



National Bank of the Republic of Macedonia Statistics Department

Skopje, 21 December 2018

Press Release

Monetary developments in the Republic of Macedonia: November 2018

- **Broad money (monetary aggregate M3^{1,2})** registered a monthly growth of 1.3% in November, as a result of the increased short-term deposits and demand deposits³. Currency in circulation also registered a minor growth, amid slight decrease in long-term deposits up to two years. Annually, the broad money grew by 11.3%, reflecting the increase in all its components, with the largest contribution of demand deposits and short-term deposits (84.7% of the annual growth), followed by long-term deposits up to two years and currency in circulation.
- In November, **total deposits⁴** registered a monthly and annual growth of 0.6% and 11.1%, respectively, amid deposit growth in both sectors, mostly in household sector (share in total deposit growth of 76.6% and 51.3%, respectively).

Table 1. Total deposits and loans⁵ of the non-government sector

	stocks (in millions of NC)							annual changes (in %)							monthly changes (in %)	
	12.2016 ¹⁾	12.2017 ¹⁾	3.2018	6.2018	9.2018	10.2018	11.2018	12.2016 ¹⁾	12.2017 ¹⁾	3.2018	6.2018	9.2018	10.2018	11.2018	10.2018	11.2018
Broad Money M4	354,712	372,931	374,681	386,470	395,840	398,110	403,087	6.2	5.1	7.5	10.1	11.7	11.7	12.2	0.6	1.3
Broad Money M3	322,199	336,989	337,684	348,090	353,862	355,807	360,274	6.0	4.6	7.3	10.1	10.9	10.8	11.3	0.5	1.3
<i>of which:</i>																
Currency in Circulation	28,193	29,968	28,658	29,681	30,665	29,698	29,720	7.2	6.3	6.9	4.2	5.9	6.0	7.6	-3.2	0.1
Total Deposits	321,888	339,314	340,135	349,816	358,126	361,295	363,494	5.7	5.4	7.1	9.9	11.6	11.4	11.1	0.9	0.6
<i>of which:</i>																
Corporations	87,377	89,248	85,791	90,295	93,775	95,893	96,974	13.4	2.1	4.1	11.6	16.8	15.4	15.5	2.3	1.1
Households	217,394	230,744	233,485	236,832	240,139	240,660	242,344	2.5	6.1	7.3	7.9	8.4	8.2	8.3	0.2	0.7
Total Loans	284,782	300,257	298,059	306,049	311,558	313,085	315,003	-0.1	5.4	5.7	6.2	7.9	8.2	7.9	0.5	0.6
<i>of which:</i>																
Corporations	154,225	157,722	152,187	155,427	157,165	157,350	158,302	-5.3	2.3	2.3	2.9	5.7	6.0	5.8	0.1	0.6
Households	129,321	141,232	144,491	149,254	152,990	154,349	155,252	7.0	9.2	9.4	9.7	10.1	10.5	10.1	0.9	0.6

Source: NBRM.

¹ Starting from June 2018, the NBRM will use the monetary aggregate M3 as a new standard definition of broad money. For analytical purposes, the monetary aggregate M4 will continue to be calculated and published.

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 also includes deposits with a 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: http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_monetarna_07_2018_eng.pdf

³ Demand deposits refer to current accounts with banks and savings houses and current accounts of other financial corporations with the National Bank.

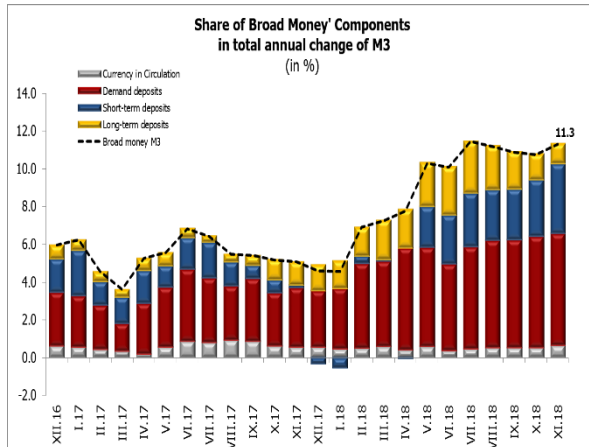
⁴ Total deposits include all deposits included in the monetary aggregate M4.

