



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 18 January 2024

Press Release

Monetary developments in the Republic of North Macedonia: December 2023

- In December, the **broad money (monetary aggregate M3^{1,2})** registered a monthly growth of 4.5%, primarily due to the growth of demand deposits, with a smaller positive contribution of currency in circulation and long-term deposits up to two years, while short-term deposits decreased. On an annual basis, broad money increased by 5.9%, mostly due to the higher demand deposits, with the other components acting in a positive direction.
- In December, **total deposits³** registered a monthly and annual increase of 4.0% and 8.7% respectively, due to the contribution of deposits of both sectors, with a more pronounced contribution of the household sector.

Table 1 Broad money and total non-government sector deposits

	stocks (in million NC)			annual changes (in %)						monthly changes (in %)					
	12.2022	11.2023	12.2023	12.2022	3.2023	6.2023	9.2023	11.2023	12.2023	12.2022	3.2023	6.2023	9.2023	11.2023	12.2023
Broad Money M4	547,355	570,391	594,975	5.1	6.9	11.4	8.8	7.4	8.7	3.0	-0.6	1.3	-0.1	0.8	4.3
Broad Money M3	499,803	506,484	529,087	5.3	6.6	10.0	5.9	4.1	5.9	2.8	-1.0	0.9	-0.5	0.7	4.5
of which:															
Currency in Circulation	47,494	46,500	49,826	6.8	6.3	9.4	6.1	7.3	4.9	9.6	1.4	2.1	-0.4	-0.8	7.2
Demand deposits	188,036	192,159	211,402	5.8	10.4	15.8	8.5	6.3	12.4	4.1	-1.2	1.1	-0.5	1.6	10.0
Short-term deposits	214,490	216,906	215,859	6.8	4.6	4.8	4.1	2.1	0.6	0.9	-1.3	0.6	-0.6	0.4	-0.5
Long-term deposits up to 2 years	49,782	50,920	52,000	-3.8	2.5	13.4	4.4	2.3	4.5	0.0	-1.1	0.8	-0.2	0.3	2.1
Total Deposits	491,537	513,622	534,240	4.9	6.8	11.5	8.9	7.2	8.7	2.6	-0.9	1.2	-0.2	0.9	4.0
of which:															
Corporations	142,627	151,501	161,432	3.7	5.9	19.7	15.7	9.8	13.2	3.3	-2.2	1.3	-1.4	2.1	6.6
In national currency	94,395	100,683	109,266	2.5	6.7	19.0	11.1	7.7	15.8	1.0	-2.4	2.1	-1.5	2.8	8.5
In foreign currency	48,232	50,818	52,166	6.1	4.4	21.0	25.8	14.0	8.2	8.2	-1.9	-0.3	-1.1	0.9	2.7
Households	323,084	336,964	348,745	5.8	8.4	8.8	6.8	7.1	7.9	2.7	0.1	1.2	0.9	0.4	3.5
In national currency	155,215	163,051	173,543	2.2	9.9	14.1	10.9	11.6	11.8	6.2	0.6	1.9	1.3	0.8	6.4
In foreign currency	167,869	173,914	175,201	9.3	7.0	4.3	3.3	3.2	4.4	-0.3	-0.3	0.5	0.6	0.0	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.



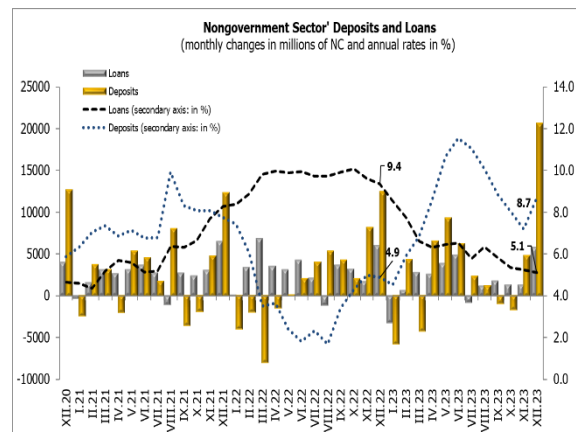
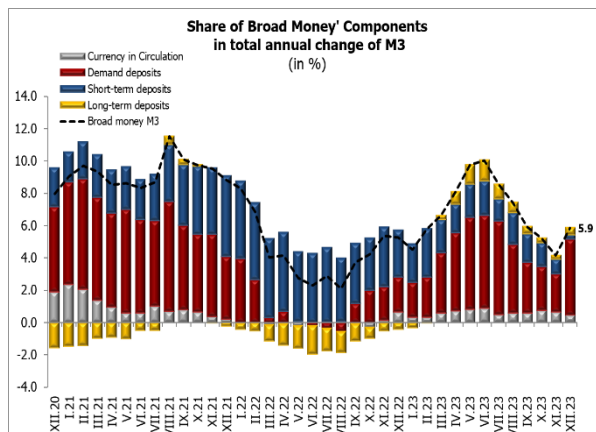
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- In December, **total loans** registered a monthly growth of 1.3%, which is a result of the increased lending to both sectors, with a larger contribution of the corporate sector. The annual growth of total loans is 5.1% and results from the higher lending to both sectors, more pronounced in the household sector.

