



REPUBLIC OF MACEDONIA
MINISTRY OF FINANCE
Macroeconomic Policy Department

BULLETIN

January 2010



SUMMARY
OF THE MOST IMPORTANT SHORT-TERM ECONOMIC TRENDS

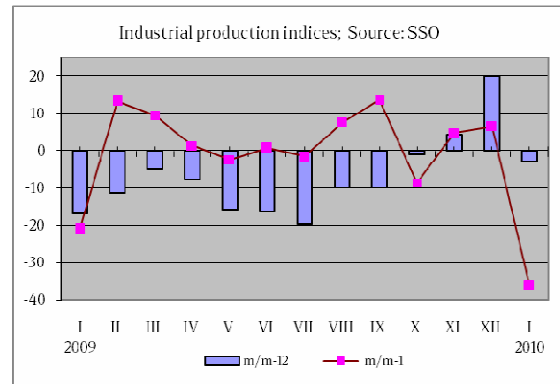
January 2010

- **Index of industrial production in January 2010, compared to the same month previous year, dropped by 2.9%.**
- **Slight annual increase of general price level by 0.1%, with 0.7% monthly inflation**
- **Lower realization of central budget revenues by 17% (1.4% of GDP) and decline of total expenditures by 20.8% (1.9% of GDP) in January 2010 compared to the same month in 2009**
- **Increase of gross foreign exchange reserves by 12.3% (EUR 177.9 million) in January 2010 compared to January 2009, with a simultaneous monthly increase by 1.4% or EUR 22.2 million, in conditions of net purchase on the foreign exchange market in the amount of EUR 34.7 million**
- **Decrease in the number of newly employed persons by 6.1% in January 2010 compared to the same month in 2009**

1. Real Sector

1.1. Index of industrial production in January 2010, compared to the same month previous year, dropped by 2.9%, following a two-digit growth of 20% in December.

Analyzed by sectors, electricity, gas and water supply sector continued realizing two-digit growth, amounting to 16.7% in January 2010. Ore and stone extraction sector also registered two-digit increase by 11.4%, being the first increase of the sectoral production after 9 months. On the other hand, 8.2% drop in industrial output was registered in the processing industry only.

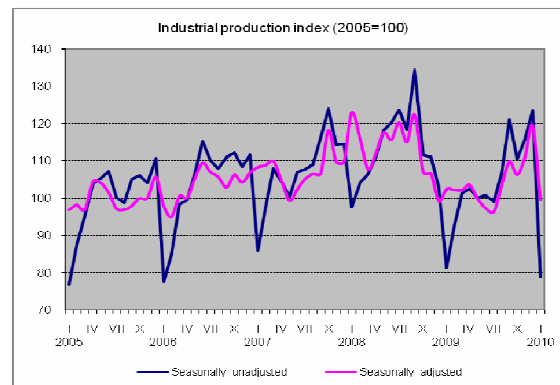


As for the processing industry, positive annual growth was seen at 6 out of 20 branches, whereby growth was evidenced in all branches with the highest weight in the industrial production. Production of base metals, as a branch with high share in the industrial production index, intensified and increased by 109.7%, production of food products surged by 6.7%, production of tobacco products increased by 35.4%, and production of products from other non-metal minerals increased by 2.2%.

Production of base metals contributed the most to the annual growth of industrial production (12 percentage points).

Index of industrial production in January 2010, compared to December 2009, dropped by 36.2%.

De-seasoned monthly decline of industrial production in January 2010 was 16.7%, showing that if seasonal component is excluded, decline was by 19.5% percentage points lower.



According to the expectations of enterprise managers, economic situation present in the enterprises in December 2009 was unfavourable, while current state of delivery-to-production was slightly unfavourable compared to December 2009.

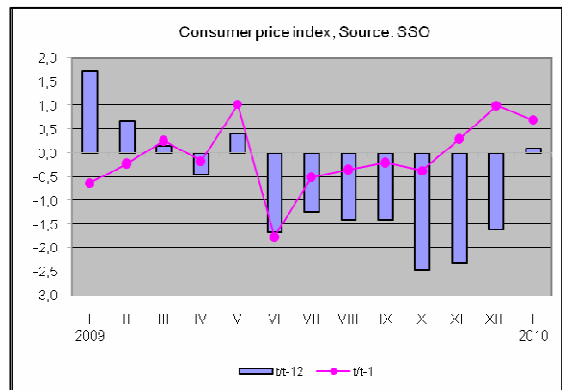
According to the managers, following factors limited the most the production volume in January 2010: insufficient foreign demand – 26.8%, insufficient domestic demand – 19.4%, financial problems – 11.6% and uncertain economic surrounding – 10.5%.

Number of workers in the industry in January 2010, compared to January 2009, dropped by 7.1% (decline rate in December 2009 was 6.7%).

As for the separate sectors, different decline trends in the number of workers were seen in January. Thereby, slighter decline was registered at the ore and stone extraction sector, however, it was the highest annual drop by 9.3%. Processing industry experienced higher decline (-7.3%), while electricity, gas and water supply sector remained at the same level as in December 2009 (-2.9%).

1.2. In January 2010 prices of personal consumption goods, measured through the CPI, increased by 0.1% compared to the same month in 2009.

Increase of general price level was mostly due to increase of prices in the housing category due to increase of heating and lighting prices by 9.5%. Means of transport and services category showed price increase of 3.7%, while prices in tobacco and beverages category surged by 2.4%. Decline of prices in food category by 3.5%, at the same time having the highest share of 38.6% in the structure, caused for the increase of general price level to be minimal. Price decline was also registered at the following categories: clothing and footwear (1.2%), culture and entertainment (0.5%) and restaurants and hotels (0.4%).



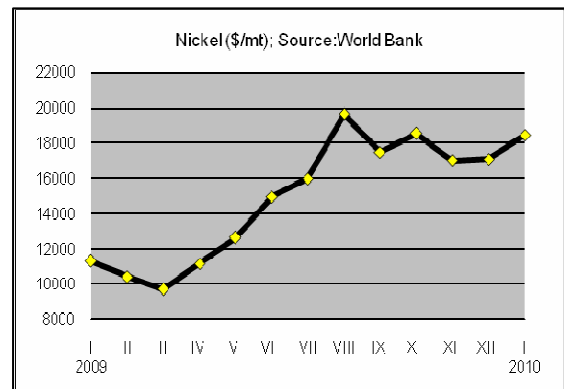
CPI index in January 2010, compared to December 2009, was higher by 0.7%.

Value of the consumer basket of food and beverages for a four-member household in January 2010, calculated on the basis of retail prices, was Denar 12,151, and compared to the December 2009, it was by 0.2% higher.

Retail price index in January 2010, in relation to January 2009, increased by 0.7%.

1.3. In January 2010 global stock markets showed monthly increase of prices of energy sources and most of food products.

In January, oil price on world stock markets increased by 2.3% compared to December 2009, reaching the price of US\$ 76.37 per barrel. Compared to January last year, oil price surged by 70.2%.



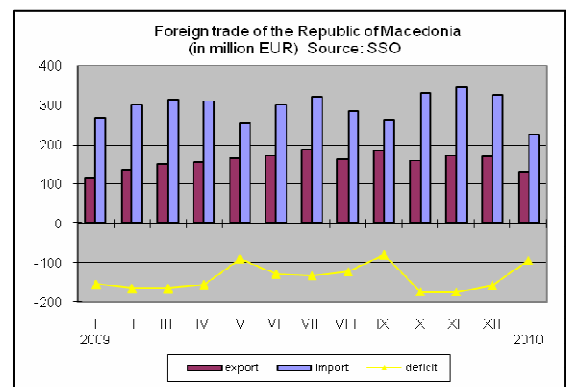
Regarding metal products, price of nickel, as a product having high share in the Macedonian export, increased by 8% on monthly basis, reaching US\$ 18.439 for a metric ton (\$/mt). Compared to January last year, nickel price was higher by 63.1%.

Monthly price increase was also seen at other metals and minerals, copper experiencing the highest price increase of 5.8%. Aluminum price surged by 2.5%, while zinc price grew by 2.4%.

2. External Sector

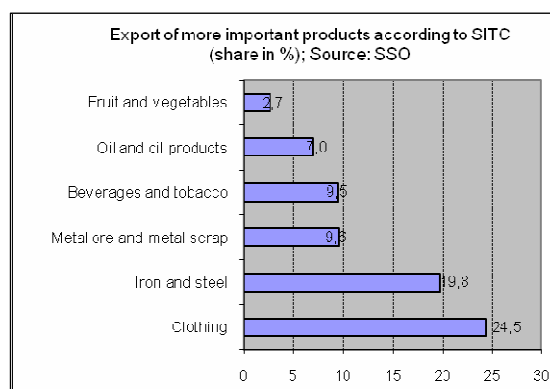
2.1. In January 2010 foreign trade (expressed in euros) experienced drop by 6.9% in relation to the same month last year.

Thereby, physical output of export grew by 13.5%, while its value reached EUR 130.8 million, being an increase by 14.9%. Imported quantity of goods



dropped by 19.7%, and its value was EUR 224.1 million, being a drop by 16.1%. As a result of the combined effect of export increase and import decline, trade deficit in January 2010 dropped by EUR 60 million (39.2%) in relation to the deficit realized in January 2009, amounting to EUR 93.2 million.

2.2. Following products (according to SITC) had the largest share in the export structure in January 2010: clothing – 24.5%, iron and steel – 19.8%, metal ore and metal scrap – 9.6%, beverages and tobacco – 9.5%, oil and oil products – 7%, fruit and vegetables – 2.7%. These six groups of products comprise around 72.4% of the total export from the country.



Higher export realized in January 2010, compared to January 2009, was result of the increased export of iron and steel (63.9%), oil and oil products (39.4%), tobacco and tobacco products (increased by 6 times), metal ore and metal scrap (increased by 3 times), etc.

Export of oil and oil products*)					Import of oil and oil products*)				
	I-2009	I-2010	Balance 2009-2008	% rate		I-2009	I-2010	Balance 2009-2008	% rate
.000T	20,3	19,3	-1,0	-4,9	.000T	140,3	91,3	-49,0	-34,9
EUR mil.	6,6	9,2	2,6	39,4	EUR mil.	33,1	38,5	5,4	16,3
\$ mil.	8,7	13,2	4,5	51,7	\$ mil.	44,1	54,9	10,8	24,5
* Previous data					* Previous data				

2.3. Following participated the most in the import of goods in January this year: oil and oil products – 16.3%, iron and steel 8.2%, textile yarns - 7%, road vehicles – 6.5%, other transport equipment - 5.9%, industrial machines and spare parts – 3.9%, gas, natural or industrial - 3%, etc.

