



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 21 February 2023

Press Release

Monetary developments in the Republic of North Macedonia: January 2023

- In January 2023, given the seasonal dynamics, the **broad money (monetary aggregate M3^{1,2})** dropped by 1.7% on a monthly basis, which was due to the downward movements in all components, with a larger contribution of demand deposits, currency in circulation and short-term deposits. On an annual basis, broad money increased by 4.5%, mostly as a result of the growth of short-term deposits and demand deposits.
- In January, **total deposits³** declined by 1.2% on a monthly basis, entirely as a result of the fall in corporate deposits. On an annual basis, total deposits increased by 4.5%, which was largely due to the higher household deposits.

Table 1 Broad money and total non-government sector deposits

	stocks (in million NC)		annual changes (in %)					monthly changes (in %)				
	12.2022	1.2023	3.2022	6.2022	9.2022	12.2022	1.2023	3.2022	6.2022	9.2022	12.2022	1.2023
Broad Money M4	547,355	539,153	2.8	1.4	2.9	5.1	4.5	-1.7	0.5	0.8	3.0	-1.5
Broad Money M3	499,803	491,129	4.0	2.3	3.7	5.3	4.5	-1.8	0.7	0.9	2.8	-1.7
of which:												
Currency in Circulation	47,494	44,834	-1.4	0.0	-0.7	6.8	3.6	-1.3	1.3	-0.3	9.6	-5.6
Demand deposits	188,036	183,906	0.8	-0.5	3.1	5.8	5.7	-4.4	1.0	2.4	4.1	-2.2
Short-term deposits	214,490	212,926	11.8	10.3	8.9	6.8	5.6	0.8	0.4	-0.3	0.9	-0.7
Long-term deposits up to 2 y.	49,782	49,462	-8.5	-14.8	-9.3	-3.8	-3.1	-3.6	-0.2	1.9	0.0	-0.6
Total Deposits	491,537	485,785	3.5	1.8	3.4	4.9	4.5	-1.7	0.4	0.9	2.6	-1.2
of which:												
Corporations	142,627	136,811	3.9	-4.8	0.4	3.7	2.6	-2.4	-0.2	1.5	3.3	-4.1
In national currency	94,395	91,671	-2.7	-7.3	2.6	2.5	2.3	-4.2	0.9	3.1	1.0	-2.9
In foreign currency	48,232	45,140	19.4	0.8	-4.2	6.1	3.4	1.1	-2.5	-1.7	8.2	-6.4
Households	323,084	323,176	3.9	5.2	5.3	5.8	5.9	-1.8	1.0	1.1	2.7	0.0
In national currency	155,215	153,617	-7.1	-6.2	-5.8	2.2	2.9	-4.8	0.3	1.4	6.2	-1.0
In foreign currency	167,869	169,559	16.1	17.8	17.1	9.3	8.8	1.1	1.7	0.8	-0.3	1.0

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.



