



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 21 September 2023

Press Release

Monetary developments in the Republic of North Macedonia: August 2023

- In August 2023, **the broad money (monetary aggregate M3^{1,2})**, reduced by 0.2% on a monthly basis, mainly due to the decline in demand deposit and currency in circulation, and to a lesser extent to long-term deposits up to two years, amid growth in short-term deposits. Analyzed annually, the broad money grew by 7.4%, which is mostly due to the higher demand deposit, as well as short-term deposits, amid positive effect of other components.
- In August, **total deposits³** registered a monthly increase of 0.2%, which entirely reflects the growth of corporate deposits, amid decline in household deposits. The annual growth amounts to 10.1%, as a result of the growth of deposit in both sectors, with a slightly larger contribution of the corporate sector.

Table 1 Broad money and total non-government sector deposits

	stocks (in million NC)			annual changes (in %)				monthly changes (in %)			
	12.2022	7.2023	8.2023	12.2022	3.2023	6.2023	8.2023	12.2022	3.2023	6.2023	8.2023
Broad Money M4	547,355	568,485	568,755	5.1	6.9	11.4	9.8	3.0	-0.6	1.3	0.0
Broad Money M3	499,803	509,693	508,777	5.3	6.6	10.0	7.4	2.8	-1.0	0.9	-0.2
<i>of which:</i>											
<i>Currency in Circulation</i>	47,494	48,663	47,569	6.8	6.3	9.4	6.2	9.6	1.4	2.1	-2.2
<i>Demand deposits</i>	188,036	193,652	192,075	5.8	10.4	15.8	11.6	4.1	-1.2	1.1	-0.8
<i>Short-term deposits</i>	214,490	216,480	218,720	6.8	4.6	4.8	4.4	0.9	-1.3	0.6	1.0
<i>Long-term deposits up to 2 years</i>	49,782	50,897	50,413	-3.8	2.5	13.4	6.6	0.0	-1.1	0.8	-1.0
Total Deposits	491,537	510,200	511,377	4.9	6.8	11.5	10.1	2.6	-0.9	1.2	0.2
<i>of which:</i>											
<i>Corporations</i>	142,627	148,438	153,071	3.7	5.9	19.7	19.0	3.3	-2.2	1.3	3.1
<i> In national currency</i>	94,395	99,202	101,101	2.5	6.7	19.0	16.2	1.0	-2.4	2.1	1.9
<i> In foreign currency</i>	48,232	49,236	51,970	6.1	4.4	21.0	25.0	8.2	-1.9	-0.3	5.6
<i>Households</i>	323,084	335,004	331,720	5.8	8.4	8.8	7.0	2.7	0.1	1.2	-1.0
<i> In national currency</i>	155,215	163,380	158,971	2.2	9.9	14.1	11.1	6.2	0.6	1.9	-2.7
<i> In foreign currency</i>	167,869	171,625	172,749	9.3	7.0	4.3	3.5	-0.3	-0.3	0.5	0.7

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



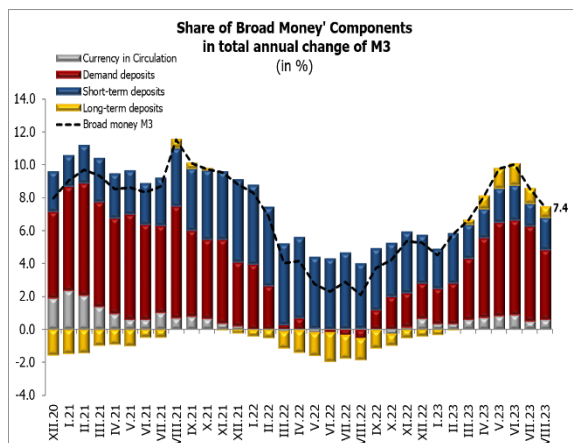
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- In August, **total loans** increased by 0.3% on a monthly basis, which is entirely due to the increased lending to household sector. The annual growth of 6.4% results from the growth in lending to both sectors, with a larger contribution of the household sector.