Lower import (according to SITC) in January 2010, compared to January 2009, was mainly result of the declined import of: transport equipment by EUR 31.2 million (43.3%), machines and spare parts by EUR 7 million (91%), industrial machines and spare parts by EUR 6.4 million (63.5%), textile yarns and similar by EUR 3.1 million (16.3%), etc.

Export of iron and steel*)					Import of iron and steel*)				
	I-2009	I-2010	Balance 2009-2008	% rate		I-2009	I-2010	Balance 2009-2008	% rate
.000T	25,2	36,2	11,0	43,7	.000T	28,9	49,2	20,3	70,2
EUR mil.	15,8	25,9	10,1	63,9	EUR mil.	12,9	18,4	5,5	42,6
\$ mil.	20,8	37,3	16,5	79,3	\$ mil.	17,2	26,2	9,0	52,3
*)Претходни податоци					*)Претходни податоци				

2.4. In January 2010 68.5% of the total exported goods were placed on the European Union market (EU27), while 47.2% of the total goods imported in the Republic of Macedonia originated from the European Union. Export to the European Union was higher by 24.4%, while import dropped by 13.6% compared to January 2009. In January 2010, around 80% of the

trade deficit of the country was realized in the trade with Russia, China, Greece, Romania, Turkey, Serbia and Switzerland.

2.5. According to the currency structure, in January 2010 71.3% of the foreign trade was realized in euros and it dropped by 1 p.p. compared to January 2009, part of the export realized on the US\$ market increased by 3%, while export in euros remained at the same level as in January 2009.

Foreign trade of the republic of Macedonia (by currency); calculations: MoF												
- by currency -												
export	I- 2009					I- 2010					absolute change in currency value	relative change in currency value (in %)
	.000 T	export in currency	average Denar exch. Rate in relation to currencies	export in denar	structure in %	.000 T	export in currency	average Denar exch. Rate in relation to currencies	export in denar	structure in %		
EUR	92	97.009.607	61,3998	5.956.370.468	85,8	103	97.827.685	61,2728	5.994.176.177	74,7	818.078	08
USD	36	2.0983.728	46,0763	966.852.546	13,9	42	46.491.685	44,0766	2.049.195.403	25,6	25.507.957	121,6
EUR+USD	128			6.923.223.014	99,7	146			8.043.371.581	100,3		
tot. export:	129			6.941.472.192	100,0	146			8.019.008.484	100,0		15,5

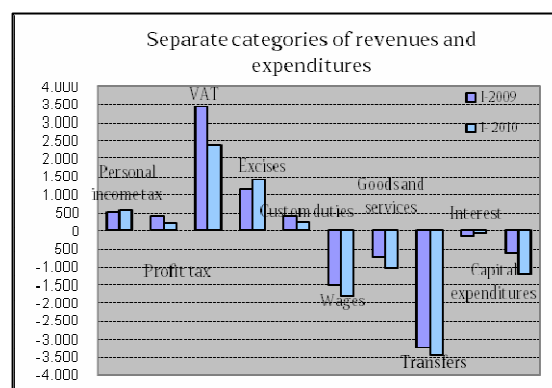
Source: SSO and NBRM

3. Fiscal Sector

3.1. In January 2010 total central government budget revenues reached an amount of Denar 5,550 million (1.4% of GDP), which was 17.0% less in relation to the same month in 2009.

Tax revenues in this period were realized in the amount of Denar 5,177 million, which was lower by 17.4% in relation to same period in 2009.

Share of VAT in total tax revenues in January 2010 was dominant and it accounted for 45.7%, while excises accounted for 27.7%, whereby revenues in the amount of Denar 3,798 million were realized on the basis of these two taxes, i.e. 73.4% or almost 3/4 of total tax revenues (1.0% of GDP). Analyzed by categories, VAT revenues dropped by 31.3%, profit tax revenues declined by 41.9% (partially due to changes in the regulations - starting 2009, no undistributed profit tax is paid), customs revenues decreased by 36.6%, while excises experienced an increase by 25.6% and PIT revenues surged by 8.6% compared to the same period in 2009. Non-tax revenues declined by 10.6%.



3.2. In January 2010 total central budget expenditures amounted to Denar 7,519 million (1.9% of GDP), being by 20.8% more compared to the same month in 2009.

With respect to the structure of total realized expenditures, current expenditures (Denar 6,341 million) accounted for 84.3% and were higher by 13.0% compared to the same period last year, while capital expenditures participated with 16.7%.

The biggest expenditure items were transfers (Denar 3,463 million), followed by salaries and allowances (Denar 1,796 million). With respect to the total expenditures in the central

government budget, expenditures related to wages and salaries and allowances accounted for 23.9%, which was 17.8% increase in relation to the same month in 2009.

Expenditures for goods and services reached the amount of Denar 1,022 million, i.e. significantly lower execution by 42.9% compared to 2009.

With regard to transfers, more resources (Denar 244 million) were spent in January 2010, and were the largest expenditure item, i.e. their share in total expenditures was 46.1% (0.9% of GDP). Such performance was partially due to the fact that grants transferred to LGUs included part of VAT, number of LGUs moving to the second phase of decentralization also rose, whereby block grants were paid to 69 municipalities for financing the transferred competences (funds for payment of salaries and allowances to the employees in local public institutions and operating costs). In addition, significant portion of the transfers were intended for agricultural subsidies. Transfers to the Pension and Disability Insurance Fund were in the amount of Denar 1,161 million or by Denar 48 million lower (4.0% drop).

Interest was collected in the amount of Denar 60 million, being by 2.5 times less compared to the same month in 2009.

During the analysed period, capital expenditures amounted to Denar 1,178 million, increasing by almost twice (91.9% compared to January 2009), accounting for 0.3% of GDP.

3.3. Thus, in January 2010, central government budget deficit reached the amount of Denar 1,969 million (0.5% of GDP), while consolidated budget deficit amounted to Denar 2,310 million, accounting for 0.6% of GDP.

4. Monetary Sector

4.1. In January 2010, primary money¹ increased by 19.3% on annual basis (increase by 12.4% in December), in conditions of growth of total liquid assets of banks by 37% and decline of demand for ready money in circulation by 0.3%.

On monthly basis, primary money slightly grew by 0.8%, due to the higher level of total liquid assets of the banks by 5.4% and the lower demand for ready money in circulation by 5.4%.

In January 2010, with respect to the requirements for volume tenders, interest rate on central bank bills was lower compared to December 2009, amounting to 8%.

Interest rates on government securities were 5.2% on six-month treasury bills with foreign exchange clause.

Only one auction was held by applying volume tender (with predetermined price) for six-month government securities.

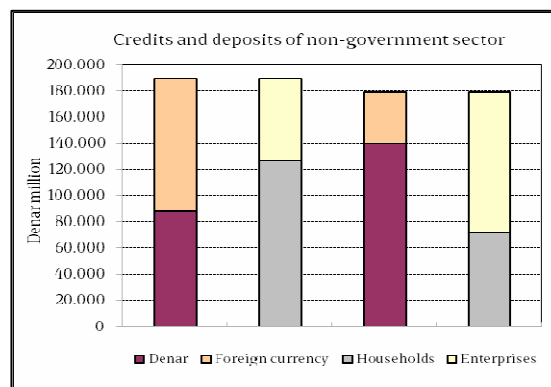
4.2. Total deposit potential of non-government sector² in January increased by 8.8% on annual basis (increase by 7.2% in December 2009). Total deposits experienced slight increase by 0.9% on monthly basis (2.1% increase in the previous month), due to the increase of total deposits of households which grew by 1.6% on monthly basis, while total deposits of enterprises dropped by 0.5% on monthly basis.

¹ Primary money is calculated as a sum of cash in circulation, cash in hand and on the accounts of the bank, including the reserve requirement of foreign currency deposits.

² Total deposit potential includes non-monetary and quasi-deposits.

On annual basis, Denar deposits declined by 1.1%, while foreign currency deposits increased by 19.1%.³ On monthly basis, Denar deposits increased by 0.6%, while foreign currency deposits grew by 1.2%.⁴

From the point of view of sector structure, deposits of the corporate sector dropped by 0.5% on monthly basis, while savings of households increased by 1.6%. With respect to last year, household deposits were higher by 26.9%, while deposits of enterprises were lower by 9.5%.



4.3. In January 2010, total credits to private sector experienced further slowdown – growth by 3.1% on annual basis (compared to 4.1% in November and 3.5% in December). December growth continued, however with slower pace, surging by 0.3%, mainly due to increased credits to corporate sector by 0.6%.

Annually, credits to households and enterprises surged by 0.5% and 5%, respectively.

From currency point of view, Denar credits (including credits with foreign currency clause) registered slower increase by 4.3% annually. Foreign currency credits experienced modest growth by 0.8% annually.

4.4. In January 2010, average weighted interest rate on Denar credits was 10.2% and was lower by 0.1 p.p. compared to December 2009. Average interest rate on foreign currency credits was higher by 0.1 p.p., however, lower compared to December 2009, being at the level of 7.5%. With respect to last year, interest requirements of the banks were tightened, i.e. average interest rate on Denar credits grew by 0.5 p.p.. On the other hand, interest rate on foreign currency credits declined by 0.1 p.p. on annual basis. When analyzing the banks on the basis of their size, large banks had the lowest weighted interest on debit balance, 9.8% on Denar credits and 7.0% on foreign currency credits. In January 2010, interest rate on credit balance on Denar deposits was higher by 0.2 p.p. compared to December 2009, amounting to 7.3%, and it surged by 0.5 p.p. on annual basis. Average interest rate on foreign currency deposits was lower by 0.1 p.p. compared to December 2009, amounting to 3.3%, and it increased by 0.2 p.p. on annual basis.

4.5. Gross foreign exchange reserves amounted to EUR 1,619.7 million in January 2010, and compared to January 2009, they increased by 12.3% (EUR 177.9 million). On monthly basis, they increased by 1.4% (EUR 22.2 million), in conditions of net purchase on the foreign exchange market in the amount of EUR 34.7 million. NBRM created liquidity through transaction on the foreign exchange market.

5. Social Sector

5.1. In January 2010, Employment Agency of the Republic of Macedonia registered total of 17,846 new employments. In fact, 30.2% out of the total number of newly employed

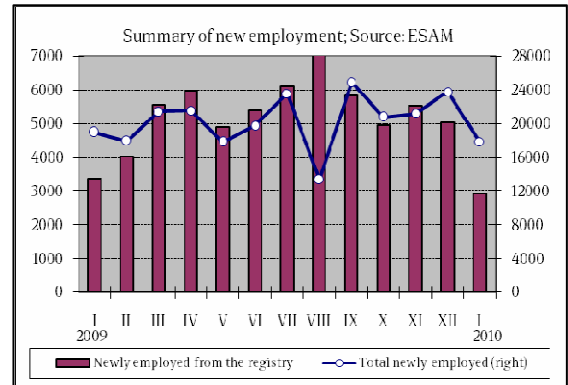
³ Starting January 2009, deposits include calculated interest.

