



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 21 March 2023

Press Release

Monetary developments in the Republic of North Macedonia: February 2023

- In February 2023, the **broad money (monetary aggregate M3^{1,2})** increased by 0.7% on a monthly basis, mostly as a result of the increased short-term deposits, with a smaller positive contribution of long-term deposits up to two years, amid fall in demand deposits. On an annual basis, broad money increased by 5.8%, primarily due to the growth of short-term deposits and demand deposits.
- In February, **total deposits³** registered a monthly growth of 0.9%, amid annual growth of 5.9%. Moreover, the monthly and annual growth is due to the increase in deposits of both sectors, which is more pronounced in 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	1.2023	2.2023	3.2022	6.2022	9.2022	12.2022	2.2023	3.2022	6.2022	9.2022	12.2022	2.2023
Broad Money M4	547,355	539,153	543,582	2.8	1.4	2.9	5.1	5.7	-1.7	0.5	0.8	3.0	0.8
Broad Money M3	499,803	491,129	494,594	4.0	2.3	3.7	5.3	5.8	-1.8	0.7	0.9	2.8	0.7
<i>of which:</i>													
<i>Currency in Circulation</i>	47,494	44,834	44,815	-1.4	0.0	-0.7	6.8	3.5	-1.3	1.3	-0.3	9.6	0.0
<i>Demand deposits</i>	188,036	183,906	183,568	0.8	-0.5	3.1	5.8	6.8	-4.4	1.0	2.4	4.1	-0.2
<i>Short-term deposits</i>	214,490	212,926	216,169	11.8	10.3	8.9	6.8	6.9	0.8	0.4	-0.3	0.9	1.5
<i>Long-term deposits up to 2 y.</i>	49,782	49,462	50,042	-8.5	-14.8	-9.3	-3.8	-0.2	-3.6	-0.2	1.9	0.0	1.2
Total Deposits	491,537	485,785	490,072	3.5	1.8	3.4	4.9	5.9	-1.7	0.4	0.9	2.6	0.9
<i>of which:</i>													
<i>Corporations</i>	142,627	136,811	137,433	3.9	-4.8	0.4	3.7	5.7	-2.4	-0.2	1.5	3.3	0.5
<i>In national currency</i>	94,395	91,671	91,071	-2.7	-7.3	2.6	2.5	4.8	-4.2	0.9	3.1	1.0	-0.7
<i>In foreign currency</i>	48,232	45,140	46,363	19.4	0.8	-4.2	6.1	7.6	1.1	-2.5	-1.7	8.2	2.7
<i>Households</i>	323,084	323,176	326,064	3.9	5.2	5.3	5.8	6.3	-1.8	1.0	1.1	2.7	0.9
<i>In national currency</i>	155,215	153,617	155,232	-7.1	-6.2	-5.8	2.2	4.0	-4.8	0.3	1.4	6.2	1.1
<i>In foreign currency</i>	167,869	169,559	170,832	16.1	17.8	17.1	9.3	8.5	1.1	1.7	0.8	-0.3	0.8

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.



