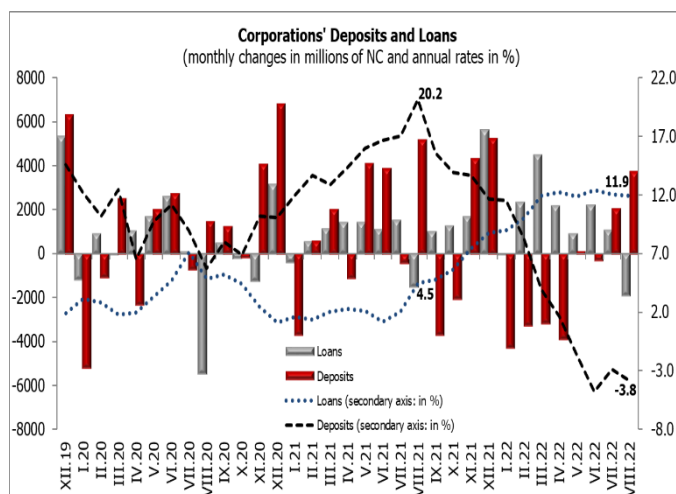
National Bank of the Republic of North Macedonia Statistics Department

- In August, **total deposits**⁵ registered a monthly growth of 1.2%, as a result of the growth of deposits in both sectors, which is more pronounced in the corporate sector. Annually, total deposits increased by 1.7% which is entirely due to the higher household deposits in conditions of decreased corporate deposits.
- In August, **total loans**⁶ dropped by 0.3% on a monthly basis. The downward change is entirely due to the reduced lending to the corporate sector, in conditions of growth of household loans. The annual growth equaled 9.7%, due to the higher lending to both sectors, which is more pronounced in the corporate sector.



Source: NBRNM.

1. Deposits and loans of the corporate sector⁷



Source: NBRNM.

⁵ Total deposits consist of all deposits included in the monetary aggregate M4.

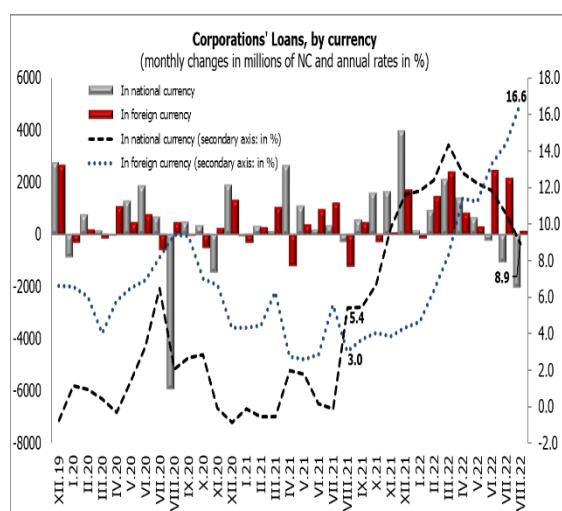
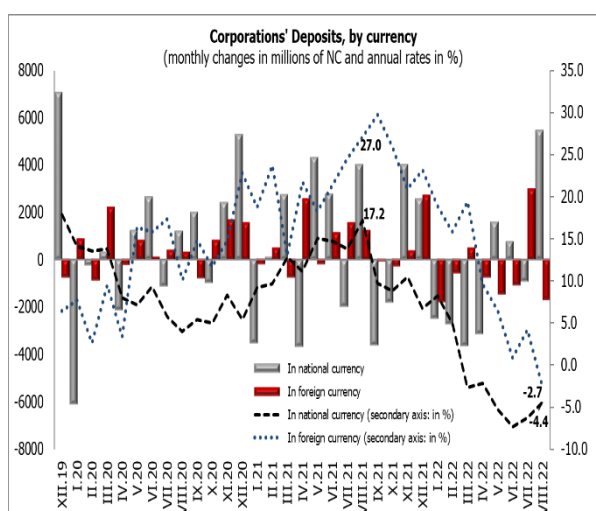
⁶ On 9 August 2018, the National Bank Council adopted the Decision on the methodology for credit risk management (Official Gazette of the Republic of Macedonia No. 149/18) that requires from banks to transfer from the on-balance sheet to the off-balance sheet records (and to continue to transfer) all claims that have been fully booked for more than one 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.