Table 2 Total loans of the non-government sector

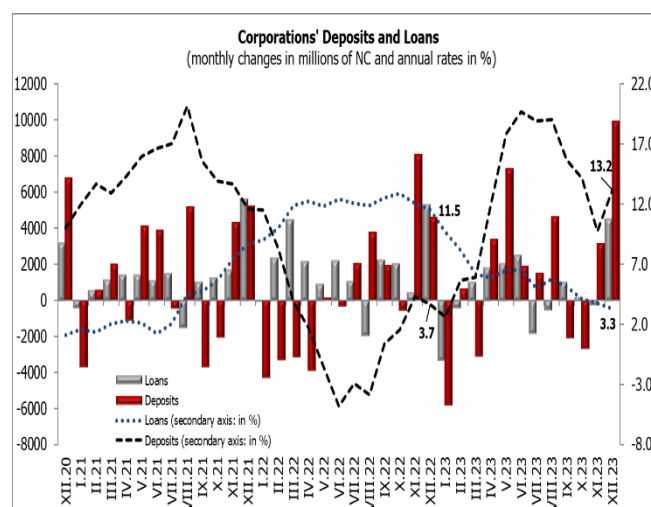
	stocks (in million NC)			annual changes (in %)						monthly changes (in %)					
	12.2022	11.2023	12.2023	12.2022	3.2023	6.2023	9.2023	11.2023	12.2023	12.2022	3.2023	6.2023	9.2023	11.2023	12.2023
Total Loans	423,114	438,977	444,721	9.4	6.6	6.5	5.8	5.2	5.1	1.4	0.7	1.1	0.4	0.3	1.3
of which:															
Corporations	205,974	208,241	212,768	11.5	6.2	6.5	5.1	3.8	3.3	2.6	0.5	1.2	0.5	-0.1	2.2
In national currency	122,377	127,654	131,089	6.8	1.9	3.8	6.5	7.9	7.1	3.5	0.2	1.4	1.0	0.7	2.7
In foreign currency	83,598	80,587	81,679	19.3	12.9	10.8	3.1	-2.2	-2.3	1.4	0.9	0.9	-0.2	-1.3	1.4
Households	214,965	228,172	229,404	7.3	6.8	6.4	6.4	6.5	6.7	0.3	0.8	0.9	0.3	0.7	0.5
In national currency	119,178	125,264	125,224	5.2	4.0	3.2	4.0	4.9	5.1	-0.2	0.6	0.5	0.2	0.7	0.0
In foreign currency	95,786	102,908	104,180	10.2	10.6	10.7	9.5	8.5	8.8	1.0	0.9	1.5	0.5	0.7	1.2

Source: NBRNM.



Source: NBRNM.

