



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 21 August 2023

Press Release

Monetary developments in the Republic of North Macedonia: July 2023

- In July 2023, the **broad money (monetary aggregate M3^{1,2})** registered monthly growth of 0.2%, which is due to the increase in short-term deposits and currency in circulation, given the decline in long-term deposits up to two years and demand deposits. The broad money increased by 8.6% on an annual basis, mostly due to higher demand deposits, amid additional positive contribution of short-term deposits, long-term deposits up to two years and currency in circulation.
- In July, **total deposits³** increased by 0.5% on a monthly basis, due to the growth of deposits in both sectors, which is more pronounced in the corporate sector. The annual growth of total deposits of 11.1% reflects the deposit growth in both sectors, with a slightly larger 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	6.2023	7.2023	12.2022	3.2023	6.2023	7.2023	12.2022	3.2023	6.2023	7.2023
Broad Money M4	547,355	565,108	568,485	5.1	6.9	11.4	10.6	3.0	-0.6	1.3	0.6
Broad Money M3	499,803	508,438	509,693	5.3	6.6	10.0	8.6	2.8	-1.0	0.9	0.2
<i>of which:</i>											
<i>Currency in Circulation</i>	47,494	47,744	48,663	6.8	6.3	9.4	4.9	9.6	1.4	2.1	1.9
<i>Demand deposits</i>	188,036	194,016	193,652	5.8	10.4	15.8	16.3	4.1	-1.2	1.1	-0.2
<i>Short-term deposits</i>	214,490	215,219	216,480	6.8	4.6	4.8	3.0	0.9	-1.3	0.6	0.6
<i>Long-term deposits up to 2 years</i>	49,782	51,459	50,897	-3.8	2.5	13.4	9.4	0.0	-1.1	0.8	-1.1
Total Deposits	491,537	507,903	510,200	4.9	6.8	11.5	11.1	2.6	-0.9	1.2	0.5
<i>of which:</i>											
<i>Corporations</i>	142,627	146,947	148,438	3.7	5.9	19.7	18.9	3.3	-2.2	1.3	1.0
<i> In national currency</i>	94,395	98,157	99,202	2.5	6.7	19.0	21.6	1.0	-2.4	2.1	1.1
<i> In foreign currency</i>	48,232	48,790	49,236	6.1	4.4	21.0	13.8	8.2	-1.9	-0.3	0.9
<i>Households</i>	323,084	334,797	335,004	5.8	8.4	8.8	8.4	2.7	0.1	1.2	0.1
<i> In national currency</i>	155,215	163,214	163,380	2.2	9.9	14.1	14.0	6.2	0.6	1.9	0.1
<i> In foreign currency</i>	167,869	171,583	171,625	9.3	7.0	4.3	3.6	-0.3	-0.3	0.5	0.0

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.



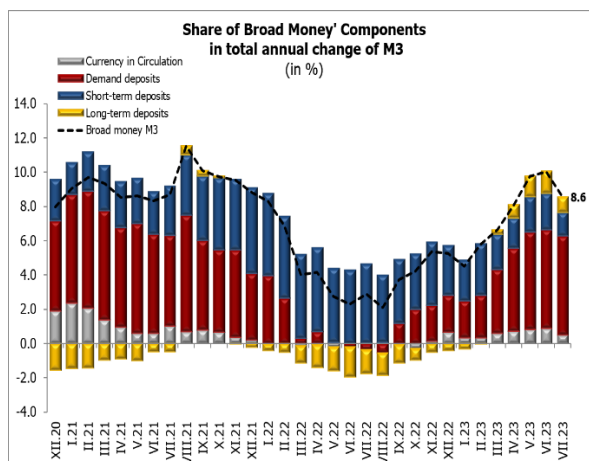
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- In July, **total loans** registered a monthly decrease of 0.2%, which is entirely due to the decreased lending to the corporate sector. Analyzed on an annual basis, the growth equals 5.8%, as a result of the increase in lending to both sectors, with a larger contribution of the household sector.