⁵ The annual rates of loans in the period June 2016 – May 2017 were affected by the effects of the NBRM's measure for write-off of the claims that have been fully covered for more than two years.

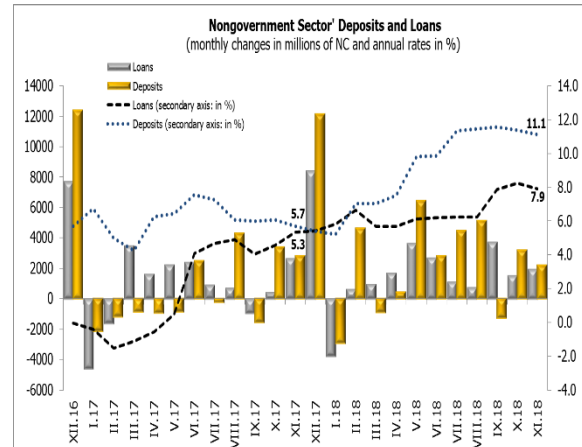


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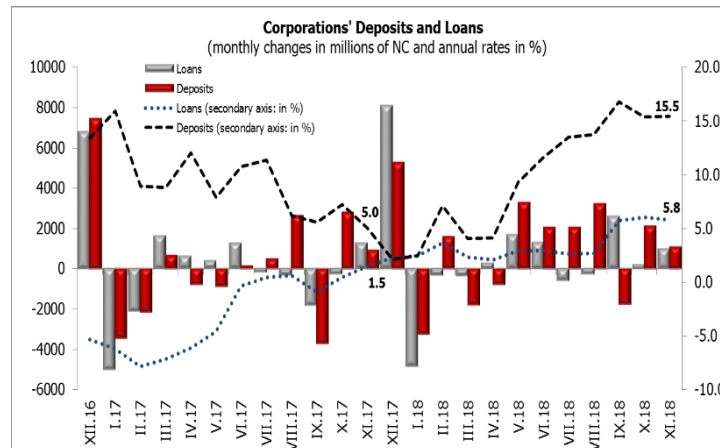
- In November, **total loans** registered a monthly increase of 0.6% due to the enhanced lending to the both sectors that have almost equal share in the monthly growth. On an annual basis, the loan growth was 7.9% largely reflecting the enhanced lending to the household sector (share in the growth of 61.6%).



Source: NBRM.



1. Deposits and loans of the corporate sector⁶



Source: NBRM.

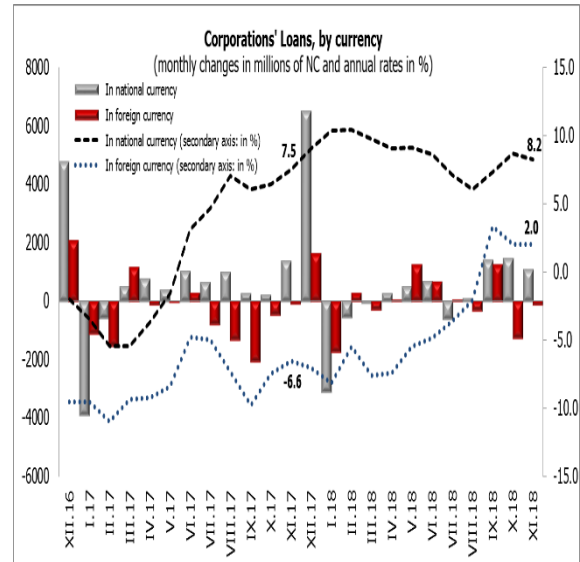
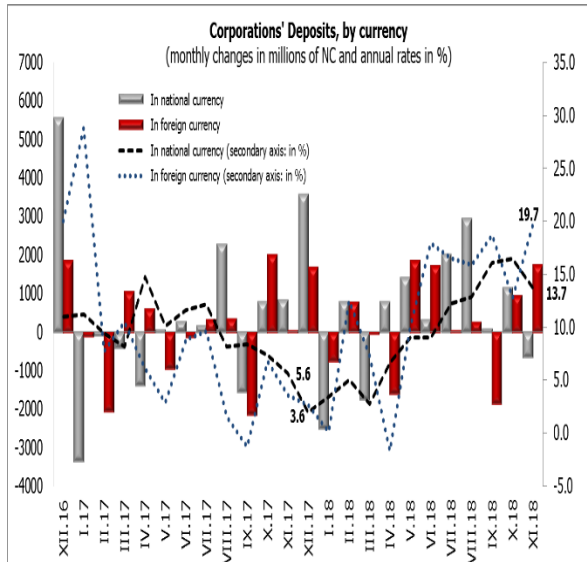
- This month, total **corporate deposits** increased by 1.1% on a monthly basis, mainly as a result of the short-term deposits in foreign currency, amid decline in the denar deposits primarily due to the decrease in the demand deposits. On an annual basis, the total corporate deposits increased by 15.5%. While all deposit categories registered favorable movements, the largest contribution, or 83.9% of the annual growth, was made by the increase in demand deposits and short-term deposits in foreign currency.

