



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

Skopje, 21 March 2022

### Press Release

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

- In February 2022, **the broad money (monetary aggregate M3<sup>1,2</sup>)** fell by 0.5% on a monthly basis, primarily as a result of the decrease in the demand deposits<sup>3</sup>, given a decrease also in the long-term deposits up to two years, in conditions of increase in the short-term deposits. The annual growth equals 6.8% and is mostly a result of the increased short-term deposits, and to a lesser extent the demand deposits, amid a decline in long-term deposits of up to two years. The amount of currency in circulation remained almost unchanged on both monthly and annual basis.

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	1.2022	2.2022	3.2021	6.2021	9.2021	12.2021	01.2022	2.2022	1.2022	2.2022
<b>Broad Money M4</b>	<b>491,717</b>	<b>500,202</b>	<b>507,536</b>	<b>521,005</b>	<b>516,128</b>	<b>514,222</b>	<b>7.9</b>	<b>6.7</b>	<b>8.2</b>	<b>7.0</b>	<b>6.5</b>	<b>5.3</b>	<b>-0.9</b>	<b>-0.4</b>
<b>Broad Money M3</b>	<b>441,478</b>	<b>451,639</b>	<b>460,723</b>	<b>474,753</b>	<b>469,927</b>	<b>467,548</b>	<b>9.4</b>	<b>8.3</b>	<b>10.1</b>	<b>8.8</b>	<b>8.3</b>	<b>6.8</b>	<b>-1.0</b>	<b>-0.5</b>
<i>of which:</i>														
Currency in Circulation	43,350	43,604	44,951	44,480	43,262	43,281	14.4	6.0	7.9	1.8	-0.3	0.0	-2.7	0.0
<b>Total Deposits</b>	<b>439,343</b>	<b>447,237</b>	<b>453,469</b>	<b>468,649</b>	<b>464,690</b>	<b>462,742</b>	<b>7.4</b>	<b>6.8</b>	<b>8.3</b>	<b>7.8</b>	<b>7.4</b>	<b>6.1</b>	<b>-0.8</b>	<b>-0.4</b>
<i>of which:</i>														
Corporations	122,085	128,970	130,048	137,557	133,296	130,016	12.9	16.7	15.6	11.6	11.5	8.3	-3.1	-2.5
<i>In national currency</i>	85,618	88,994	87,402	92,116	89,641	86,923	12.8	14.7	9.7	6.7	8.3	4.9	-2.7	-3.0
<i>In foreign currency</i>	36,467	39,976	42,646	45,441	43,655	43,093	13.0	21.4	29.8	23.2	18.9	15.8	-3.9	-1.3
Households	289,941	292,359	297,702	305,407	305,213	306,700	5.2	4.2	6.9	7.1	6.8	6.0	-0.1	0.5
<i>In national currency</i>	152,839	152,597	154,062	151,822	149,299	149,275	3.6	2.3	5.7	0.5	-0.5	-2.5	-1.7	0.0
<i>In foreign currency</i>	137,102	139,762	143,640	153,585	155,914	157,425	7.1	6.4	8.3	14.4	14.9	15.5	1.5	1.0
<b>Total Loans</b>	<b>361,561</b>	<b>370,862</b>	<b>375,116</b>	<b>386,884</b>	<b>386,900</b>	<b>390,269</b>	<b>5.2</b>	<b>5.1</b>	<b>6.3</b>	<b>8.3</b>	<b>8.4</b>	<b>8.9</b>	<b>0.0</b>	<b>0.9</b>
<i>of which:</i>														
Corporations	171,117	175,067	176,093	184,675	184,672	187,018	2.1	1.2	4.8	8.7	9.0	10.0	0.0	1.3
<i>In national currency</i>	103,024	106,876	107,485	114,622	114,755	115,672	-0.6	0.2	5.5	11.6	11.8	12.4	0.1	0.8
<i>In foreign currency</i>	68,093	68,191	68,608	70,053	69,917	71,346	6.3	2.9	3.7	4.3	4.6	6.4	-0.2	2.0
Households	188,697	193,906	197,127	200,249	200,311	201,334	8.1	8.7	7.5	7.8	7.8	7.8	0.0	0.5
<i>In national currency</i>	106,994	109,484	111,470	113,317	113,447	114,033	10.7	10.1	7.2	7.9	7.9	7.7	0.1	0.5
<i>In foreign currency</i>	81,703	84,422	85,657	86,932	86,864	87,301	4.8	7.0	7.8	7.6	7.7	7.8	-0.1	0.5

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.