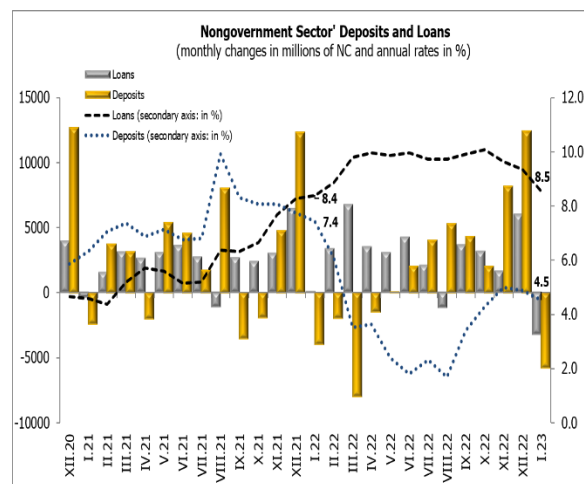
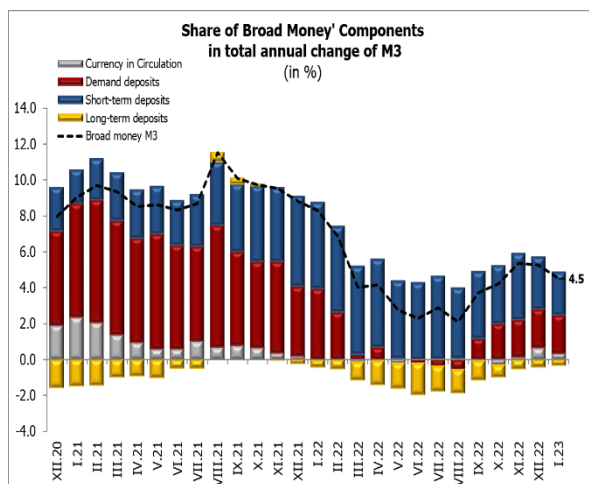
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- In January, **total loans** registered a monthly fall of 0.8%, which is entirely due to the decreased lending to the corporate sector. Annually, total loans increased by 8.5%, as a result of the higher loans of both sectors, with a larger contribution of the corporate sector.

Table 2 Total loans of the non-government sector

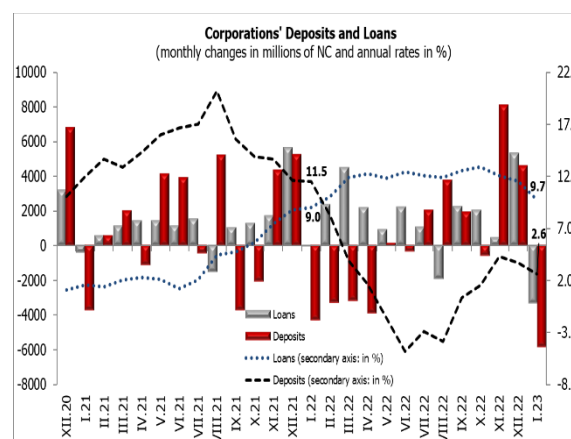
	stocks (in million NC)		annual changes (in %)					monthly changes (in %)				
	12.2022	1.2023	3.2022	6.2022	9.2022	12.2022	1.2023	3.2022	6.2022	9.2022	12.2022	1.2023
Total Loans	423,114	419,909	9.8	10.0	9.9	9.4	8.5	1.7	1.0	0.9	1.4	-0.8
of which:												
Corporations	205,974	202,661	11.9	12.4	12.6	11.5	9.7	2.4	1.1	1.1	2.6	-1.6
In national currency	122,377	120,316	14.3	11.9	9.3	6.8	4.8	1.8	-0.2	0.9	3.5	-1.7
In foreign currency	83,598	82,346	8.3	13.3	17.6	19.3	17.8	3.3	3.3	1.5	1.4	-1.5
Households	214,965	215,114	7.9	7.7	7.6	7.3	7.4	1.1	1.0	0.7	0.3	0.1
In national currency	119,178	119,056	7.8	7.7	6.8	5.2	4.9	1.1	0.8	0.4	-0.2	-0.1
In foreign currency	95,786	96,058	8.0	7.6	8.5	10.2	10.6	1.1	1.2	1.0	1.0	0.3

Source: NBRNM.



Source: NBRNM.