⁴ Starting January 2009, deposits include calculated interest.

was on the basis of full-time employment, while the rest was temporary employment and seasonal works. Compared to the same period in 2009, number of newly employed persons declined by 6.1%.

Outflow of persons from the Employment Agency Registry amounted to 7,617 persons in January, 36.5% out of which were new employments. 10,289 persons were registered as inflow to the Agency, 50.2% of which was persons whose employment was terminated.

As a result, unemployment increased by 2,672 persons, i.e. 0.8% compared to December 2009. There were 343,967 unemployed persons in January 2010.

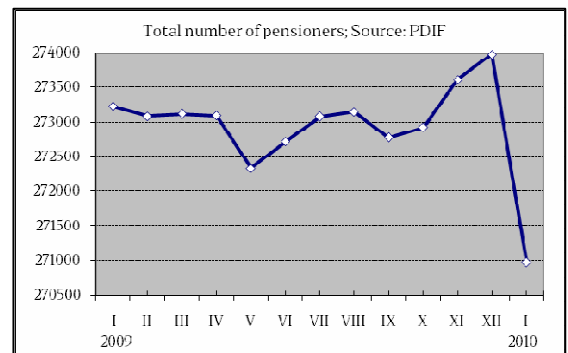


Number of unemployed persons, compared to January 2009, declined by 1.3%.

Major percentage of the unemployed, i.e. 65.7%, came from urban areas (cities), whereby 57.4% were men. Analyzed by education structure, major part, i.e. 52.5% of unemployed persons were unskilled or semi-skilled, while only 7.7% was with community college or higher education level. Observed by age, majority of unemployed or 58.9% fall in the category of 25-49 years of age. According to the time they waited for a job, around 50.2% of the unemployed persons sought job from one to seven years, while 29.7% sought job for eight and more years.

5.2. In January 2010, Pension and Disability Insurance Fund registered 270,970 pensioners, being a decline by 0.8% compared to January 2009. Number of pension beneficiaries dropped by 3,007 persons in relation to December 2009.

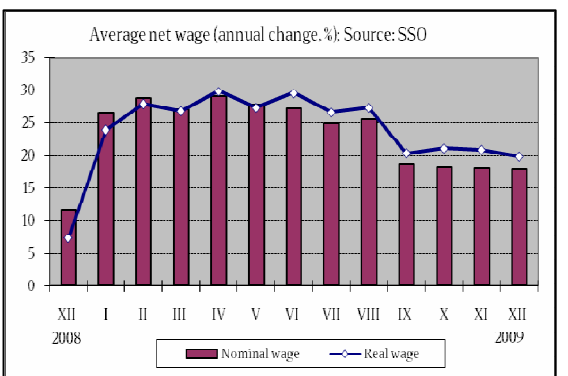
In January, Denar 2,693.55 million was spent for payment of pensions, being 51.9% of the total social transfers in the state Budget.



Average pension in January 2010 amounted to Denar 10,082, being an increase by 2.2% on annual level. Ratio between the average pension and the average paid salary in January 2010 (the most recent available data) amounted to 49.1%.

5.3. In the period January-December 2009 (the most recent available data), compared to the same period in 2008, there was an increase of the average monthly nominal and real net salary by 24% and 25% respectively.

In December 2009, average net salary per employee amounted to Denar 20,483, which was an increase by 18% on monthly basis in nominal terms, while on annual basis, there was 19.9% increase recorded in real terms. Percentage of employees who did not receive salary in December 2009 was 2.9%, being lower by 4.6 p.p. compared to the same period in 2008.



ATTACHMENTS

MACROECONOMY

Table 1. Main macroeconomic indicators in the Republic of Macedonia

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Real GDP	%	4.5	-4.5	0.9	2.8	4.1	4.1	4.0	5.9	4.8*	-0.7
GDP	EUR	3,893	3,839	4,001	4,105	4,325	4,676	5,081	5,791	6,504	7
Inflation (average)	%	5.8	5.5	1.8	1.2	-0.4	0.5	3.2	2.3	8.3	-0.8
Inflation	%	6.1	3.7	1.1	2.6	-1.9	1.2	2.9	6.1	4.1	
GDP deflator	%	8.2	3.6	3.4	0.3	1.3	3.8	4.4	7.6	7.3	2.8
Budget balance	% GDP	2.5	-6.3	-5.6	-1.0	0.0	0.2	-0.5	0.6	-1.0	-2.7
Exchange rate, average	Denar/1US\$	65.9	68.1	64.7	54.3	49.4	49.3	48.8	44.7	41.0	44.0
Exchange rate, average	Denar/1EUR	60.7	60.9	61.0	61.3	61.3	61.3	61.2	61.2	61.2	61.2
Exchange rate, end of period	Denar/1US\$	65.3	69.2	58.6	49.9	45.9	51.7	46.5	42.0	43.6	42.7
Exchange rate, end of period	Denar/1EUR	60.8	61.0	61.1	61.3	61.4	61.2	61.2	61.2	61.4	61.2
Export (f.o.b.)	EUR million				1,203	1,345	1,643	1,903	2,442	2,684	2
Import (f.o.b.)	EUR million				1,956	2,259	2,501	2,923	3,616	4,421	3
Trade balance	EUR million				-753	-914	-859	-1,021	-1,175	-1,737	-2
- as % of GDP	%				-18.3	-21.1	-18.4	-20.1	-20.3	-26.7	-23.4
Current account balance	EUR million				-168	-363	-121	45	-415	-851	-483
- as % of GDP	%				-4.1	-8.4	-2.6	0.9	-7.2	-13.1	-7.3
Foreign exchange reserves	EUR billion	0.77	0.88	0.70	0.72	0.72	1.12	1.42	1.52	1.50	
Import coverage(reserves/import)	months	3.7	4.7	4.0	3.9	3.3	3.6	4.2	4.0	3.5	
Gross external debt	EUR billion					2,071	2,518	2,494	2,832	3,318	
- as % of GDP	%					47.9	53.9	49.1	48.9	51.0	
Foreign direct investments	EUR million				100	261	77	346	506	413	181
- as % of GDP	%				2.4	6.0	1.6	6.8	8.7	6.3	2.7

Table 2. Selected macroeconomic indicators in certain economies

	Bulgaria	The Czech Republic	Estonia	Hungary	Latvia	Lithuania	Poland	Romania	Slovakia	Slovenia	Croatia	Malta	Turkey
GDP (annual real growth rate)													
2006	6.3	6.8	10.4	4.0	12.2	7.8	6.2	7.9	8.5	5.9	4.8	3.3	6.9
2007	6.2	6.0	6.3	1.2	10.0	8.9	6.6	6.2	10.4	6.8	5.6	4.2	4.7
2008	6.0	3.2	-3.6	0.6	-4.6	3.0	5.0	7.1	6.4	3.5	2.4	2.5	1.1
2009	-4.9	-4.2	-14.1	-6.3	-18.0	-15.0	1.7	-7.1	-4.7	-7.8	*	-2.0	*
2008 Q-1	7.0	2.8	-0.3	1.9	0.5	6.9	6.5	8.5	9.7	6.0	4.3	2.4	7.2
Q-2	7.1	3.8	-1.2	2.2	-1.8	5.1	5.9	9.6	7.3	5.4	3.4	2.8	2.8
Q-3	6.8	3.4	-3.2	1.4	-5.2	2.1	5.5	9.4	6.8	3.6	1.6	2.6	1.0
Q-4	3.5	-0.1	-9.2	-2.5	-10.3	-2.2	2.6	3.1	1.6	-0.8	0.2	0.7	-6.5
2009 Q-1	-3.5	-3.9	-15.0	-6.7	-17.8	-13.3	0.9	-6.2	-5.7	-8.2	-6.7	-2.0	-14.7
Q-2	-4.9	-5.2	-16.1	-7.5	-18.4	-19.5	1.2	-8.7	-5.5	-9.2	-6.3	-3.9	-7.9
Q-3	-5.4	-5.0	-15.6	-7.1	-19.0	-14.2	1.2	-7.1	-4.9	-8.3	-5.7	-2.4	-3.3
Q-4	-5.9	-2.8	-9.5	-4.0	-16.9	-12.8	3.3	-6.5	-2.6	-5.5	*	0.5	*
Inflation (CPI, annual percentage change)													
2006	7.4	2.1	4.4	4.0	6.6	3.8	1.3	6.6	4.3	2.5	3.2	2.6	9.6
2007	7.6	3.0	6.7	7.9	10.1	5.8	2.6	4.9	1.9	3.8	2.9	0.7	8.8
2008	12.0	6.3	10.6	6.0	15.3	11.1	4.2	7.9	3.9	5.5	6.1	4.7	10.4
2009	2.5	0.6	0.3	4.0	3.4	4.4	4.0	5.6	1.0	0.9	2.4	1.9	6.3
2008 Q-1	12.4	7.5	11.3	6.9	16.2	10.8	4.5	8.0	3.4	6.5	5.9	4.0	8.8
Q-2	14.0	6.7	11.5	6.8	17.5	12.3	4.3	8.6	4.0	6.4	6.6	4.2	10.3

Q-3	12.5	6.5	11.0	6.3	15.6	12.0	4.3	8.2	4.4	6.2	7.4	5.3	11.7
Q-4	9.1	4.4	8.7	4.2	11.9	9.5	3.6	6.9	3.9	3.2	4.5	5.2	10.9
2009 Q-1	5.1	1.5	3.7	2.7	9.0	8.5	3.6	6.8	2.3	1.7	3.8	3.5	8.4
Q-2	3.1	1.0	0.2	3.6	4.5	4.9	4.2	6.1	1.1	0.6	2.9	3.4	5.7
Q-3	0.8	-0.2	-0.9	4.9	1.2	2.4	4.3	4.9	0.6	-0.3	1.2	0.9	5.3
Q-4	0.9	0.1	-2.0	4.9	-1.3	1.8	3.8	4.5	-0.1	1.4	1.7	-0.3	5.7
Unemployment rate (ILO definition)													
2006	9.0	7.2	5.9	7.5	6.8	5.6	13.9	7.3	13.4	6.0	11.1	7.1	10.2
2007	6.9	5.3	4.7	7.4	6.0	4.3	9.6	6.4	11.1	4.9	9.6	6.4	10.3
2008	5.6	4.4	5.5	7.8	7.5	5.8	7.1	5.8	9.5	4.4	8.4	5.9	9.8
2009	6.7	6.8	13.8	10.1	17.7	*	8.2	*	11.9	6.0	9.6	7.0	*
2008 Q-1	6.5	4.7	4.2	8.0	6.5	4.9	8.1	6.3	10.5	5.1	10.0	6.1	10.6
Q-2	5.8	4.2	4.0	7.6	6.3	4.5	7.1	5.6	10.0	4.1	7.9	5.7	8.2
Q-3	5.1	4.3	6.2	7.7	7.2	6.0	6.6	5.4	8.9	4.1	7.0	5.8	9.1
Q-4	5.0	4.4	7.6	8.0	9.9	7.9	6.7	5.8	8.6	4.3	8.7	6.2	11.3
2009 Q-1	6.4	5.8	11.4	9.7	13.9	11.9	8.3	6.9	10.4	5.3	9.5	6.8	14.3
Q-2	6.3	6.3	13.5	9.6	16.7	13.6	7.9	6.3	11.3	5.6	8.9	6.9	12.3
Q-3	6.7	7.3	14.6	10.3	18.4	13.8	8.1	6.8	12.5	6.2	8.7	7.1	12.2
Q-4	7.5	7.7	15.5	10.6	21.6	*	8.5	*	13.2	6.9	11.2	7.1	*