1. Deposits and loans of the corporate sector⁴



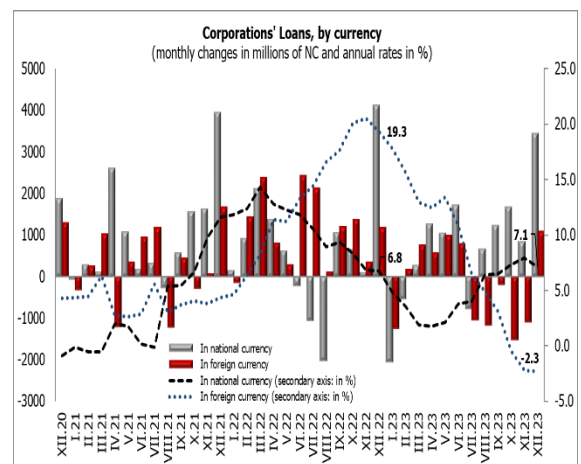
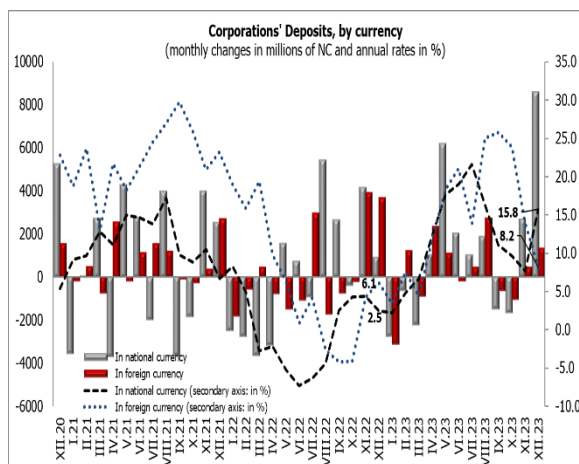
Source: NBRNM.

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



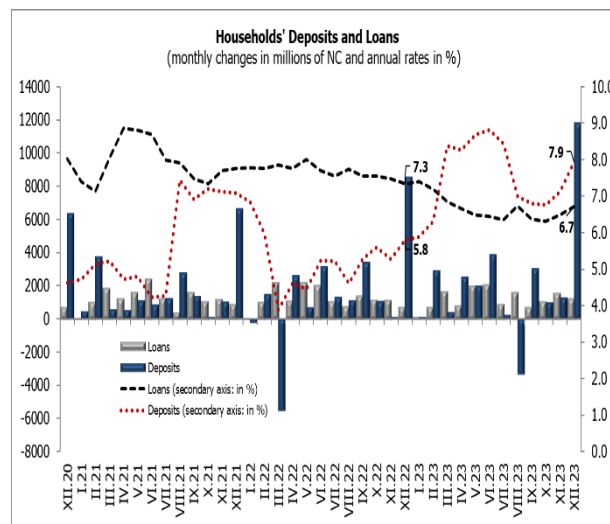
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- In December, **total corporate deposits** increased by 6.6% on a monthly basis. The upward change primarily reflects the higher demand deposits, with a smaller positive contribution of long-term and short-term deposits in foreign currency, amid a decline in long-term and short-term deposits in denars. Compared to December last year, the growth of total deposits amounts to 13.2%, largely due to the increased demand deposits, with additional contribution of short-term deposits in foreign currency and in denars and long-term deposits in denars.
- In December, **corporate loans**⁵ increased by 2.2% compared to the previous month, as a result of the higher denar and foreign currency loans, with a larger contribution of denar loans. The annual growth of 3.3% is fully explained by the increased denar loans.



Source: NBRNM.

2. Deposits and loans of the households⁶



Source: NBRNM.

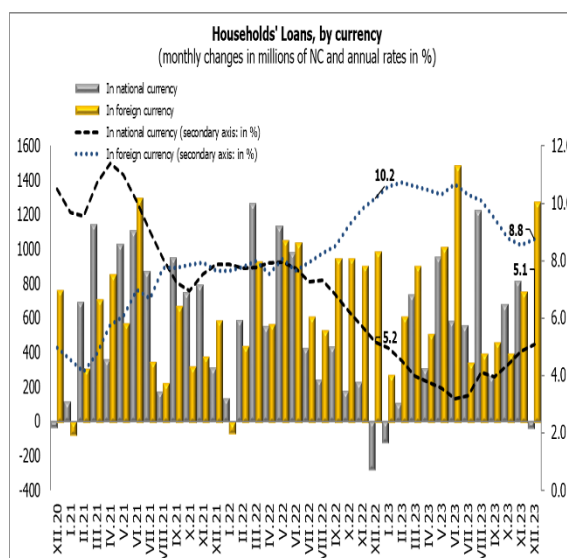
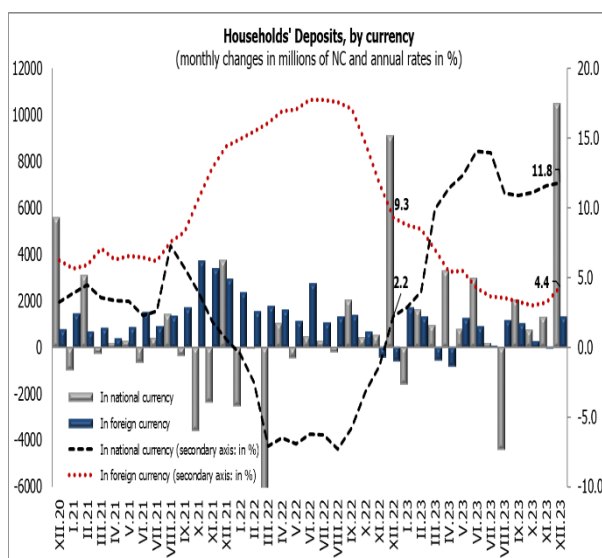
⁵ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