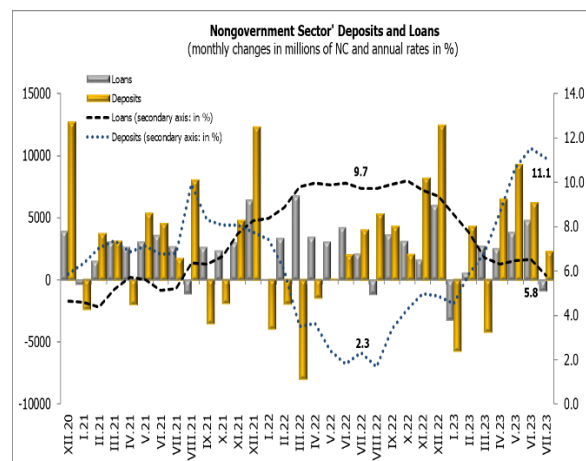
Table 2. Total loans of the non-government sector

	stocks (in million NC)			annual changes (in %)				monthly changes (in %)			
	12.2022	6.2023	7.2023	12.2022	3.2023	6.2023	7.2023	12.2022	3.2023	6.2023	7.2023
Total Loans	423,114	434,446	433,596	9.4	6.6	6.5	5.8	1.4	0.7	1.1	-0.2
<i>of which:</i>											
Corporations	205,974	209,650	207,830	11.5	6.2	6.5	5.0	2.6	0.5	1.2	-0.9
<i>In national currency</i>	122,377	124,048	123,269	6.8	1.9	3.8	4.0	3.5	0.2	1.4	-0.6
<i>In foreign currency</i>	83,598	85,602	84,562	19.3	12.9	10.8	6.5	1.4	0.9	0.9	-1.2
Households	214,965	222,303	223,198	7.3	6.8	6.4	6.4	0.3	0.8	0.9	0.4
<i>In national currency</i>	119,178	121,734	122,288	5.2	4.0	3.2	3.3	-0.2	0.6	0.5	0.5
<i>In foreign currency</i>	95,786	100,569	100,910	10.2	10.6	10.7	10.3	1.0	0.9	1.5	0.3

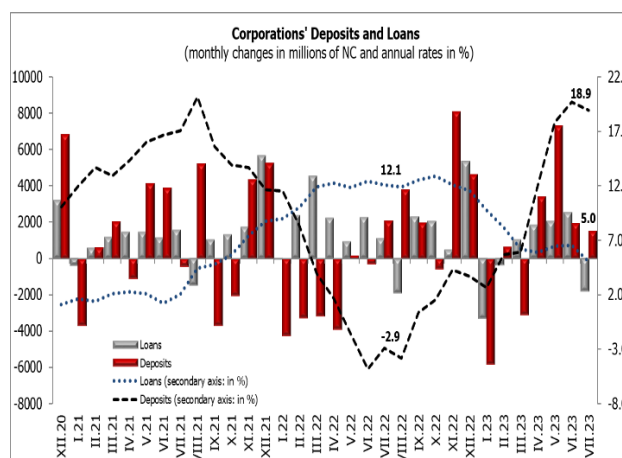
Source: NBRNM.



Source: NBRNM.



1. Deposits and loans of the corporate sector⁴



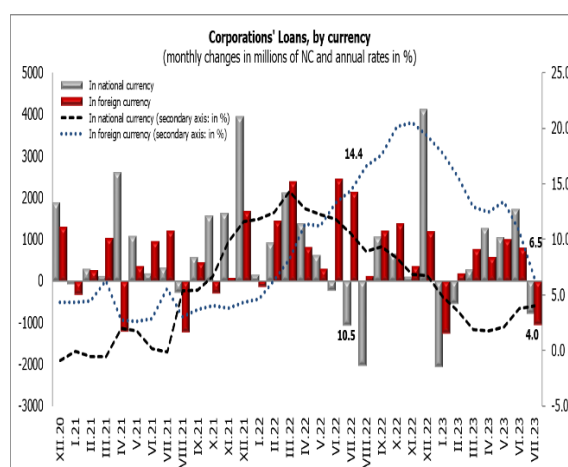
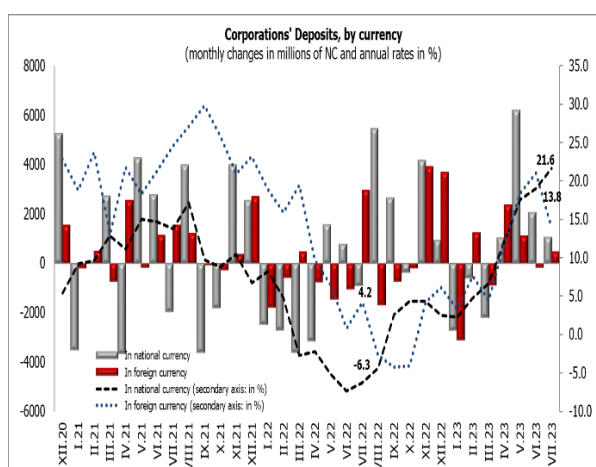
Source: NBRNM.