1. Deposits and loans of the corporate sector⁴



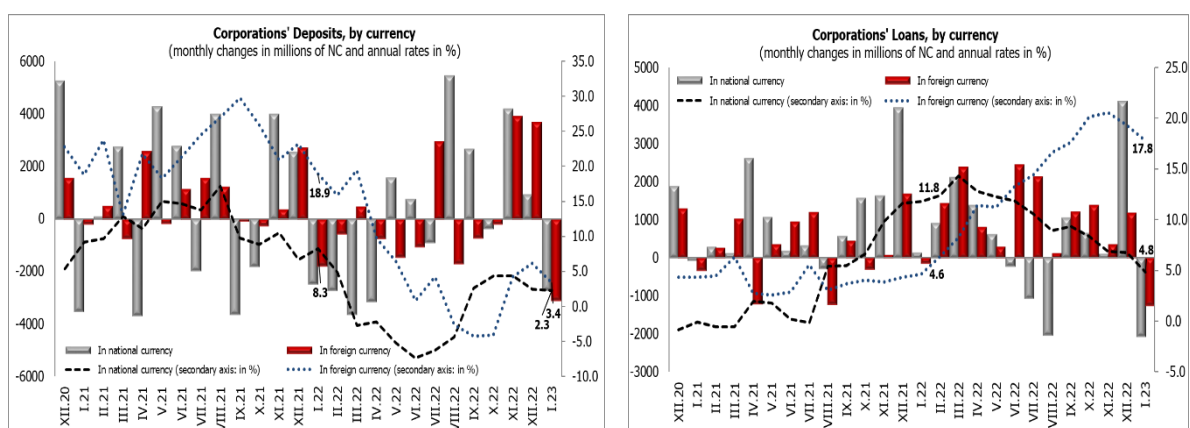
Source: NBRNM.

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



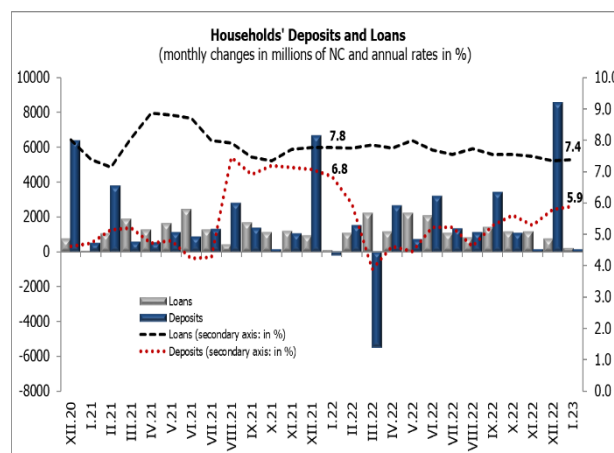
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- In January 2023, total **corporate deposits** decreased by 4.1% on a monthly basis. The downward change is primarily a result of the fall in demand deposits and short-term deposits in foreign currency. Annually, corporate deposits increased by 2.6%, largely as a result of the growth of short-term deposits in foreign currency and in denars, with additional contribution of demand deposits, amid fall in long-term deposits in foreign currency and in denars.
- This month, **corporate loans**⁵ registered a monthly fall of 1.6%, which is due to the lower denar and foreign currency loans, with a larger contribution of denar loans. Compared to January last year, corporate loans increased by 9.7%, as a result of the higher lending in denars and in foreign currency, more pronounced in foreign currency loans.



Source: NBRNM.

2. Deposits and loans of the households⁶



Source: NBRNM.

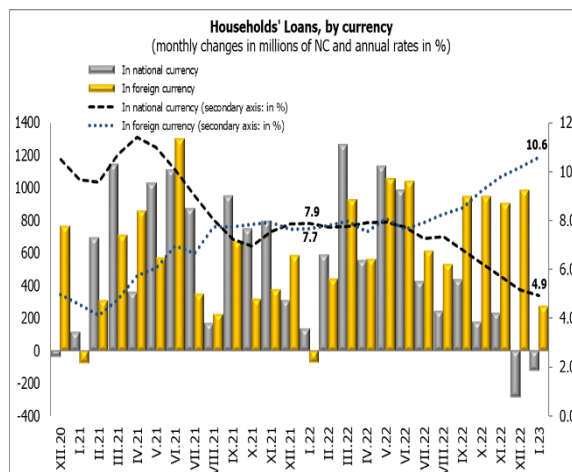
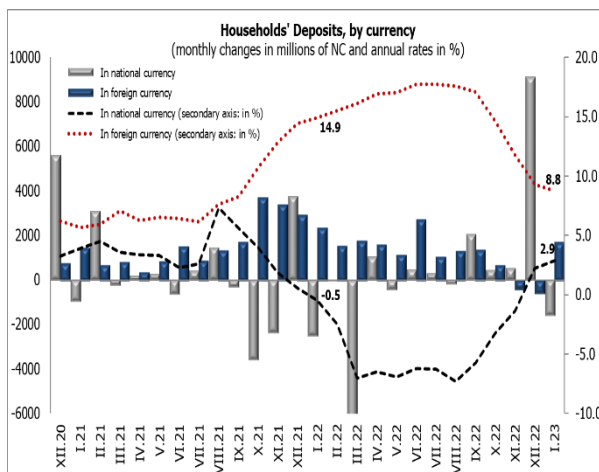
⁵ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