⁶ For the purposes of this press release, the corporate sector includes public and private non-financial corporations.



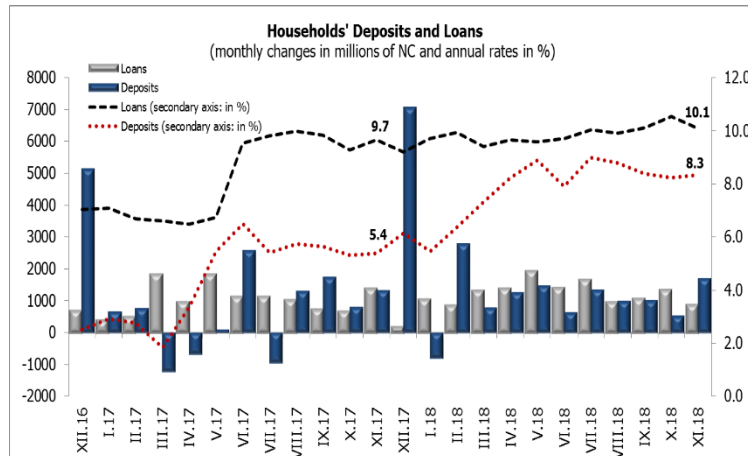
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- In November, **corporate loans**⁷ registered a monthly increase of 0.6%, which is due to the increased corporate lending in denars, amid decrease in foreign currency lending. Annually, corporate loans increased by 5.8%, mainly reflecting the increased denar lending (share of 86.4%).



Source: NBRM.

2. Deposits and loans of the households⁸



Source: NBRM.

- In November, total **household deposits** registered a monthly growth of 0.7%, with more pronounced contribution of denar deposits. Annually, the growth of total household deposits was 8.3% due to the increase in denar and foreign currency deposits, which contributed 52.4% and 47.6%, respectively, to the growth.

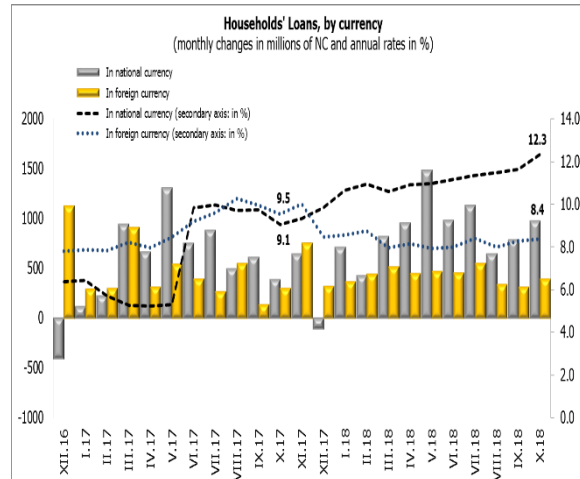
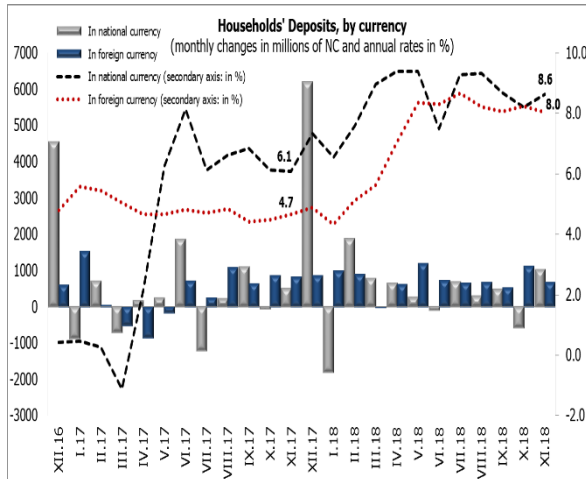
⁷ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause are included in the foreign currency.