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



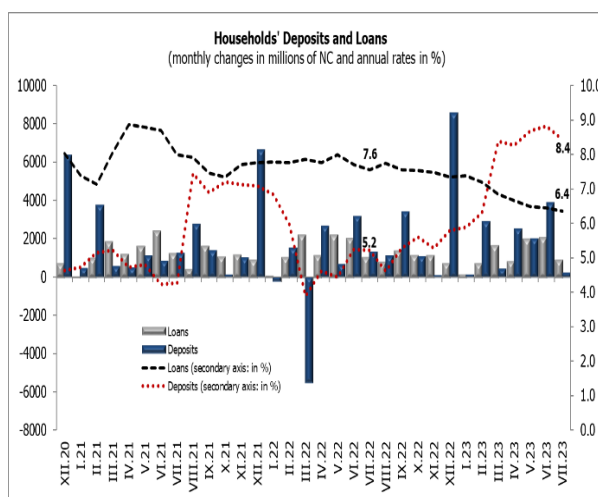
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- In July, **the total corporate deposits** increased by 1.0% on a monthly basis, due to the growth in short-term denar deposits and foreign currency deposits, and to a lesser extent to the long-term denar deposits, amid decline in long-term foreign currency and demand deposits. Compared to the same month last year, corporate deposits grew by 18.9%, due to the growth in all components, with the largest contribution of demand deposits and total short-term deposits.
- This month, **corporate loans⁵** registered a monthly decrease of 0.9%, due to the decline in denar and foreign currency loans, with a more pronounced contribution of foreign currency loans. The annual growth amounts to 5.0% and is due to the increased denar and foreign currency loans, with a larger share of foreign currency loans in the growth.



Source: NBRNM.

2. Deposits and loans of the households⁶



Source: NBRNM.

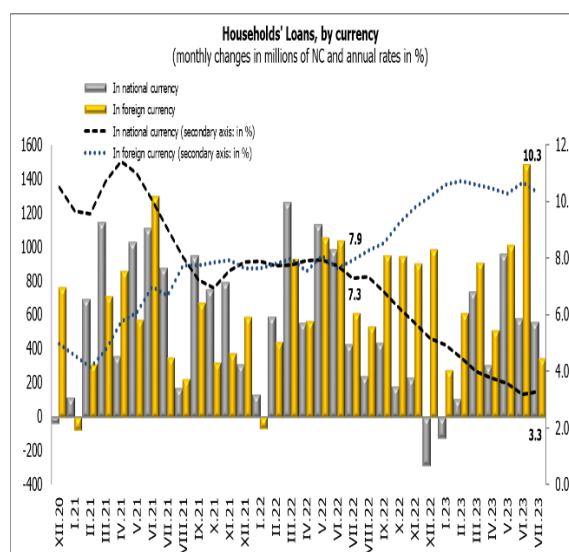
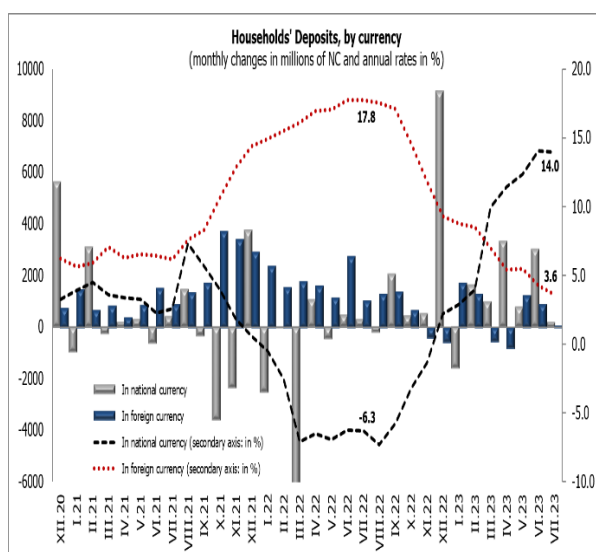
⁵ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause have been included in the foreign currency.