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



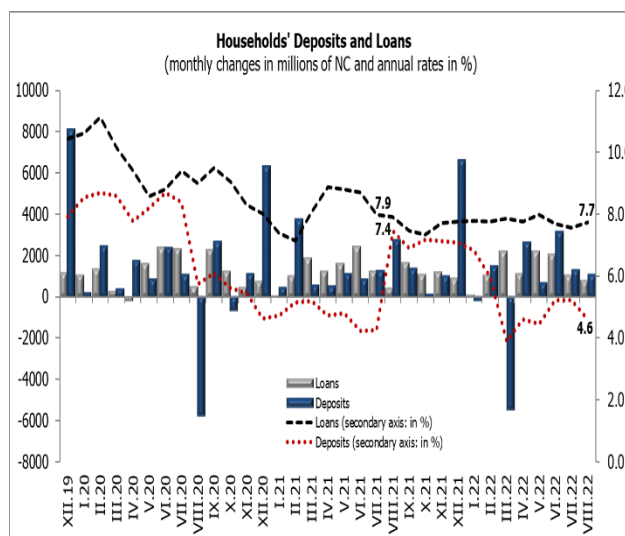
National Bank of the Republic of North Macedonia Statistics Department

- In August, total **corporate deposits** grew by 3.0%, compared to the previous month. The growth is mostly a result of the increased demand deposits, with positive effects of short-term denar deposits and long-term foreign currency deposits, while short-term foreign currency deposits and long-term denar deposits declined. On an annual basis, the decline of 3.8% reflects the reduced long-term foreign currency deposits and denar deposits, as well as demand deposits and short-term denar deposits, in circumstances of growth in short-term foreign currency deposits.
- In August, **corporate loans**⁸ decreased by 1.0% on a monthly basis, entirely due to the decline in denar loans, amid slight increase in foreign currency loans. The annual growth of 11.9% results from the increased lending in denars and in foreign currency, which is more pronounced in foreign currency loans.



Source: NBRNM.

2. Deposits and loans of the households⁹



Source: NBRNM.

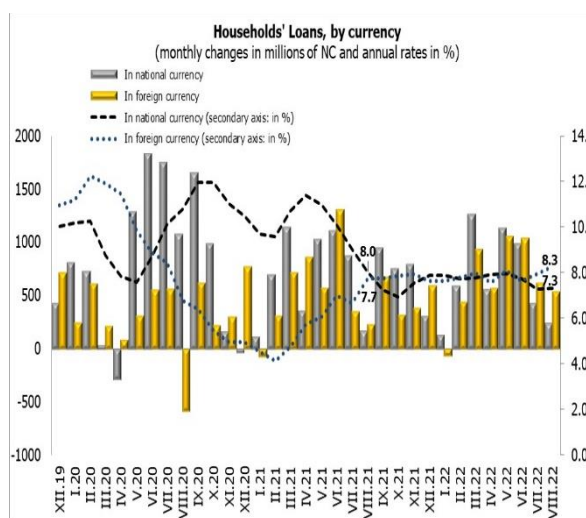
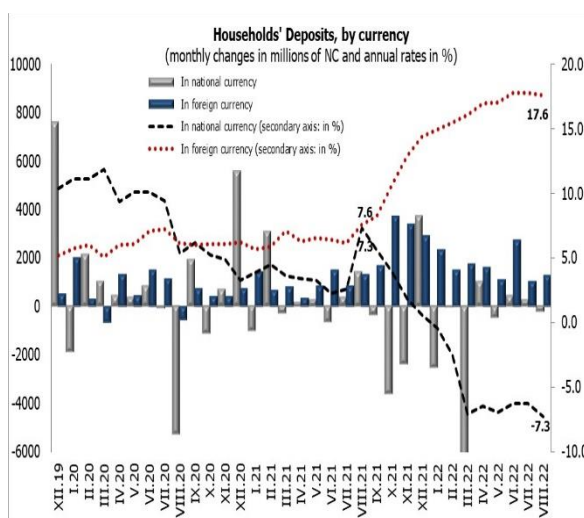
⁸ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