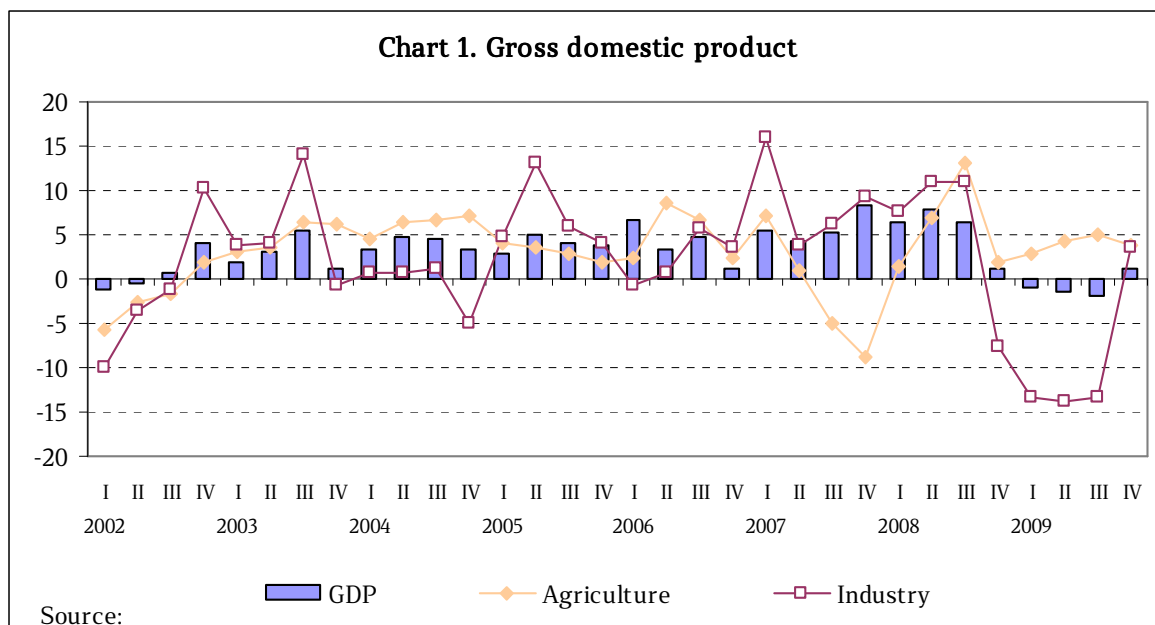
Source: Eurostat, Crostat, Turkstat

*Not available

Table 3. Gross domestic product according to production approach (annual real growth rates, %)

	Agriculture, hunting, forestry and fishing	Extraction of ore and stone, processing industry and supply with electricity, gas and water	Construction	Wholesale and retail trade;	Hotels and restaurants	Transport, storage and communications	Financial intermediation, activities related to real estate, renting and imputed rents	Public administration and defense, social protection, education, health and social work	Imputed banking services	Value added	Net-taxes on production	GROSS DOMESTIC PRODUCT
	A+B	B+D+E	F	G	H	I	J+K+O	L+M+N				
2002	-2.0	-0.8	0.6	5.4	16.7	-1.8	-3.7	3.5	1.8	0.4	3.3	0.9
2003	4.8	5.0	13.3	1.8	9.6	0.4	-3.6	4.9	-1.2	3.3	0.6	2.8
2004	6.2	-0.8	7.4	15.7	-11.3	-4.8	11.8	-0.6	12.5	4.0	4.4	4.1
2005	0.1	2.7	0.9	4.7	1.5	10.4	-1.9	4.7	21.9	2.3	15.4	4.1
2006	5.0	2.4	12.9	7.3	7.5	10.6	9.4	2.3	20.3	5.4	-3.1	3.9
2007	-2.9	9.3	3.9	6.7	10.9	10.4	8.1	2.1	16.8	5.5	8.3	5.9
2008	5.7	3.5	-3.2	0.8	5.9	12.1	8.7	4.5	4.5	4.7	5.6	4.8
2009	4.0	-9.4	9.6	1.5	-4.8	-4.6	7.1	3.6	11.2	-0.4	-2.0	-0.7
2008 Q-1	1.4	7.7	-5.3	3.3	14.5	14.1	11.8	3.9	-0.5	7.0	3.2	6.4
Q-2	7.0	10.9	-3.6	2.7	3.2	21.0	13.2	4.0	4.5	8.5	4.9	7.9
Q-3	13.0	11.0	-8.9	-0.6	4.6	11.5	7.9	4.8	5.2	6.5	6.4	6.4
Q-4	1.9	-7.5	4.1	-2.2	3.5	2.5	5.6	5.1	8.6	-0.1	7.3	1.2
2009 Q-1	2.9	-13.4	9.2	1.3	-4.5	-3.6	9.2	3.3	12.9	-1.6	2.7	-0.9
Q-2	4.3	-13.7	14.4	0.3	-6.4	-8.4	5.3	4.5	1.6	-1.7	-0.2	-1.4
Q-3	4.9	-13.4	7.5	2.1	-4.1	-2.3	8.2	3.5	7.4	-1.0	-5.6	-1.8
Q-4	3.7	3.5	7.4	2.4	-4.1	-3.8	5.9	3.3	23.2	2.3	-3.9	1.2

Source: State Statistical Office



**Table 4. Gross domestic product according to expenditure approach
(annual real growth rates %)**

	GDP	Final consumption			Gross investment	Export of goods and services	Import of goods and services
		Total	Personal	Public			
2002	0.9	6.3	12.5	-11.1	13.1	-5.2	9.7
2003	2.8	-3.3	-1.5	-9.9	-2.4	-5.7	-15.2
2004	4.1	6.5	8.1	0.2	13.4	15.4	19.5
2005	4.2	4.6	5.7	0.4	-5.0	13.0	7.7
2006	4.0	5.2	6.0	1.8	9.6	8.4	11.0
2007	5.9	8.0	9.8	0.4	13.3	14.3	17.4
2008	4.8	8.2	8.1	8.8	4.9	-7.6	0.0
2009	-0.7	-0.7	0.2	-4.7	-9.2	-8.2	-10.7
2006 Q-1	6.7	12.3	16.1	-1.2	-15.5	20.3	20.2
Q-2	3.4	6.8	6.6	7.5	21.2	10.2	19.6
Q-3	4.8	0.7	0.7	0.8	6.1	24.8	13.9
Q-4	1.1	2.4	2.9	0.2	6.0	2.0	5.4
2007 Q-1	5.5	6.6	7.6	2.7	16.9	22.7	20.8
Q-2	4.2	7.5	10.4	-3.9	-29.1	21.3	6.9
Q-3	5.2	8.3	9.2	4.5	38.6	1.0	16.0
Q-4	8.3	9.2	11.6	-1.2	34.5	9.1	20.8
2008 Q-1	6.4	6.8	7.6	3.7	43.8	-12.1	-0.1
Q-2	7.9	7.1	7.2	7.1	60.0	-12.9	4.7
Q-3	6.4	7.6	8.9	1.5	-3.8	-1.8	-2.2
Q-4	1.2	10.9	8.5	22.2	-26.8	-3.3	-1.8
2009 Q-1	-0.9	2.0	3.1	-2.0	14.8	-15.9	-0.3
Q-2	-1.4	-2.0	-2.5	0.3	-19.6	-6.6	-16.1
Q-3	-1.8	-0.4	-1.0	2.4	-26.7	-7.1	-17.7
Q-4	1.2	-2.1	1.5	-16.6	0.3	-3.7	-7.3

Source: State Statistical Office

Table 5. Industry (production, employment and productivity), annual changes, %

	Industrial production				Employment				Productivity			
	Total	Extraction of ore and stone	Processing industry	Electricity, gas and water	Total	Extraction of ore and stone	Processing industry	Electricity, gas and water	Total	Extraction of ore and stone	Processing industry	Electricity, gas and water
2002	-5.3	-24.5	-4.7	-3.8	-6.6	-7.3	-7.5	5.7	1.4	-18.6	3.0	-9.0
2003	4.7	-39.1	5.9	9.8	-5.5	-1.9	-6.4	1.9	10.8	-37.9	13.1	7.8
2004	-2.2	-5.0	-2.1	-2.6	-6.5	-7.7	-5.9	-10.3	4.6	2.9	4.0	8.6
2005	7.0	40.4	7.3	2.5	-4.3	-3.7	-4.6	-1.7	11.8	45.8	12.5	4.3
2006	3.6	11.5	3.6	0.8	-3.4	-0.6	-3.6	-4.3	7.2	12.2	7.5	5.3
2007	3.7	9.8	5.2	-9.5	-1.0	-6.3	-0.2	-2.2	4.7	17.2	5.4	-7.5
2008	5.5	9.9	6.3	-3.1	-1	-8.3	-0.1	-1.9	6.6	19.8	6.4	-1.2
2009	-7.7	-12.3	-9.3	8.8	-6.6	-9.8	-6.8	-2.1	-1.2	-2.8	-2.7	11.3
2008 Q-1	5.8	11.9	6.6	-0.8	-0.2	-7.5	0.9	-2.7	6	20.9	5.6	1.9
Q-2	12	13.9	12.9	3.2	-0.5	-9.3	0.6	-2.6	12.6	25.7	12.2	6
Q-3	13	3.4	14.6	2	-0.4	-8.3	0.6	-1.1	13.5	12.8	13.9	3.2
Q-4	-7.6	11.9	-7.8	-10.9	-3	-8.4	-2.6	-1.2	-4.7	22.2	-5.4	-9.8
2009 Q-1	-10.8	-12.6	-12.1	-1.6	-4.4	-6.8	-4.6	-0.3	-6.7	-6.2	-7.8	-1.3
Q-2	-13.1	-19	-15.2	17.1	-5.7	-9.3	-5.6	-2.3	-7.9	-10.7	-10.2	19.9
Q-3	-13.2	-10.9	-15.2	10.5	-8.9	-12.5	-9.3	-2.9	-4.6	1.9	-6.6	13.8
Q-4	7.8	-6.4	7.9	14.2	-7.5	-10.7	-7.7	-2.6	16.5	4.7	16.9	17.3
2010 I	-2.9	11.4	-8.2	16.7	-7.1	-9.3	-7.3	-2.9	4.5	22.8	-1.0	20.2