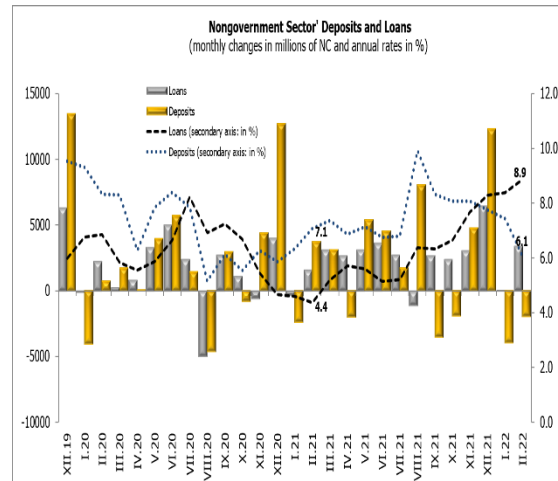
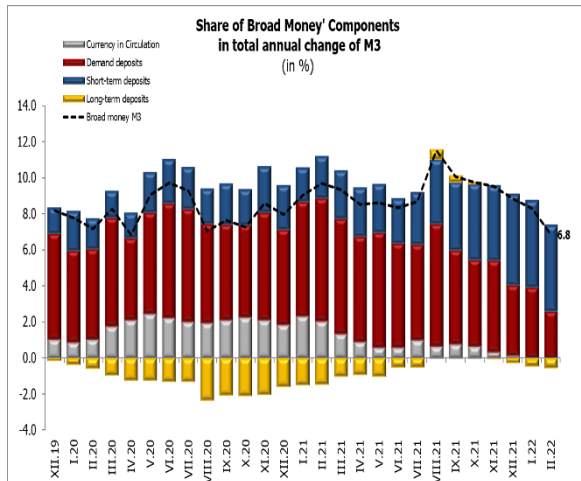
<sup>4</sup> The annual loan rates since July 2019 have been influenced by the National Bank's measure for writing-off of claims fully covered for more than a year.

<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.



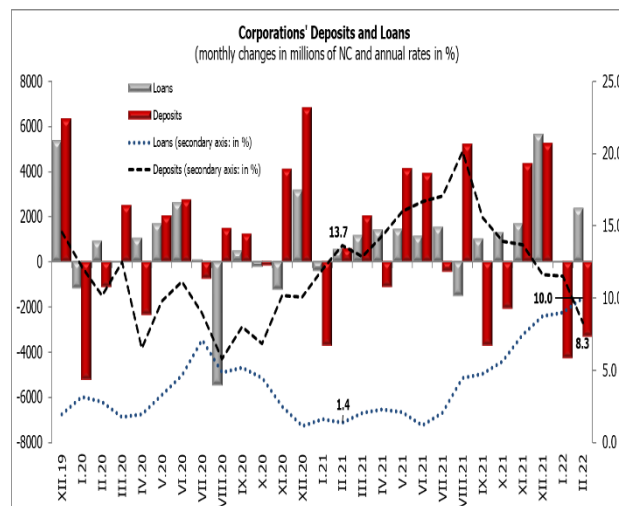
## National Bank of the Republic of North Macedonia Statistics Department

- In February, **total deposits**<sup>6</sup> registered monthly decrease of 0.4%, as a result of the decrease in the corporate deposits, in conditions of moderate deposit growth with households. On an annual basis, the total deposit growth of 6.1% is due to the deposit growth in both sectors, with a larger contribution of the household sector.
- In February, **total lending**<sup>7</sup> registered a monthly and annual growth of 0.9% and 8.9%, respectively, as a result of the increased lending to 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.