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

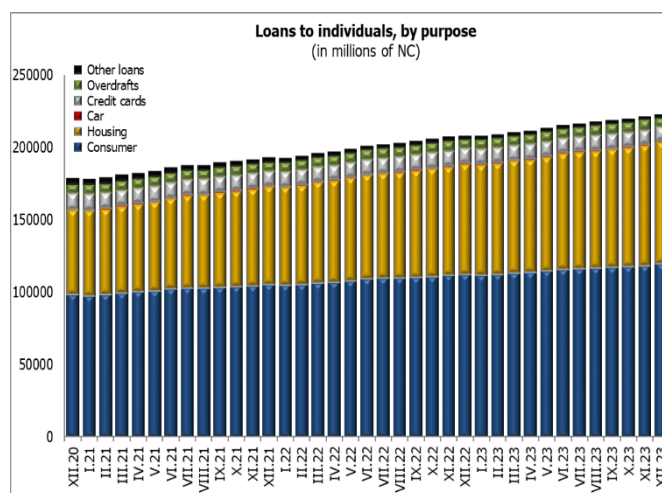


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- This month, **total household deposits** registered a monthly growth of 3.5%, which is largely due to the increased demand deposits, with long-term deposits in foreign currency and in denars acting in a positive direction, while short-term deposits in denars and in foreign currency decreased. On an annual basis, household deposits increased by 7.9%, which is explained by the higher long-term deposits in foreign currency and in denars, as well as demand deposits, given the decline in short-term deposits in foreign currency and in denars.
- In December, **household loans** registered a minor monthly growth of 0.5% and is entirely a reflection of the increased lending in foreign currency. The annual growth of these loans amounts to 6.7% and is largely due to the increased lending in foreign currency, amid growth of 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 %)					
	12.2022	10.2023	12.2023	12.2022	3.2023	6.2023	9.2023	11.2023	12.2023	12.2022	3.2023	6.2023	9.2023	11.2023	12.2023
Consumer loans	112,504	118,571	119,868	6.3	6.2	6.2	6.0	6.1	6.5	0.7	0.9	1.1	0.4	0.7	1.1
Housing loans	75,905	82,728	83,891	12.7	11.7	11.3	10.7	10.3	10.5	1.2	0.8	1.4	0.8	1.0	1.4
Car loans	358	388	399	9.1	9.9	8.6	15.5	8.3	11.4	-0.2	-0.5	4.4	-1.5	1.7	2.7
Credit cards	10,324	10,024	9,835	0.7	0.5	-1.3	-2.6	-3.8	-4.7	-0.9	0.4	-0.1	-0.6	-0.3	-1.9
Overdrafts	5,963	6,963	6,000	1.0	-0.2	-2.6	7.9	4.8	0.6	-10.2	0.5	-4.1	-1.1	-0.7	-13.8
Other loans	2,207	1,827	1,782	-15.5	-16.1	-17.9	-17.4	-17.8	-19.3	-0.7	-2.1	-4.2	-1.8	-2.3	-2.5

Source: NBRNM.

- In December, considering the purpose of loans granted to individuals, **consumer and housing loans**, as the most common categories, increased by 1.1% and 1.4% on a monthly basis, respectively, amid annual growth of 6.5% and 10.5%, respectively. In December, **car loans** registered a monthly and annual growth of 2.7% and 11.4%, respectively. This month, loans on **credit cards** registered a monthly and annual decrease of 1.9% and 4.7%, respectively. In December, **overdrafts** decreased by 13.8% on a monthly basis, while on an annual basis they slightly increased by 0.6%. In December, loans granted on **other basis** decreased by 2.5% and 19.3%, on a monthly and annual basis, 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: 29 February 2024 (reference period as of January 2024).

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