⁸ For the purposes of this press release, households refer to individuals and self-employed professionals.

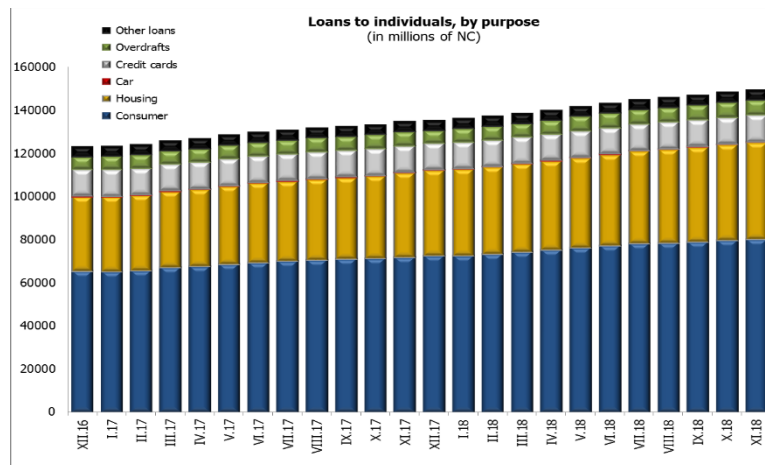


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- This month, total **household loans** registered a monthly and annual increase of 0.6% and 10.1%, respectively. According to the currency structure, the enhanced lending to households largely arises from the denar loans (contribution of 69.0% and 66.0% to the monthly and annual growth, respectively).



Source: NBRM.



Source: NBRM.

Table 2. Banks and savings houses loans granted to individuals, by purpose

	Stocks (in millions of NC)							annual changes (in %)						monthly changes (in %)		
	12.2016 ⁽¹⁾	12.2017 ⁽¹⁾	3.2018	6.2018	9.2018	10.2018	11.2018	12.2016 ⁽²⁾	12.2017 ⁽²⁾	3.2018	6.2018	9.2018	10.2018	11.2018	10.2018	11.2018
Consumer loans	65,438	72,595	74,218	77,100	78,964	79,527	80,052	13.4	10.9	10.7	11.1	11.1	11.7	11.4	0.7	0.7
Housing loans	34,608	39,535	40,899	42,309	43,896	44,416	44,950	14.3	14.2	15.4	14.9	16.2	16.1	15.1	1.2	1.2
Car loans	323	316	318	307	301	306	312	-19.1	-2.2	2.9	0.2	-2.2	-1.7	0.0	1.5	2.1
Credit cards	12,380	12,281	12,157	12,192	12,235	12,333	12,353	0.3	-0.8	-1.1	-0.8	-0.9	-0.4	-0.4	0.8	0.2
Overdrafts	5,795	5,896	6,300	6,672	6,881	6,986	6,848	3.6	1.8	0.4	4.8	5.7	5.4	3.7	1.5	-2.0
Other loans	4,584	4,564	4,534	4,593	4,566	4,568	4,609	7.3	-0.4	-0.5	-0.8	-0.2	0.6	0.3	0.0	0.9

Source: NBRM.



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- Analyzing the purpose of loans to individuals, in November, the most common categories – **consumer and housing loans** registered a monthly growth of 0.7% and 1.2%, respectively (identical growth rates as in the previous month), and annual growth of 11.4% and 15.1%, respectively. In November, **car loans** and **credit card** loans registered a monthly increase of 2.1% and 0.2%, respectively. On an annual basis, car loans remained unchanged, while credit card loans decreased by 0.4%. **Overdrafts** registered a monthly decrease of 2.0% in November, and an annual increase of 3.7%. This month, loans granted **on other basis** registered a monthly and annual growth of 0.9% and 0.3%, respectively.

Supporting information

Time series of data: Balance sheets and list of depository institutions, monthly data
<http://www.nbrm.mk/ns-newsarticle-bilansi-i-pregledi-na-depozitnite-institucii---mesečni-podatoci-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:

http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf

Next publications: Advance Release Calendar

http://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf

Monetary developments in the Republic of Macedonia: 21 January 2019 (reference period as of December 2018).

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 on the telephone number 02 3215 181 extension 116 (or 110/108).