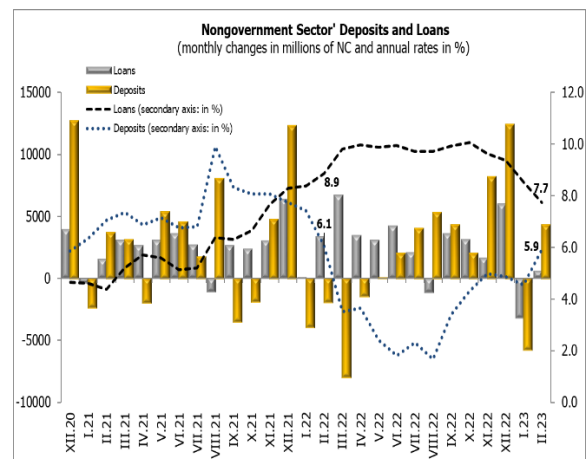
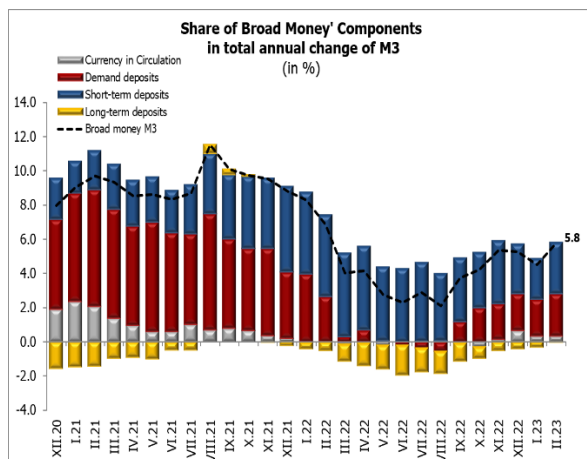
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- In February, **total loans** registered minimal monthly growth of 0.1%, entirely as a result of the increased household loans, while corporate loans declined. Annually, total loans increased by 7.7%, due to the increased lending to both sectors, with a slightly larger contribution of corporate loans.

Table 2 Total loans of the non-government sector

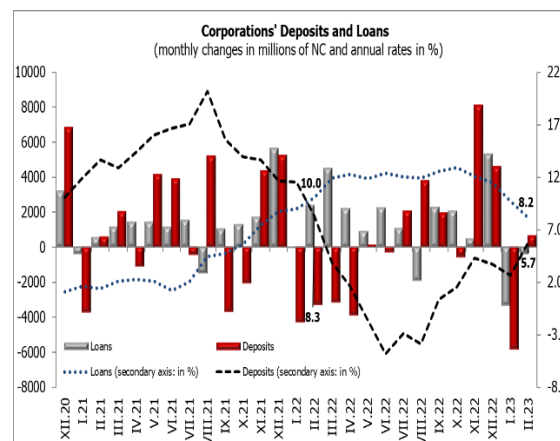
	stocks (in million NC)			annual changes (in %)					monthly changes (in %)				
	12.2022	1.2023	2.2023	3.2022	6.2022	9.2022	12.2022	2.2023	3.2022	6.2022	9.2022	12.2022	2.2023
Total Loans	423,114	419,909	420,486	9.8	10.0	9.9	9.4	7.7	1.7	1.0	0.9	1.4	0.1
of which:													
Corporations	205,974	202,661	202,286	11.9	12.4	12.6	11.5	8.2	2.4	1.1	1.1	2.6	-0.2
In national currency	122,377	120,316	119,771	14.3	11.9	9.3	6.8	3.5	1.8	-0.2	0.9	3.5	-0.5
In foreign currency	83,598	82,346	82,516	8.3	13.3	17.6	19.3	15.7	3.3	3.3	1.5	1.4	0.2
Households	214,965	215,114	215,824	7.9	7.7	7.6	7.3	7.2	1.1	1.0	0.7	0.3	0.3
In national currency	119,178	119,056	119,160	7.8	7.7	6.8	5.2	4.5	1.1	0.8	0.4	-0.2	0.1
In foreign currency	95,786	96,058	96,664	8.0	7.6	8.5	10.2	10.7	1.1	1.2	1.0	1.0	0.6

Source: NBRNM.



Source: NBRNM.