Source: State Statistical Office and own calculations

Table 6. Prices, growth rates (%)

	Consumer Price Index											Retail Price Index	Index of producer prices for industrial products
	Total	Food	Tobacco and beverages	Clothing and footwear	Housing	Hygiene and health	Culture and entertainment	Means of transport and services	Restaurants and hotels	Other services			
2002	1.8	1.8	1.0	6.8	1.7	-3.8	3.6	2.1	-	-	1.4	-0.9	
2003	1.2	-1.4	3.4	2.2	3.9	3.9	2.2	4.2	-	-	2.4	-0.3	
2004	-0.4	-3.1	1.1	0.9	2.2	0.4	1.3	4.0	-	-	0.9	0.9	
2005	0.5	-1.2	5.5	2.2	0.4	-3.5	0.9	3.7	-	-	2.1	3.2	
2006	3.2	2.2	17.8	0.2	2.0	2.0	6.4	1.8	-	-	3.9	7.3	
2007	2.3	3.9	1.8	1.8	4.7	0.3	2.4	-3.1	4.7	8.6	2.6	2.6	
2008	8.3	15.3	4	1.8	6	1.5	0.2	3.2	11.4	2.2	6.7	10.3	
2009	-0.8	-1.6	4	0	4.5	2.1	-3.8	-7.9	2.2	-5.8	-1.4	6.5	
2008 Q-1	9.5	19	4.2	1.6	3.6	1.5	-0.3	4.4	11.8	16.7	7.5	10.5	
Q-2	9.9	19.5	3.5	3.6	3.4	1.1	0.5	5.8	12	1.9	7.9	13.6	
Q-3	8.4	14.7	4.1	1.9	6.3	1.2	-0.2	5.1	13.1	-1.1	7.3	15.2	
Q-4	5.5	8.6	4.3	0.3	10.4	2.1	0.9	-2.4	8.9	-6.6	4.3	2.2	
2009 Q-1	0.9	0.9	4.5	1.6	7.4	2.1	-1.7	-9.1	5.1	-7.3	-0.1	-6.2	
Q-2	-0.6	-1	4.2	-0.9	6.7	2.7	-2.3	-10.9	3.1	-8.6	-0.8	-8.8	
Q-3	-1.4	-2.2	3.8	0.2	4.1	2.3	-4.4	-9.1	1	-5.8	-2.1	-10.1	
Q-4	-2.1	-4.2	3.3	-0.8	0.2	1.4	-6.9	-2.1	-0.1	-0.9	-1.8	-0.4	
2010 I	0.1	-3.5	2.4	-1.2	5.4	1.2	-0.5	3.7	-0.4	-0.2	1.7	4.0	

Source: State Statistical Office

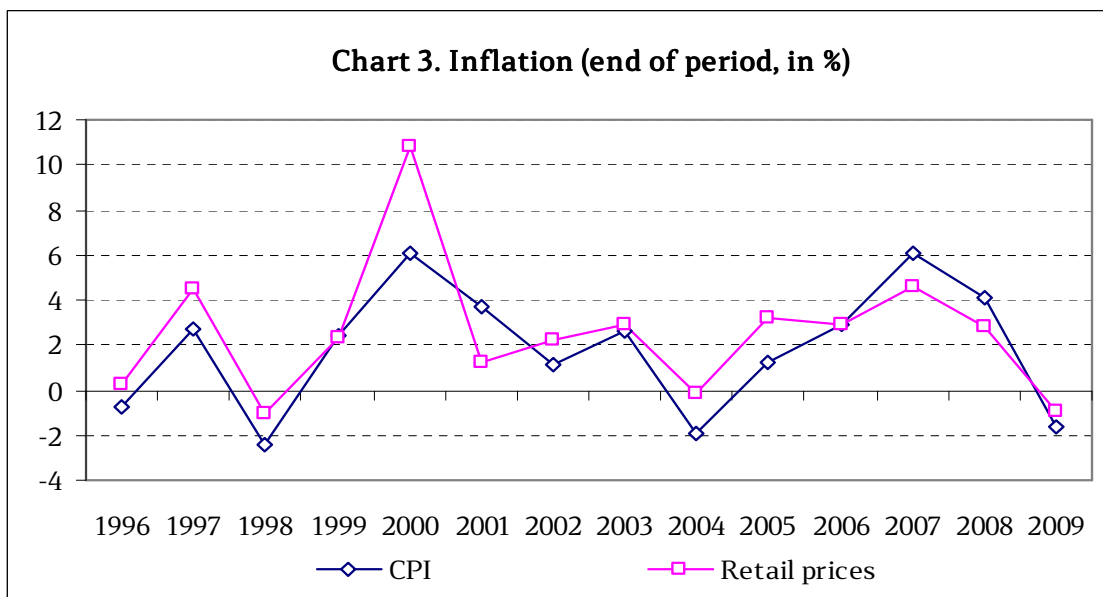
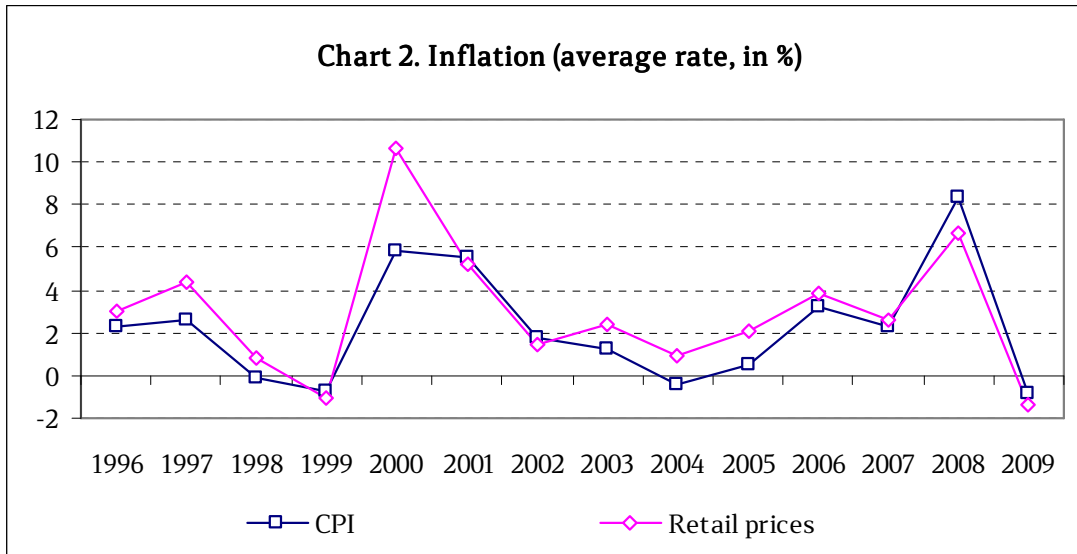


Table 7. Stock exchange prices of main import and export products (US\$)

	Brant crude oil	Lamb (c/kg)	Nickel	Copper	Lead	Zinc	Cold - rolled lead sheets	Hot-rolled lead sheets
2002	25.0	330.3	6,772	1,559	45.3	77.9	328.3	246.7
2003	28.9	388.4	9,629	1,779	51.5	82.8	444.6	320.2
2004	38.3	461.4	13,823	2,866	88.7	104.8	607.1	502.5
2005	54.4	443.3	14,744	3,679	97.6	138.1	733.3	633.3
2006	65.4	403.6	24,254	6,722	129.0	327.5	693.8	600.0
2007	72.7	413.9	37,226	7,118	258.0	324.3	650.0	550.0
2008	97.64	450.97	21110.25	6955.25	209.07	187.46	965.63	883.33
2009	61.84	427.65	14,654.6	5,150	172	165.5	783.25	683.25
2008 Q-1	96.69	453.6	28957	7796	289.9	243	762.5	700
Q-2	122.4	492.97	25680	8440	230.7	211.33	900	833.33
Q-3	115.6	447.3	18961	7680	191.2	177	1100	1000
Q-4	55.89	410	10843	3905	124.5	118.5	1100	1000
2009 Q-1	44.9	378.5	10471	3428	115.7	117.2	1033	933
Q-2	59.13	428.7	12920	4663	149.9	147.3	700	600
Q-3	68.37	453.3	17700	5859	192.8	176.1	700	600
Q-4	74.97	450.1	17527.33	6648.67	229.3	221.37	700	600
2010 I	76.37	460.9	18,439	7,386	236.8	243.4	700.0	600.0

Source: World Development Prospects (Pink Sheets)

Table 8. Balance of payments of the Republic of Macedonia (EUR million)