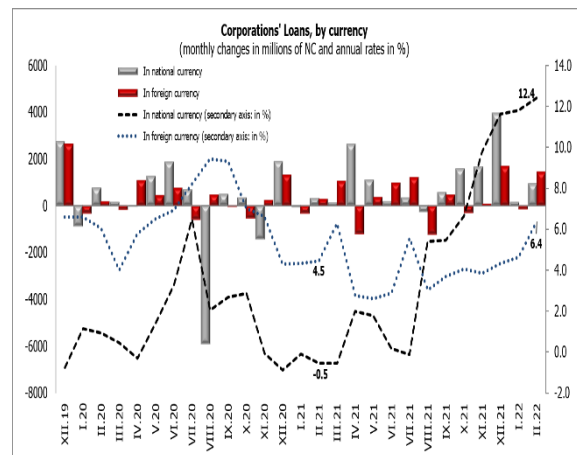
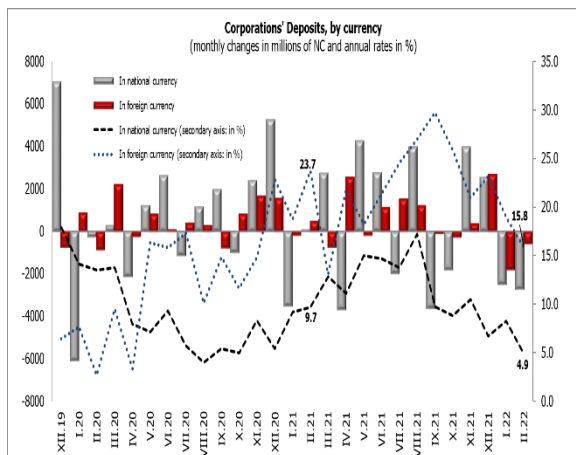
<sup>7</sup> On 9 August 2018, the National Bank Council adopted the Decision on the methodology for credit risk management (Official Gazette of the Republic of Macedonia No. 149/18) that requires from banks to transfer (and to continue to transfer) from on-balance sheet to off-balance sheet records 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.



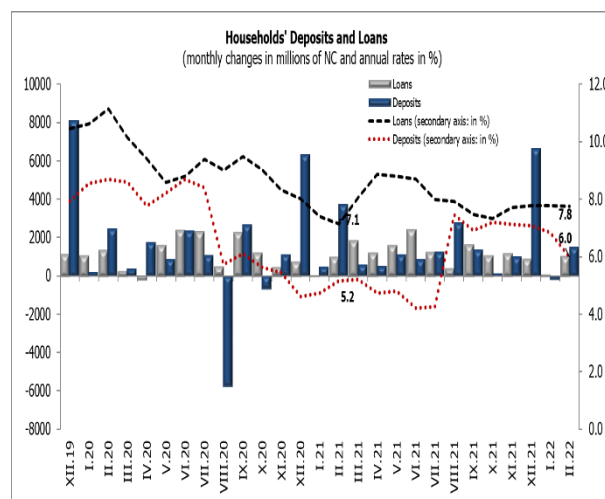
## National Bank of the Republic of North Macedonia Statistics Department

- The total **corporate deposits** registered a downward monthly change of 12.5%. The change primarily stems from the decrease in the demand deposits, and to a lesser extent from the short-term deposits in foreign currency and long-term denar deposits, in conditions of moderate growth of the other components. On annual basis, the growth of 8.3% results from the increased demand deposits, as well as short-term and long-term foreign currency deposits, amid fall in short-term and long-term denar deposits.
- In February, **corporate loans**<sup>9</sup> increased by 1.3% compared to the preceding month, as a result of the increased lending in denars and foreign currency, with a more pronounced contribution being made by the foreign currency loans. The annual increase equals 10.0%, with larger contribution of the denar loans.



Source: NBRNM.

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



Source: NBRNM.

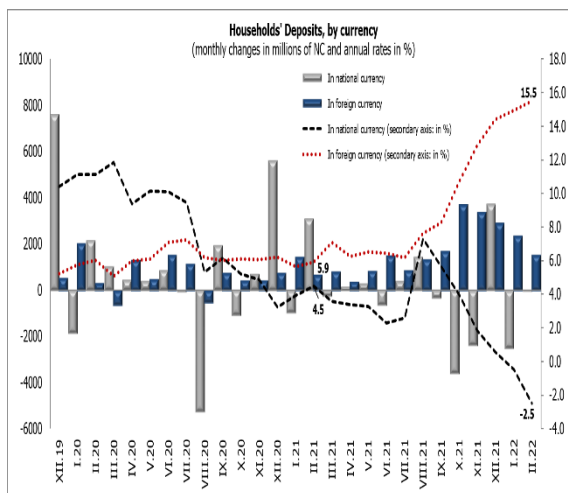
<sup>9</sup> Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