1. Deposits and loans of the corporate sector⁴



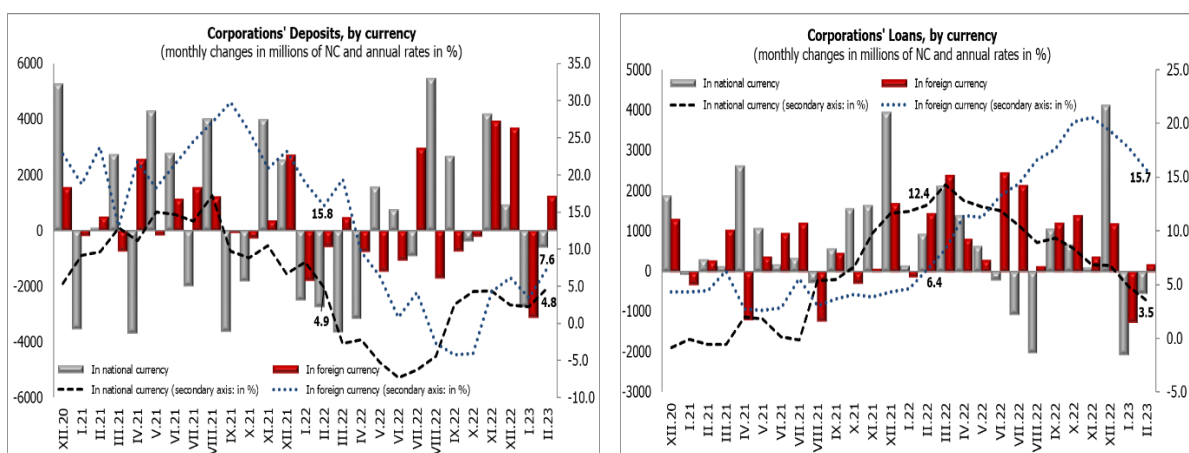
Source: NBRNM.

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



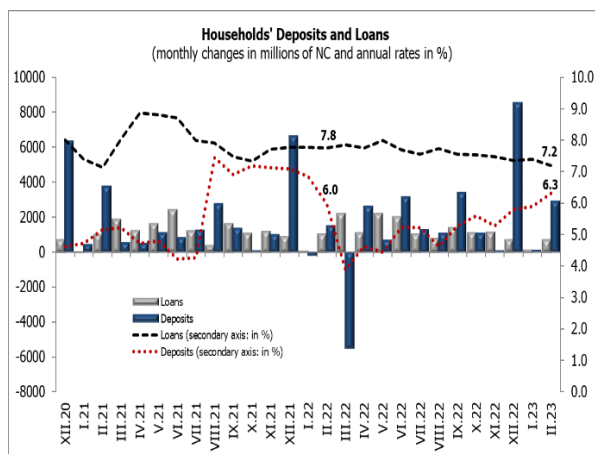
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- In February, **total corporate deposits** increased by 0.5% on monthly basis, primarily due to the higher short-term deposits in foreign currency, amid growth of long-term and short-term deposits in denars and long-term deposits in foreign currency, while demand deposits decreased. Annually, corporate deposits increased by 5.7%, largely as a result of the growth of short-term deposits in foreign currency, with additional positive contribution of demand deposits and short-term deposits in denars, while long-term deposits in foreign currency decreased.
- This month, **corporate loans**⁵ decreased by 0.2%, entirely as a result of the fall in lending in denars. On an annual basis, corporate loans increased by 8.2%, which, amid increased lending in denars and in foreign currency, is largely due to foreign currency loans.



Source: NBRNM.

2. Deposits and loans of the households⁶



Source: NBRNM.

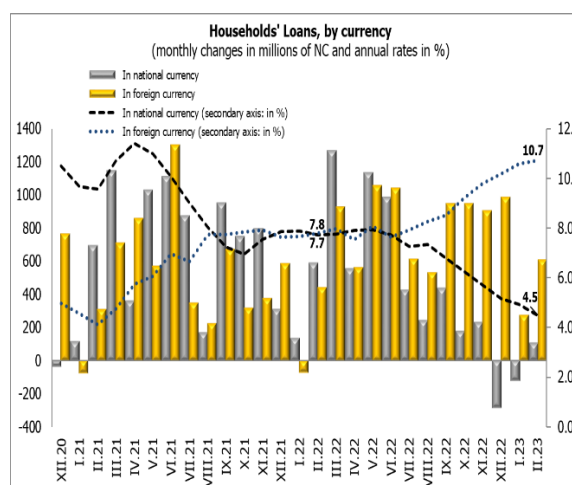
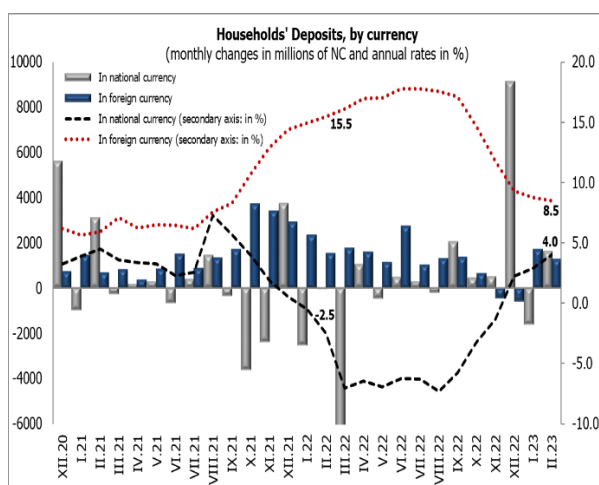
⁵ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