	2003	2004	2005	2006	2007	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2008	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2009
CURRENT TRANSACTIONS	-168.2	-362.7	-121.3	-44.9	-414.8	-173.1	-210.7	-68.3	-401.2	-853.3	-345.6	-100.1	102.5	-140.0	-483.3
Goods, net	-753.0	-914.3	-858.5	-1,020.4	-1,174.8	-374.2	-464.0	-419.9	-492.6	-1,750.7	-446.6	-339.1	-301.0	-464.3	-1,551.0
Export, f.o.b.	1,203.2	1,345.0	1,642.9	1,902.6	2,441.5	611.6	735.8	745.2	591.6	2,684.2	400.3	491.3	532.4	497.0	1,920.9
Import, f.o.b. ²	-1,956.2	-2,259.3	-2,501.4	-2,923.1	-3,616.3	-985.8	-1,199.9	-1,165.1	-1,084.2	-4,434.9	-846.8	-830.3	-833.4	-961.3	-3,471.9
Services, net	-6.0	-43.4	-24.7	22.2	25.5	0.5	-7.6	29.6	-18.1	4.3	-1.0	-1.2	23.3	6.9	28.0
Income, net	-55.3	-33.2	-91.5	-28.4	-277.7	23.8	0.7	-14.4	-101.0	-90.9	-27.4	-20.4	-17.6	-26.3	-91.7
out of which: interest, net	-27.7	-20.8	-20.7	-19.4	-17.9	-5.8	-11.7	-11.0	-17.8	-46.3	-22.1	-16.5	-16.1	-18.0	-72.7
Current transfers, net	646.1	628.2	853.3	981.8	1,012.1	176.8	260.3	336.4	210.5	984.0	129.4	260.6	397.8	343.6	1,131.4
Official	89.4	55.5	53.4	58.7	23.9	7.7	21.5	10.9	7.9	47.9	10.3	12.9	8.3	22.4	53.9
Private	556.7	572.7	799.9	923.1	988.2	169.1	238.8	325.6	202.6	936.1	119.1	247.7	389.5	321.3	1,077.6
CAPITAL AND FINANCIAL ACCOUNT	193.9	347.1	127.7	38.0	447.6	184.3	221.3	56.4	389.2	851.2	327.4	115.9	-111.5	134.4	466.1
Capital account, net	-5.8	-3.8	-1.7	-0.8	3.7	-0.8	-2.6	-0.5	-8.3	-12.2	0.8	1.7	15.2	2.3	20.0
Capital transfers, net	-5.8	-3.8	-1.7	-0.8	1.2	-0.8	1.1	-0.5	-0.8	-1.1	0.8	1.7	7.7	2.3	12.5
Official	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	-5.8	-3.8	-1.7	-0.8	1.2	-0.8	1.1	-0.5	-0.8	-1.1	0.8	1.7	7.7	2.3	12.5
Acquisition/disposal of non-produced,	-0.1	0.0	0.0	0.0	2.4	0.0	-3.7	0.0	-7.5	-11.2	0.0	0.0	7.5	0.0	7.5
Financial account, net	199.7	350.9	129.4	38.8	444.0	185.1	223.9	56.9	397.6	863.5	326.6	114.2	-126.7	132.1	446.2
Direct investments, net	100.1	259.7	74.9	344.6	506.9	142.5	111.5	74.8	80.5	409.4	56.5	60.3	-5.8	60.9	171.9
Portfolio investments, net	4.9	9.5	200.2	73.1	114.4	-8.3	-10.8	-8.3	-23.3	-50.7	-19.1	-12.4	148.7	-12.8	104.3
Other investments, net	133.3	97.6	202.2	-81.4	-75.5	43.0	146.7	118.0	145.5	453.2	36.4	14.0	53.4	135.4	239.3
Trade credits, net	67.4	71.0	105.9	2.9	-29.0	-40.4	87.7	-21.2	-41.7	-15.7	52.3	2.4	-14.6	126.4	166.5
Loans, net	50.3	6.1	100.2	-22.3	-128.7	11.2	41.2	82.4	90.8	225.6	-2.8	-6.3	-4.8	59.4	45.5
Currencies and deposits, net	5.9	-2.3	-20.3	-83.7	5.9	60.8	7.7	52.0	86.9	207.4	-19.5	13.3	6.3	-62.1	-62.1
out of which: monetary authorities, net	15.5	23.2	0.0	-5.7	-0.2	10.7	5.9	0.0	-0.5	16.0	-3.6	1.0	1.7	0.9	0.0
commercial banks, net	-44.7	-84.4	22.4	-10.4	68.4	47.2	9.2	41.0	137.2	234.6	-53.5	8.6	25.1	-40.3	-60.1
households, net	35.1	58.9	-42.7	-67.6	-62.3	2.9	-7.4	11.0	-49.7	-43.2	37.5	3.7	-20.5	-22.7	-2.1
Others, net	9.8	22.8	16.5	21.7	76.2	11.3	10.1	4.8	9.5	35.8	6.3	4.7	66.5	11.8	89.3
Gross official reserves ("-" meaning increase) ³	-38.6	-15.9	-347.9	-297.6	-101.8	8.0	-23.5	-127.6	194.8	51.6	252.8	52.2	-323.0	-51.4	-69.4
MISTAKES AND OMISSIONS	-25.7	15.6	-6.4	6.9	-32.8	-11.2	-10.6	11.9	12.0	2.1	18.2	-15.8	9.1	5.6	17.1

Source: National Bank of the Republic of Macedonia

1/ Previous data

- a. In November 2007, time series 1997-2006 was revised
b. In November 2007, time series 1997-2006 was revised
c. In October 2004 time series 2002-2003 was revised
d. In August 2004 time series 2002-2003 was revised
e. In January 2004 following items were revised: goods, services, current transfers, trade credits and direct investments
f. In August 2003, time series 1997-2002 was revised: changes at categories of services, income and direct investments
- 2/ Import is shown on f.o.b parity in line with B issue of IMF Balance of Payments Manual. Calculation of c.i.f -f.o.b. factor as percentage of import c.i.f by years is: 1993-20%, 1994-20%, 1995-20%, 1996-14%, 1997-10%, 1998-5.02%, 1999-4.86%, 2000-3.9%, 2001-4.2%, 2002-3.8%, 2003-4.06%, 2004, 2005 and 2006-4.14%.
Time adjustment of import of electricity was made for 2006

- 3/ Excluding monetary gold and exchange rate differences; Funds obtained from the succession of former SFRY in June 2001 in the amount of US\$ 23.9 million, in May 2003 in the amount of US\$ 17.8 million in, in 2005 in the amount US\$ 14.9 million are not balance of payments transaction, due to which they are only included in the stock of foreign exchange reserves, not being included in the changes

Table 9.1. EXPORT - selected products according to SITC (EUR million)

	Iron and steel	Clothing	Oil and oil products	Tobacco and tobacco processed goods	Fruit and vegetables	Beverages	non-metal mineral products	Electrical machines and spare parts	Footwear	Metal products	Textile yarns	Medical and pharmaceutical products	Road vehicles
2006	529,972,742	404,724,869	161,523,072	88,861,192	86,451,093	63,820,813	55,330,669	47,011,596	45,000,725	36,390,311	36,033,777	35,129,018	21,181,600
2007	921,230,079	462,772,918	114,853,184	77,001,637	103,460,688	74,027,765	49,383,963	60,868,187	36,224,841	40,185,583	24,178,850	44,619,984	69,944,750
2008	867,547,300	483,665,055	204,813,701	83,781,854	112,745,260	65,014,519	59,797,441	61,850,242	37,976,596	51,556,297	23,903,363	70,500,641	78,431,997
2009	728,937,741	799,645,317	260,602,851	156,035,452	197,758,207	117,952,800	124,902,072	91,961,016	109,364,299	103,672,420	62,481,477	94131439.1	30,574,001
2008 Q-1	196,665,306	127,590,826	42,784,633	10,732,448	15,097,363	13,971,931	13,675,104	14,477,116	9,806,599	11,390,688	6,565,805	14683831.4	14,980,795
Q-2	268,814,591	111,548,061	59,316,080	26,534,487	35,504,761	17,453,814	14,837,322	14,502,946	8,403,334	10,115,947	6,571,579	16,812,709	23,142,294
Q-3	250,439,402	126,748,056	71,680,946	22,940,404	32,145,638	15,403,217	14,884,854	18,168,536	8,991,377	12,596,574	5,912,696	18290466.9	21,418,119
Q-4	151,628,000	117,778,112	31,032,042	23,574,514	29,997,498	18,185,557	16,400,161	14,701,643	10,775,286	17,453,087	4,853,282	20,713,634	18,890,791
2009 Q-1	423,656,146	497,074,916	150,879,962	81,891,214	110,033,094	71,127,477	70,939,308	55,747,282	66,354,820	64,132,942	37,868,278	57542934.5	18,149,658
Q-2	93,641,327	95,989,229	30,600,059	21,013,056	28,139,682	20,562,938	15,629,092	12,837,168	11,838,308	12,687,657	8,100,346	11,320,258	4,171,948
Q-3	95,698,357	106,349,941	42,447,459	37,063,575	27,419,438	14,770,131	20,203,654	11,624,723	16,871,695	12,093,759	7,980,832	12577361.2	4,087,131
Q-4	115,941,911	100,231,232	36,675,371	16,067,607	32,165,992	11,492,253	18,130,017	11,751,843	14,299,476	14,758,063	8,532,021	12,690,886	4,165,264
2010 I	25,967,113	32,089,084	9,199,230	8,417,553	3,496,941	4,115,985	2,302,561	1,625,883	3,269,048	2,436,861	2,246,276	2,489,657	780,506

Source: State Statistical Office

Table 9.2. IMPORT - selected products according to SITC (EUR million)

	Oil and oil products	Iron and steel	Textile yarns	Road vehicles	Electrical machines and spare parts	Industrial machines and spare parts	Meat and meat processed products	Special industry machines	Paper and paper products	Preparation of non-metal minerals	Clothing	Fruit and vegetables	Wheat and wheat products	Dairy products and eggs
2006	497,426,818	293,790,595	269,555,519	161,620,274	82,674,036	76,075,381	72,804,907	69,384,220	66,195,774	60,340,323	49,631,973	36,844,290	33,567,270	23,278,540
2007	458,952,977	396,381,378	309,347,207	232,139,645	113,209,432	99,717,307	86,907,623	100,847,924	76,007,574	67,729,433	55,847,503	45,865,304	69,178,178	26,428,396
2008	626,926,665	505,223,281	316,224,229	302,190,438	131,636,512	139,726,957	94,915,536	105,931,713	89,221,958.7	82,066,703	60,246,158	52,579,424.2	79,711,471	29,104,480
2009	444,120,930	215,412,796	277,254,584	212,466,494	130,190,119	123,229,697	100,985,223	87,548,910	81,634,508	80,679,664	53,392,103	50,343,326	58,722,413	29,864,385
2008 Q-1	167,692,833	95,842,005	67,414,342	70,737,250	74,481,277	24,961,324	15,539,568	22,789,314	19,267,030	15,240,072	13,472,714	14,892,631	26,901,092.4	6,238,640.2
Q-2	175,073,617	176,840,534	91,163,917	83,624,946	42,702,067	40,537,329	24,250,399	31,208,001	24,755,597	22,541,977	15,255,028	11,596,731	17,438,225.3	8,480,854.8
Q-3	171,635,194	159,598,827	68,013,881	74,232,164	69,213,051	39,045,450	28,160,664	23,444,415	22,099,001	24,280,235	13,933,062	9,954,469	14,778,243.2	7,941,430.2
Q-4	112,525,021	72,941,915	89,632,088	73,596,078	48,492,425	35,182,854	26,964,906	28,489,983	23,100,330	20,004,417	17,585,354	16,135,593	20,593,910.2	6,443,554.7
2009 Q-1	106,249,888	47,785,849	60,312,240	55,147,384	23,512,449	32,860,997	20,950,326	23,417,076	18,026,653	14,081,492	13,527,115	14,291,919	17,193,775.1	6,071,011.9
Q-2	86,943,640	46,424,585	78,548,106	52,987,976	31,305,919	34,074,408	24,765,724	22,452,830	21,574,681	21,966,862	14,155,437	11,740,611	16,446,802	8,232,047.6
Q-3	113,464,148	57,653,682	59,068,222	47,725,391	36,363,707	26,269,331	28,350,030	18,616,001	20,030,763	23,518,233	12,612,896	9,199,489	10,907,028.5	8,345,539.2
Q-4	137,463,253	63,548,679	79,326,015	56,605,742	39,008,045	30,024,961	26,919,144	23,063,004	22,002,411	21,113,078	13,096,654	15,111,306	14,174,807.6	7,215,786.4
2010 I	38,514,146	18,382,008	15,799,406	14,668,608	5,680,150	3,696,563	6,911,755	5,521,822	4,837,816	3,281,397	2,258,715	4,666,599	3,097,859	1,782,833