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

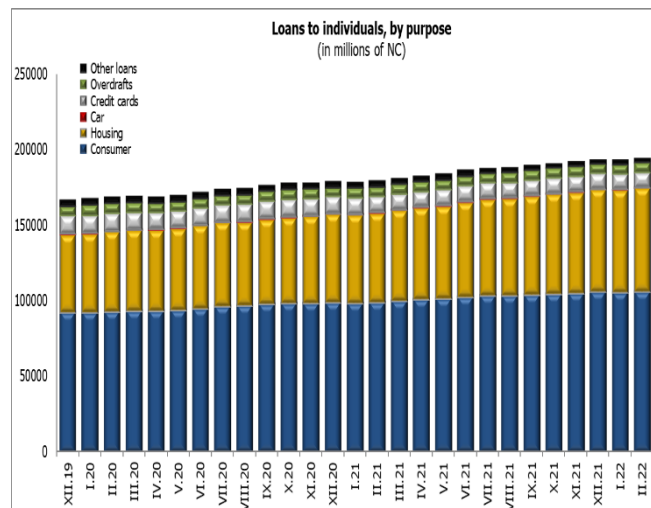
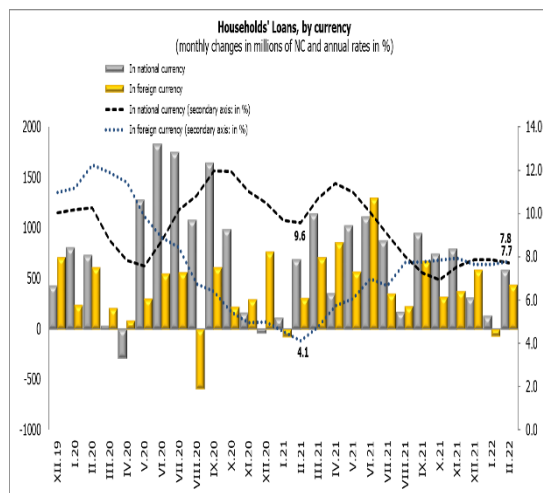


## National Bank of the Republic of North Macedonia Statistics Department

- In February, the total **household deposits** registered monthly and annual growth of 0.5% and 6.0%, respectively. Thereby, the growth on both bases is mostly a result of short-term foreign currency deposits, and lower positive contribution was made by demand deposits and long-term foreign currency deposits, amid a decline in long-term and short-term denar deposits.
- In February, **household loans** increased by 0.5% on monthly basis and 7.8% on annual basis, which is explained by the increase in denar and foreign currency loans, which is more pronounced in denar loans.



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	1.2022	2.2022	3.2021	6.2021	9.2021	12.2021	1.2022	2.2022	1.2022	2.2022
Consumer loans	99,721	102,516	103,902	105,888	105,159	105,735	6.7	7.9	6.2	7.2	7.3	7.2	-0.7	0.5
Housing loans	59,901	62,384	65,006	67,353	67,657	68,385	13.1	14.7	16.1	15.5	15.6	15.5	0.5	1.1
Car loans	263	242	242	237	231	226	-14.0	-17.1	-16.9	-15.9	-16.4	-15.6	-2.4	-2.3
Credit cards	10,539	10,488	10,378	10,253	10,127	10,034	-8.9	-8.9	-10.9	-8.5	-7.1	-5.7	-1.2	-0.9
Overdrafts	6,399	6,419	6,470	5,907	6,423	6,374	-1.5	3.4	3.0	1.5	1.1	1.9	8.7	-0.8
Other loans	3,736	3,687	2,766	2,611	2,572	2,567	-5.8	-6.6	-29.3	-32.5	-32.3	-31.8	-1.5	-0.2

Source: NBRNM.

- In February, analyzed by the purpose of loans granted to individuals, **the consumer loans**, as the most common category, registered monthly growth of 0.5%, amid annual growth and 7.2%, respectively. The **housing loans** this month registered a monthly and annual increase of 1.1% and 15.5%, respectively. In February, the **automobile loans** registered a monthly and annual decrease of 2.3% and 15.6%, respectively, while regarding the **credit cards** loans, there was a fall on monthly and annual basis of 0.9% and 5.7 %, respectively. **The overdrafts on the current accounts** this month registered a monthly decrease of 0.8%, while the annual increase equaled 1.9%. In February, the loans granted on **other basis** registered a monthly and annual decrease of 0.2% and 31.8%, respectively.

\*\*\*

### Supporting information

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

[https://www.nbrm.mk/monetarna\\_statistika-en.nspk](https://www.nbrm.mk/monetarna_statistika-en.nspk)

Methodological explanations:

[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)

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)



**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](https://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf)

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