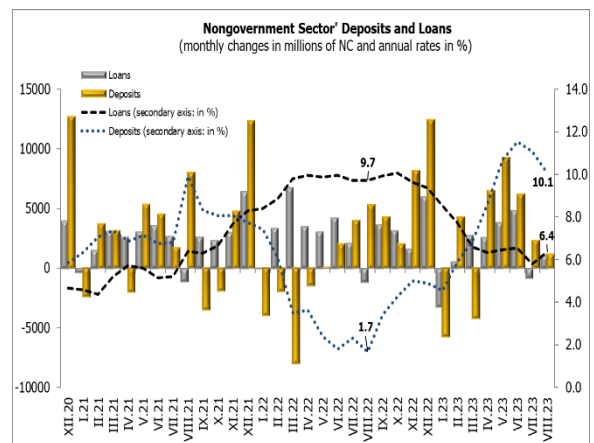
Table 2 Total loans of the non-government sector

	Stocks (in millions of NC)			annual changes (in %)				monthly changes (in %)			
	12.2022	7.2023	8.2023	12.2022	3.2023	6.2023	8.2023	12.2022	3.2023	6.2023	8.2023
Consumer loans	112,504	116,605	116,898	6.3	6.2	6.2	6.4	0.7	0.9	1.1	0.3
Housing loans	75,905	80,167	80,572	12.7	11.7	11.3	10.8	1.2	0.8	1.4	0.5
Car loans	358	379	384	9.1	9.9	8.6	16.7	-0.2	-0.5	4.4	1.3
Credit cards	10,324	10,126	10,157	0.7	0.5	-1.3	-2.1	-0.9	0.4	-0.1	0.3
Overdrafts	5,963	6,253	7,068	1.0	-0.2	-2.6	7.0	-10.2	0.5	-4.1	13.0
Other loans	2,207	1,934	1,928	-15.5	-16.1	-17.9	-16.9	-0.7	-2.1	-4.2	-0.3

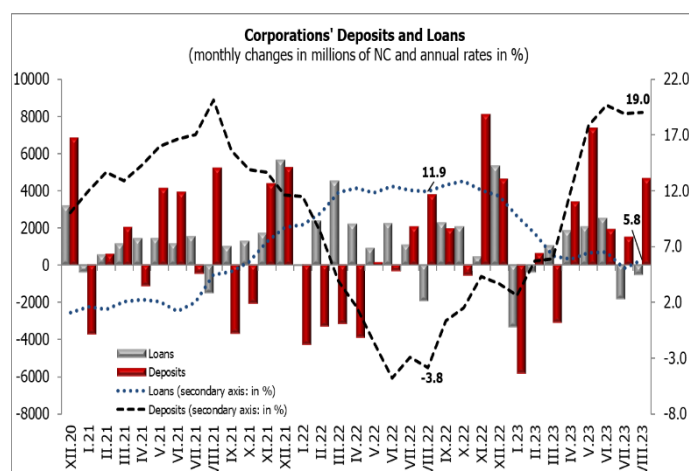
Source: NBRNM.



Source: NBRNM.



1. Deposits and loans of the corporate sector⁴



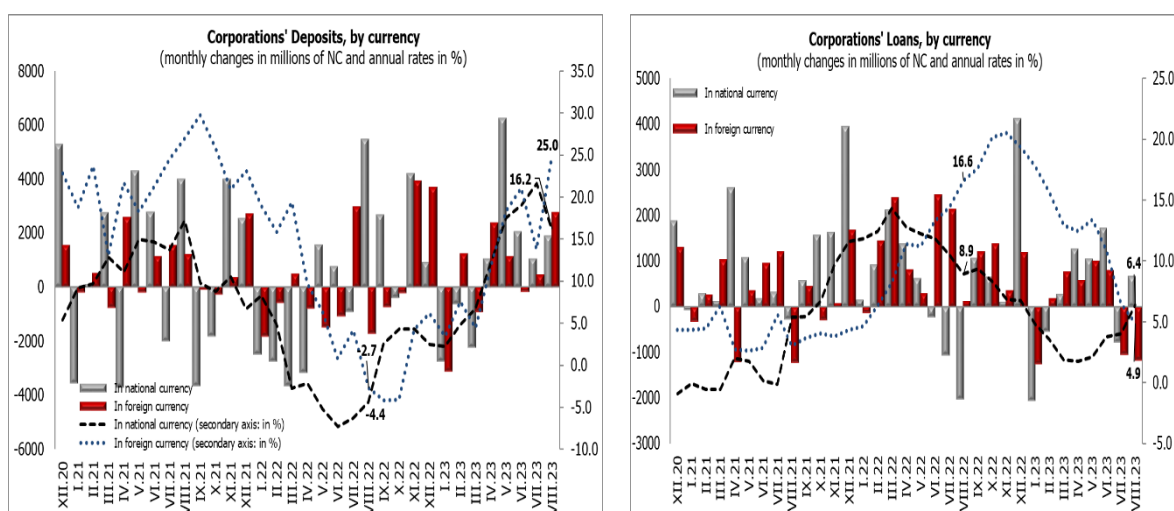
Source: NBRNM.