Source: State Statistical Office

Table 10.1. Foreign direct investments by activity in the Republic of Macedonia (EUR million)

Activities	Agriculture, hunting and fishing	Mining and extraction	Production	Electrification, gasification, water economy	Construction	Total services	Non-allocated	Sub-total	Undistributed - reinvested profit and part of remaining capital	Total
2003	1.59	-1.87	18.50	-0.02	10.63	65.55	6.14	94.27	-	100.41
2004	8.38	6.77	158.31	2.11	-0.25	84.60	1.14	259.54	-	260.67
2005	-0.84	16.44	19.53	-0.03	0.01	42.90	0.91	76.30	-	77.21
2006	2.13	0.60	99.40	119.20	3.27	118.87	1.32	343.47	-	344.79
2007	10.46	8.92	126.80	-3.57	14.80	339.01	9.58	496.40	-	505.97
2008	3.90	0.94	33.01	41.19	22.54	268.75	0.72	370.32	41.50	371.04
2008 Q-1	2.14	0.05	6.27	20.75	6.29	80.97	0.37	116.47	0.73	117.57
Q-2	0.53	0.06	4.77	28.08	8.48	57.78	-0.13	99.71	30.96	130.55
Q-3	0.49	0.12	6.69	-19.03	3.34	88.78	0.26	80.38	10.63	91.26
Q-4	0.73	0.71	15.28	11.40	4.43	41.22	0.22	73.76	-0.82	73.15
2009 Q-1	0.00	-4.99	18.28	10.23	-0.81	23.14	-0.30	46.59	9.07	55.35
Q-2	0.02	0.69	39.55	8.09	1.16	48.51	0.02	98.04	-28.16	69.91

Source: National Bank of the Republic of Macedonia

Table 10.2. Foreign direct investments in the Republic of Macedonia by selected countries (EUR million)

Countries	Austria	France	Germany	Greece	Hungary	Italy	The Netherlands	Slovenia	Switzerland	Turkey	Great Britain	Serbia
2003	7.50	4.57	5.16	8.76	3.81	0.40	8.62	18.74	9.99	1.51	7.09	5.93
2004	16.66	4.45	8.05	40.32	4.49	13.31	34.74	5.94	27.38	3.95	5.43	0.38
2005	-6.66	-3.21	-0.41	17.56	-3.83	10.57	12.16	8.78	17.42	0.33	0.15	5.17
2006	130.93	0.02	0.57	40.68	0.80	4.86	14.67	10.47	21.27	3.90	12.08	15.17
2007	10.79	28.47	9.32	44.58	73.04	6.79	26.54	59.97	30.86	2.01	40.49	54.12
2008	95.68	-2.04	4.01	6.72	-8.70	4.81	2.34	79.23	29.79	-1.50	24.82	38.02
2008 Q-1	26.90	1.03	0.68	7.80	-1.52	1.19	12.75	14.89	2.55	-0.24	6.51	13.04
Q-2	42.05	2.19	2.02	3.59	-1.52	1.76	-8.65	12.16	15.39	-0.38	1.12	5.14
Q-3	13.99	1.47	1.05	-2.41	-1.52	1.44	7.58	28.56	4.70	0.09	-1.30	-1.48
Q-4	12.74	-6.73	0.26	-2.26	-4.14	0.42	-9.34	23.62	7.15	-0.97	18.49	21.32
2009 Q-1	18.65	-1.75	-0.06	0.68	-0.02	2.22	31.22	1.97	5.41	-2.73	-23.81	0.87
Q-2	19.08	0.08	-0.11	-77.11	0	0.18	65.58	96.58	3.67	-0.05	-27.48	1.25
Q-3	10.27	0	-0.11	0.46	0	0.1	9	15.59	5.51	0.3	13.18	-0.01

Source: National Bank of the Republic of Macedonia

Table 11. Gross external debt-stock

(EUR million)	31/12/2004	31/12/2005	31/12/2006	31/12/2007*	31/03/2008	30/06/2008	30/09/2008	31/12/2008	31/03/2009	30/06/2009	30/09/2009
1. GOVERNMENT SECTOR	1,016.46	1,282.82	1,065.56	897.71	883.72	883.07	880.13	906.33	916.40	906.78	1,093.17
1.1 Short-term	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.1.1. Money market instruments	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.1.2. Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.1.3. Commercial credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.1.4. Other liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Outstanding liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.2 Long-term liabilities	1,016.45	1,282.82	1,065.56	897.71	883.72	883.07	880.13	906.33	916.40	906.78	1,093.17
1.2.1. Bonds	23.25	187.47	190.38	170.49	165.51	155.64	143.61	131.62	134.35	129.18	320.16
1.2.2. Loans	993.20	1,095.36	875.19	727.22	718.21	727.44	736.52	771.22	778.98	774.73	770.34
1.2.3. Commercial credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.49	3.08	2.87	2.67
1.2.4. Other liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. MONETARY AUTHORITY (NBRM)	55.54	62.81	51.99	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46
2.1 Short-term	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.1.1. Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.1.2. Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.1.3. Currencies and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.1.4. Other liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Outstanding liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.2 Long-term	55.54	62.81	51.99	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46
2.2.1. Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.2.2. Loans	45.97	52.66	42.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.2.2. Currencies and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.2.4. Other liabilities	9.56	10.14	9.60	9.01	8.72	8.69	9.09	9.15	9.50	9.25	71.46
3. BANKING SECTOR	123.24	192.02	269.88	387.85	346.15	358.89	389.60	384.07	377.99	377.90	448.63
3.1 Short-term	67.32	81.41	115.44	178.12	142.31	138.83	173.34	171.35	153.22	162.82	227.33
3.1.1. Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.1.2. Loans	7.04	1.30	0.00	16.50	10.72	10.00	10.00	0.00	0.00	0.00	0.00
3.1.3. Currencies and deposits	51.71	69.46	104.70	152.26	124.29	121.28	154.87	162.46	143.63	153.59	218.29
3.1.4. Other liabilities	8.57	10.66	10.74	9.36	7.29	7.55	8.48	8.90	9.59	9.23	9.04
Outstanding liabilities	8.57	10.66	10.74	9.36	7.29	7.55	8.48	8.90	9.59	9.23	9.04
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2 Long-term	55.93	110.60	154.44	209.73	203.84	220.06	216.25	212.72	224.77	215.08	221.30
3.2.1. Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.2. Loans	55.79	106.40	146.31	199.81	189.02	206.48	203.21	201.14	201.14	191.39	194.47
3.2.3. Currencies and deposits	0.14	4.20	8.13	9.92	14.82	13.58	13.04	11.58	23.63	23.69	26.82
3.2.4. Other liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. OTHER SECTORS	600.40	721.01	786.69	1,115.71	1,031.96	1,143.09	1,328.26	1,321.91	1,343.52	1,344.21	1,353.20
4.1 Short-term	370.02	475.84	435.42	727.89	643.68	727.10	808.90	738.32	747.75	741.29	753.08
4.1.1. Money market instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.1.2. Loans	4.78	53.03	11.65	39.32	24.35	16.37	16.51	14.91	17.02	11.31	9.00
4.1.3. Currencies and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.1.4. Commercial credits	322.58	362.86	349.59	567.07	539.02	626.80	703.70	621.55	626.81	620.12	631.14
4.1.5. Other liabilities	42.66	59.95	74.17	121.50	80.30	83.92	88.69	101.87	103.92	109.87	112.93
Outstanding liabilities	42.66	58.40	74.17	121.50	80.30	83.92	88.69	101.87	103.92	109.87	112.93
Other	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.2 Long-term	230.39	245.18	351.27	387.81	388.28	415.99	519.36	583.59	595.77	602.91	600.12
4.2.1. Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.2.2. Loans	207.63	234.14	331.68	372.92	371.83	397.35	499.36	559.66	573.38	581.00	578.50
4.2.3. Currencies and deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.2.4. Commercial credits	22.76	11.04	19.59	14.54	16.10	18.28	19.64	23.57	22.03	21.55	21.26
4.2.5. Other liabilities	0.00	0.00	0.00	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
5. DIRECT INVESTMENTS: inter- company lending	284.52	269.57	329.30	430.77	588.22	664.41	685.47	682.70	694.89	741.14	784.82
5.1. Liabilities towards affiliated enterprises	3.70	5.68	13.16	6.11	4.30	5.46	6.35	7.40	7.40	7.41	7.47
5.2. Liabilities towards direct investors	280.82	263.89	316.14	424.66	583.92	658.95	679.12	675.29	687.48	733.73	777.35
GROSS EXTERNAL DEBT	2,080.17	2,528.23	2,503.42	2,841.05	2,858.77	3,058.16	3,292.55	3,304.16	3,342.30	3,379.29	3,751.27
Memo items											
Public debt	1,211.44	1,487.93	1,270.37	1,057.35	1,037.38	1,045.22	1,047.77	1,109.94	1,119.05	1,108.10	1,352.66
Private debt	868.73	1,040.31	1,233.06	1,783.70	1,821.39	2,012.94	2,244.78	2,194.23	2,223.25	2,271.19	2,398.61

*Revision of trade credits for 2007 based on data from the new KIPO questionnaire. Data on trade credits for 2008 and Q1 2009 are estimated using flow data from the balance of payments.