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

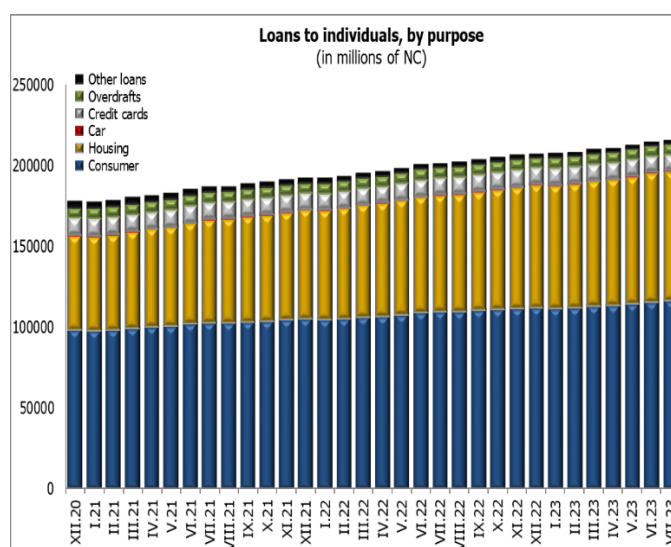


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- In July, **household deposits** registered a monthly growth of 0.1%. The minor positive change reflects the increased long-term foreign currency and denar deposits, amid decline in other components. Analyzed annually, these deposits are higher by 8.4%, due to the growth of demand deposits and total long-term deposits, amid decline in short-term deposits.
- In July, **household loans** increased by 0.4% compared to the previous month, largely due to the increased lending in denars, amid positive contribution of foreign currency loans. Compared to July 2022, household loans increased by 6.4%, which, amid growth of denar and foreign currency loans, is largely due to growth 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	6.2023	7.2023	12.2022	3.2023	6.2023	7.2023	12.2022	3.2023	6.2023	7.2023
Consumer loans	112,504	116,074	116,605	6.3	6.2	6.2	6.2	0.7	0.9	1.1	0.5
Housing loans	75,905	79,750	80,167	12.7	11.7	11.3	11.0	1.2	0.8	1.4	0.5
Car loans	358	365	379	9.1	9.9	8.6	14.8	-0.2	-0.5	4.4	3.9
Credit cards	10,324	10,144	10,126	0.7	0.5	-1.3	-1.6	-0.9	0.4	-0.1	-0.2
Overdrafts	5,963	6,346	6,253	1.0	-0.2	-2.6	-2.8	-10.2	0.5	-4.1	-1.5
Other loans	2,207	1,945	1,934	-15.5	-16.1	-17.9	-17.5	-0.7	-2.1	-4.2	-0.6

Source: NBRNM.

- In July, analyzing the purpose of loans granted to individuals, **consumer and housing loans**, as the most common categories, registered a monthly growth of 0.5%, respectively, amid an annual growth of 6.2% and 11.0%, respectively. In July, **car loans** increased by 3.9% and 14.8% on a monthly and annual basis, respectively, while **credit card** loans registered a monthly and annual decline of 0.2% and 1.6%, respectively. This month, **overdrafts** and loans granted on **other basis** registered a monthly decrease of 1.5% and 0.6%, respectively, as well as an annual decline of 2.8% and 17.5%, respectively.

Supporting information

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

https://www.nbrm.mk/monetarna_statistika-en.nspj

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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Statistics Department**

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Monetary developments in the Republic of North Macedonia: 21 September 2023 (reference period as of August 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.