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



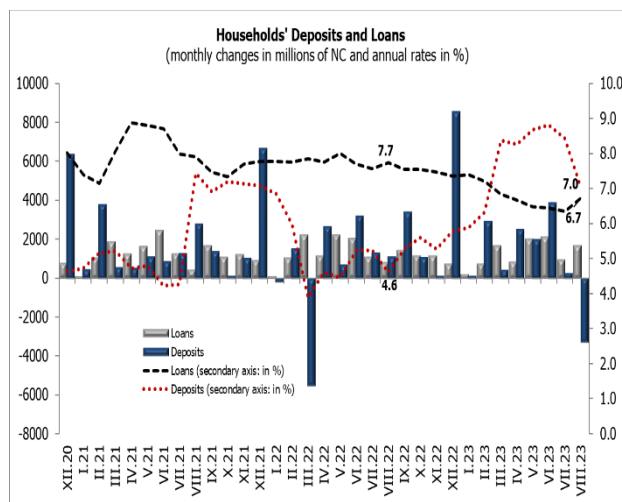
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- This month, **total corporate deposits** registered a monthly growth of 3.1%, mainly due to the increased short-term foreign currency deposits and demand deposits, and to a lesser extent to long-term denar deposits, amid decline in short-term denar deposits and long-term foreign currency deposits. Compared to August last year, corporate deposit grew by 19.0%, due to the growth in all components, with the largest contribution of short-term foreign currency deposits and demand deposits.
- In August, **corporate loans**⁵ decreased by 0.3% on a monthly basis, entirely due to the decline in foreign currency loans, amid growth of lending in denars. The annual growth amounts to 5.8% and is due to the increased denar and foreign currency loans, with a larger contribution of denar loans.



Source: NBRNM.

2. Deposits and loans of the households⁶



Source: NBRNM.

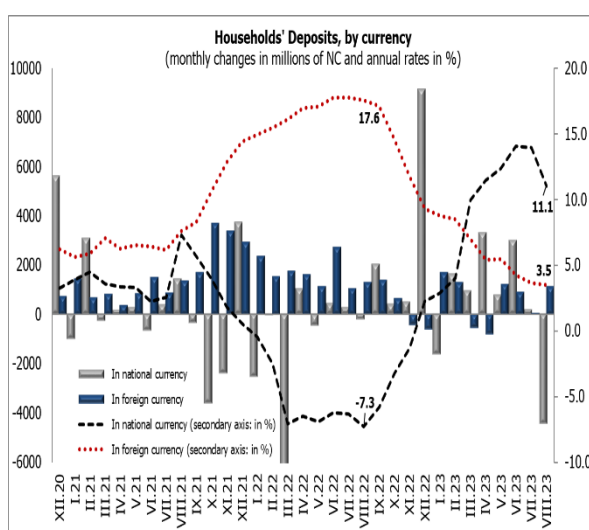
⁵ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

⁶ For the purposes of this press release, households refer to individuals and self-employed professionals.