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

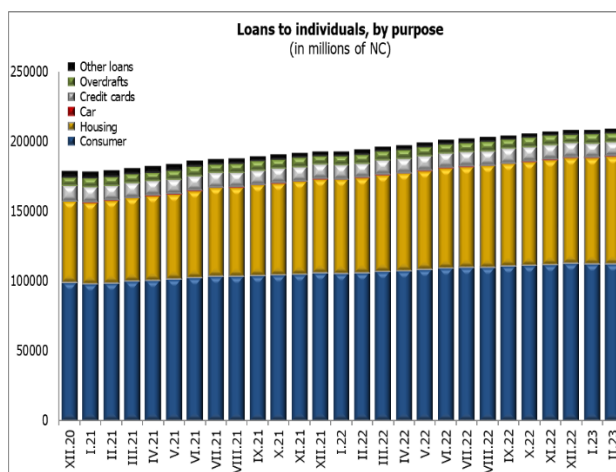


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- In February 2023, **household deposits** increased by 0.9% on a monthly basis, as a result of the growth of demand deposits, short-term deposits in foreign currency, as well as long-term deposits in denars and in foreign currency. Compared to February last year, household deposits increased by 6.3%, due to the higher demand deposits and short-term and long-term deposits in foreign currency, while short-term and long-term deposits in denars decreased.
- This month, **household loans** registered monthly and annual growth of 0.3% and 7.2%, respectively. Analyzed by currency, the change on both bases is due to the growth of lending in denars and in foreign currency, 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	1.2023	2.2023	3.2022	6.2022	9.2022	12.2022	2.2023	3.2022	6.2022	9.2022	12.2022	2.2023
Consumer loans	112,504	111,918	112,333	7.0	6.7	6.7	6.3	6.3	1.0	1.1	0.8	0.7	0.4
Housing loans	75,905	76,182	76,818	15.8	14.9	12.9	12.7	12.3	1.5	1.1	0.9	1.2	0.8
Car loans	358	355	354	-0.6	6.2	0.8	9.1	11.8	1.2	-0.9	-0.5	-0.2	-0.3
Credit cards	10,324	10,229	10,114	-4.1	-2.1	-0.1	0.7	0.8	0.7	0.7	-0.1	-0.9	-1.1
Overdrafts	5,963	6,483	6,399	0.7	1.5	0.0	1.0	0.4	1.1	0.6	-2.0	-10.2	-1.3
Other loans	2,207	2,183	2,150	-32.9	-35.8	-17.1	-15.5	-16.3	-2.3	-1.4	-1.2	-0.7	-1.5

Source: NBRNM.

- In February 2023, analyzing the purpose of loans granted to individuals, **consumer and housing loans**, as the most common categories, registered a monthly growth of 0.4% and 0.8%, respectively, amid annual growth of 6.3% and 12.3%, respectively. This month, **car loans** decreased by 0.3% on a monthly basis, while annually they increased by 11.8%. In February, loans on **credit cards** and **overdrafts** registered a monthly fall of 1.1% and 1.3%, respectively, while annually they increased by 0.8% and 0.4%, respectively. This month, loans granted on **other basis** decreased by 1.5% and 16.3% 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



**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: 20 April 2023 (reference period as of March 2023).

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