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

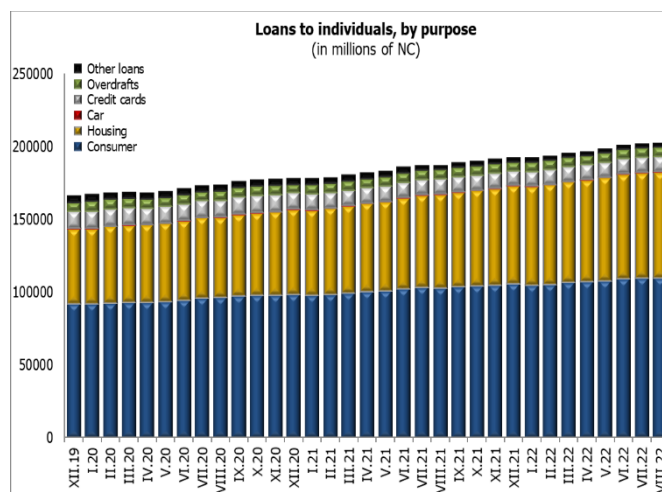


National Bank of the Republic of North Macedonia Statistics Department

- This month, **household deposits** registered a monthly growth of 0.3%, mainly due to increase in short-term and long-term foreign currency deposits, amid additional contribution of long-term denar deposits, while demand deposits and short-term denar deposits declined. On an annual basis, the growth equals 4.6% and is primarily due to the higher short-term foreign currency deposits, and to a lesser extent to long-term foreign currency deposits, while long-term and short-term denar deposits, as well as demand deposits registered a decline.
- In August, **household deposits** increased by 0.4% compared to the previous month, largely due to the increased lending in foreign currency, amid positive contribution of denar loans. The annual growth equals 7.7%, which in conditions of higher denar and foreign currency loans, is more pronounced in lending in denars.



Source: NBRNM.



Source: NBRNM.



National Bank of the Republic of North Macedonia Statistics Department

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	7.2022	8.2022	3.2021	6.2021	9.2021	12.2021	7.2022	8.2022	7.2022	8.2022
Consumer loans	99,721	102,516	103,902	105,888	109,913	109,859	6.7	7.9	6.2	7.2	6.4	6.3	0.4	0.0
Housing loans	59,901	62,384	65,006	67,353	72,223	72,690	13.1	14.7	16.1	15.5	13.5	13.5	0.8	0.6
Car loans	263	242	242	237	223	329	-14.0	-17.1	-16.9	-15.9	-6.4	39.6	-1.4	47.4
Credit cards	10,539	10,488	10,378	10,253	10,293	10,373	-8.9	-8.9	-10.9	-8.5	-1.6	-0.5	0.2	0.8
Overdrafts	6,399	6,419	6,470	5,907	6,436	6,602	-1.5	3.4	3.0	1.5	2.6	5.5	-1.3	2.6
Other loans	3,736	3,687	2,766	2,611	2,345	2,320	-5.8	-6.6	-29.3	-32.5	-19.1	-19.0	-1.0	-1.1

Source: NBRNM.

- In August, analyzing the purpose of loans to individuals, **consumer loans**, as one of the most common categories, remained unchanged on a monthly basis, while on an annual basis they increased by 6.3%. **Housing loans** increased by 0.6% and 13.5%, on a monthly and annual basis, respectively. In August, **car loans** registered a monthly and annual growth of 47.4% and 39.6%, respectively. **Credit card** loans registered a monthly growth of 0.8%, while they dropped by 0.5% annually. In August, **overdrafts** registered a monthly and annual increase of 2.6% and 5.5%, respectively, and loans granted on **other basis** reduced by 1.1% on a monthly basis and 19.0% on an annual basis.

Supporting information

Time series of data: Balance sheets and list of depository institutions, monthly data

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

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



**National Bank of the Republic of North Macedonia
Statistics Department**

Next publications: Advance Release Calendar

https://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf

Monetary developments in the Republic of North Macedonia: 21 October 2022 (reference period as of September 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 or phone: 02 3108 430 or 02/3215-235 extension 108/110.