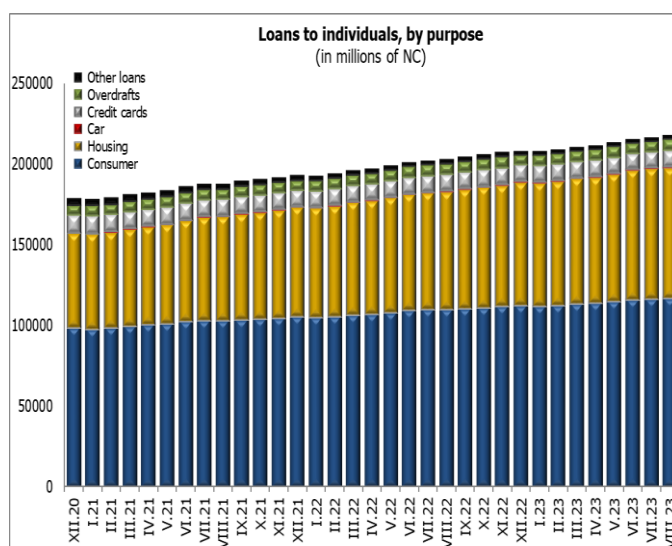
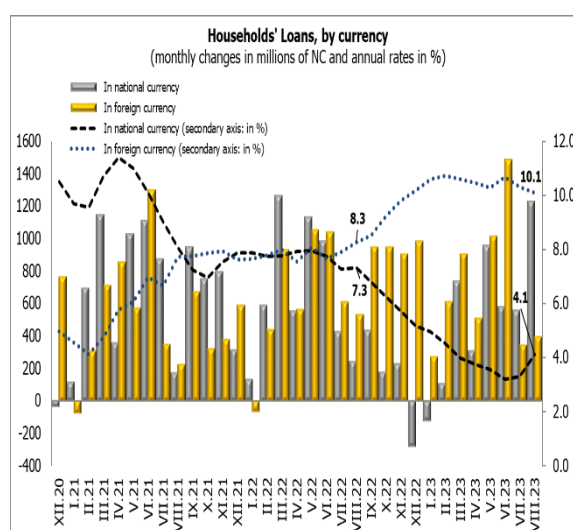


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- In August, **household deposits** reduced by 1.0% compared to the previous month, which entirely reflects the decline in demand deposits, amid growth in other components. Compared to August last year, household deposits grew by 7.0%, due to higher long-term foreign currency and denar deposits and demand deposits, amid decline in short-term foreign currency deposits.
- In August, **household loans** registered a monthly growth rate of 0.7%, largely due to the increased lending in denars, amid positive contribution of foreign currency loans. Analyzed annually, household loans grew by 6.7%, amid growth of denar and foreign currency loans, with a larger contribution of foreign currency 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 %)			
	12.2022	7.2023	8.2023	12.2022	3.2023	6.2023	8.2023	12.2022	3.2023	6.2023	8.2023
Consumer loans	112,504	116,605	116,898	6.3	6.2	6.2	6.4	0.7	0.9	1.1	0.3
Housing loans	75,905	80,167	80,572	12.7	11.7	11.3	10.8	1.2	0.8	1.4	0.5
Car loans	358	379	384	9.1	9.9	8.6	16.7	-0.2	-0.5	4.4	1.3
Credit cards	10,324	10,126	10,157	0.7	0.5	-1.3	-2.1	-0.9	0.4	-0.1	0.3
Overdrafts	5,963	6,253	7,068	1.0	-0.2	-2.6	7.0	-10.2	0.5	-4.1	13.0
Other loans	2,207	1,934	1,928	-15.5	-16.1	-17.9	-16.9	-0.7	-2.1	-4.2	-0.3

Source: NBRNM.

- In August, analyzing the purpose of loans granted to individuals, **consumer and housing loans**, as the most common categories, increased monthly by 0.3% and 0.5%, respectively, with an annual growth of 6.4% and 10.8%, respectively. This month, **car loans** grew by 1.3% on a monthly basis, with an annual growth of 16.7%, while the **credit card** loans increased by 0.3% on a monthly basis, amid annual decline of 2.1%. In August, **overdrafts** registered a monthly and annual growth of 13.0% and 7.0%, respectively, while loans granted on **other basis** registered a monthly and annual decrease of 0.3% and 16.9%, respectively.

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



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Monetary developments in the Republic of North Macedonia: 20 October 2023 (reference period as of September 2023).

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.