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

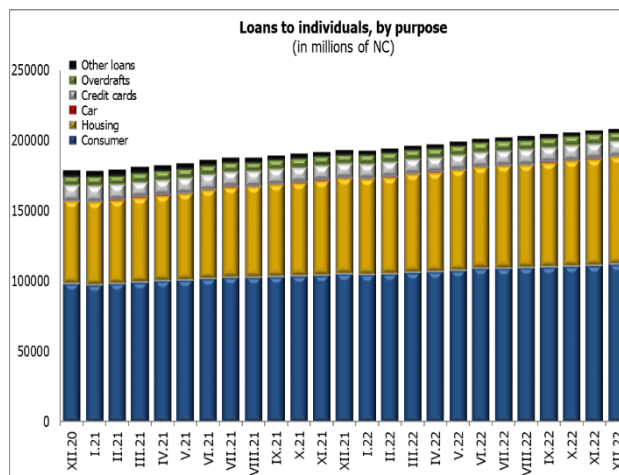


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- In January, **household deposits** remained unchanged on a monthly basis. On an annual basis, these deposits increased by 5.9%, as a result of the growth of short-term deposits in foreign currency, demand deposits and long-term deposits in foreign currency, given the fall in short-term and long-term deposits in denars.
- In January, **household loans** registered a minimal monthly growth of 0.1%, which is entirely due to the growth of foreign currency loans, amid fall in denar loans. Compared to the same month last year, household loans increased by 7.4%, due to the growth of denar and foreign currency loans, which is more pronounced in 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	3.2022	6.2022	9.2022	12.2022	1.2023	3.2022	6.2022	9.2022	12.2022	1.2023
Consumer loans	112,504	111,918	7.0	6.7	6.7	6.3	6.5	1.0	1.1	0.8	0.7	-0.5
Housing loans	75,905	76,182	15.8	14.9	12.9	12.7	12.6	1.5	1.1	0.9	1.2	0.4
Car loans	358	355	-0.6	6.2	0.8	9.1	10.7	1.2	-0.9	-0.5	-0.2	-0.8
Credit cards	10,324	10,229	-4.1	-2.1	-0.1	0.7	1.0	0.7	0.7	-0.1	-0.9	-0.9
Overdrafts	5,963	6,483	0.7	1.5	0.0	1.0	0.9	1.1	0.6	-2.0	-10.2	8.7
Other loans	2,207	2,183	-32.9	-35.8	-17.1	-15.5	-15.1	-2.3	-1.4	-1.2	-0.7	-1.1

Source: NBRNM.

- In January 2023, analyzing the purpose of loans granted to individuals, **consumer loans**, as the most common category, registered a monthly fall of 0.5%, amid an annual growth of 6.5%. This month, **housing loans** increased by 0.4% and 12.6%, on a monthly and annual basis, respectively. In January, **car loans** and loans on **credit cards** registered a monthly fall of 0.8% and 0.9%, respectively, while on an annual basis they increased by 10.7% and 1.0%, respectively. This month, **overdrafts** increased by 8.7% on a monthly basis and 0.9% on an annual basis, respectively, while loans granted on **other basis** registered a monthly and annual decrease of 1.1% and 15.1%, 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: 21 March 2023 (reference period as of February 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.