Table 12.1. Monetary trends, Denar million ^{1,2)}

Denar million	Credits			Deposits			Monetary aggregates			
	Total	Denar	Foreign currencies	Total	Denar	Foreign currencies	Primary money	M1	M2	M4
2003	46,644	39,368	7,276	65,671	31,159	34,512	21,028	28,265	77,251	81,154
2004	58,298	46,901	11,397	78,831	36,262	42,569	21,114	28,842	90,435	94,550
2005	70,524	53,297	17,227	92,725	41,617	51,108	26,120	30,675	104,477	108,724
2006	92,017	68,442	23,575	117,838	57,385	60,453	31,501	36,153	130,340	135,907
2007	128,071	97,352	30,719	155,869	87,613	68,256	37,860	47,256	166,953	175,783
2008	172,150	133,679	38,471	175,130	91,298	83,832	40,890	54,119	178,885	195,525
2009	173,301	133,925	39,376	173,922	88,487	85,435	38,835	49,622	178,067	192,681
2008 Q-1	140,645	108,592	32,053	160,448	87,994	72,454	34,510	44,462	168,309	178,529
Q-2	153,197	118,521	34,676	171,071	94,414	76,657	39,170	49,434	178,053	189,730
Q-3	164,498	126,243	38,255	178,437	95,929	82,508	39,167	50,182	184,024	197,894
Q-4	172,150	133,679	38,471	175,130	91,298	83,832	40,890	54,119	178,885	195,525
2009 Q-1	176,298	136,900	39,398	172,789	83,493	89,296	36,713	46,791	174,959	190,377
Q-2	175,164	136,884	38,280	174,596	82,972	91,624	37,348	47,635	175,763	191,949
Q-3	175,066	137,052	38,015	177,897	80,773	97,124	41,760	47,909	178,596	195,732
Q-4	178,196	139,194	39,001	187,583	87,072	100,511	45,952	52,246	185,980	207,258
2010 I	178,702	139,660	39,042	189,304	87,556	101,748	46,325	49,976	186,100	208,129

Source: NBRM

1) Starting January 2009 data are compiled on the basis of the new accounting plan of the banks

2) Starting January 2009 data are revised in line with the new adopted Methodology for the period starting January 2003

Table 12.2. Monetary trends, growth rates %, ^{1,2)}

	Credits			Deposits			Monetary aggregates			
	Total	Denar	Foreign currencies	Total	Denar	Foreign currencies	Primary money	M1	M2	M4
2004	25.0	19.1	56.6	20.0	16.4	23.3	0.4	2.0	17.1	16.5
2005	21.0	13.6	51.2	17.6	14.8	20.1	23.7	6.4	15.5	15.0
2006	30.5	28.4	36.8	27.1	37.9	18.3	20.6	17.9	24.8	25.0
2007	39.2	42.2	30.3	32.3	52.7	12.9	20.2	30.7	28.1	29.3
2008	34.4	37.3	25.2	12.4	4.2	22.8	8.0	14.5	7.1	11.2
2009	3.5	4.1	1.4	7.1	-4.6	19.9	12.4	-3.5	4.0	6.0
2008 Q-1	42.2	47.0	28.0	28.3	41.8	15.0	16.6	24.3	23.1	25.3
Q-2	42.1	47.0	27.5	23.8	30.1	16.9	22.2	30.2	19.6	21.4
Q-3	38.6	40.9	31.5	24.9	25.0	24.9	19.6	22.2	19.7	22.0
Q-4	34.4	37.3	25.2	12.4	4.2	22.8	8.0	14.5	7.1	11.2
2009 Q-1	25.3	26.1	22.9	7.7	-5.1	23.2	6.4	5.2	4.0	6.6
Q-2	14.3	15.5	10.4	2.1	-12.1	19.5	-4.7	-3.6	-1.3	1.2
Q-3	6.4	8.6	-0.6	-0.3	-15.8	17.7	6.6	-4.5	-2.9	-1.1
Q-4	3.5	4.1	1.4	7.1	-4.6	19.9	12.4	-3.5	4.0	6.0
2010 I	3.1	4.3	-0.8	8.8	-1.1	19.1	19.3	0.7	4.5	8.0

Source: NBRM

1) Starting January 2009 data are compiled on the basis of the new accounting plan of the banks

2) Starting January 2009 data are revised in line with the new adopted Methodology for the period starting January 2003

Table 13. Wages and consumer basket (amount and annual growth rates)

	Gross wage			Net wage			Consumer Basket (CB)		Ratio between CB and net wage (%)
	Average (Denar)	Nominal change	Real change	Average (Denar)	Nominal change	Real change	Average (Denar)	Nominal change	
2002	19,030.4	6.4	4.2	11,270.6	6.7	4.5			
2003	19,957.1	4.9	3.6	11,828.2	4.9	3.7			
2004	20,778.5	4.1	4.5	12,297.7	4.0	4.4	9,952.1		80.9
2005	21,334.8	2.7	2.2	12,599.8	2.5	1.9	9,831.3	-1.2	78.0
2006	23,036.5	8.0	4.6	13,517.9	7.3	3.9	10,277.9	4.5	76.0
2007	24,139.3	4.8	2.5	14,585.8	7.9	5.5	10,631.4	3.4	72.9
2008	26,227.7	8.7	0.3	16,094.8	10.4	1.9	12,219.4	14.9	75.9
2009	29,923.3	14.3	15.2	19,958.3	24.2	25.2	12,252.6	0.3	61.4
2008 Q-1	25,145.7	8.7	-0.8	15,430.3	10.5	0.9	12,178.7	17.5	78.9
Q-2	25,565.7	8.1	-1.6	15,697.3	9.9	0.0	12,383.7	18.3	78.9
Q-3	26,336.7	8.9	0.4	16,170.7	10.7	2.1	11,963.7	14.5	74.0
Q-4	27,862.7	9.0	3.3	17,080.7	10.3	4.5	12,351.7	9.9	72.3
2009 Q-1	29,540.3	17.5	16.4	19,653.3	27.4	26.2	12,798.7	5.1	65.1
Q-2	30,136.7	17.9	18.6	20,116.3	28.2	29.0	12,569.3	1.5	62.5
Q-3	29,748.5	15.6	17.1	19,815.0	25.3	27.1	11,856.0	-1.2	59.8
Q-4	30,183.3	8.3	10.6	20,172.3	18.1	20.6	11,829.0	-4.3	58.6

Source: State Statistical Office and own estimations

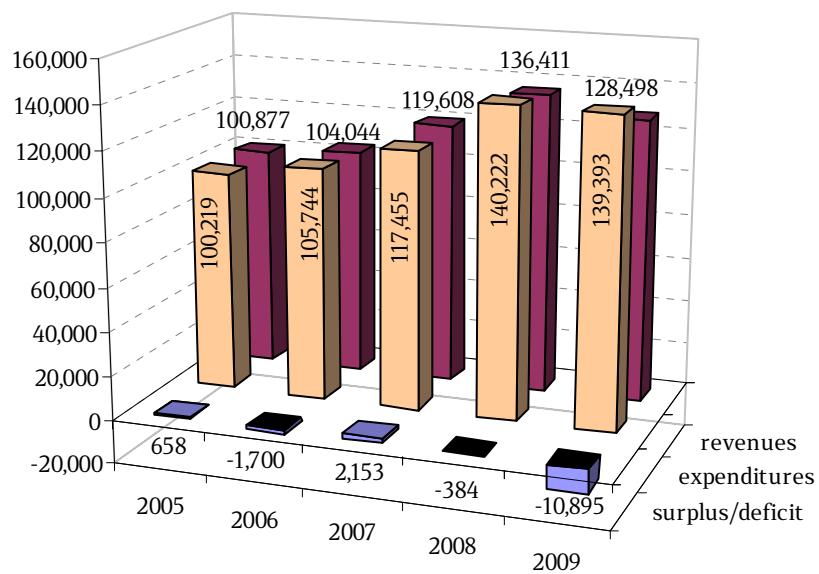
Table 14. Labour Market

	Active population			Activity rates			Labour productivity (percentage change)	Number of unemployed registered in the EARM
	Total	Employed	Unemployed	Activity rate	Employment rate	Unemployment rate		
2002	824,824	561,341	263,483	52.6	35.8	31.9	7.7	371,733
2003	860,976	545,108	315,868	54.5	34.5	36.7	5.9	384,209
2004	832,281	522,995	309,286	52.2	32.8	37.2	8.5	393,238
2005	869,187	545,253	323,934	54.1	33.9	37.3	-0.1	376,187
2006	891,679	570,405	321,274	55.1	35.2	36.0	-0.6	350,920
2007	907,138	590,234	316,904	55.7	36.2	34.9	2.3	365,402
2008	919,425	609,015	310,409	56.3	37.3	33.8	1.6	349,608
2009	928,775	629,901	298,873	56.7	38.4	32.2	-4.0	345,621
2008 Q-1	920,512	600,593	319,919	56.3	36.7	34.8	1.9	359,234
Q-2	917,566	607,125	310,441	56.2	37.2	33.8	3.6	351,423
Q-3	925,073	619,802	305,271	56.7	38.0	33.0	2.1	344,507
Q-4	914,547	608,541	306,006	56.0	37.3	33.5	-0.4	343,266
2009 Q-1	919,026	618,189	300,837	56.2	37.8	32.7	-3.7	350,254
Q-2	933,878	636,516	297,722	57.0	38.8	31.9	-5.9	348,855
Q-3	940,661	642,541	298,120	57.3	39.2	31.7	-5.3	341,729
Q-4	921,534	622,720	298,814	56.1	37.9	32.4	-1.1	341,644

Source: State Statistical Office (Labour Force Survey) EARM, own calculations

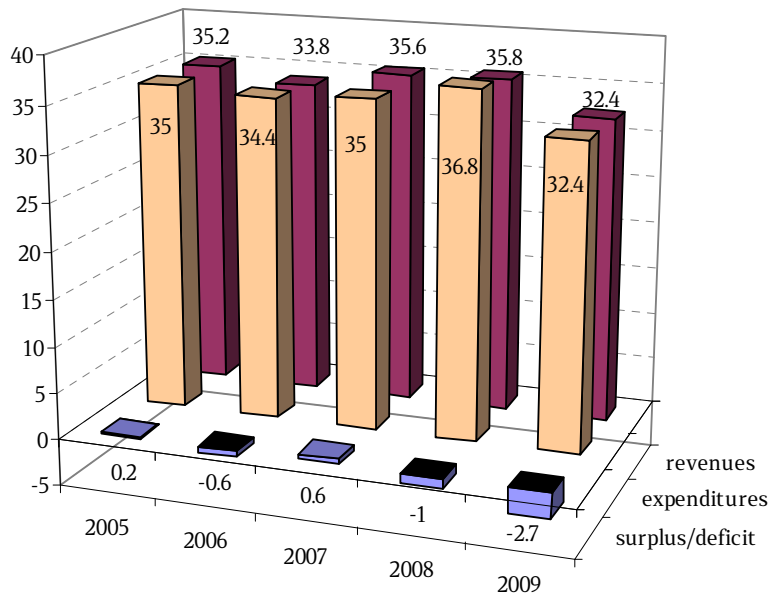
BUDGET AND FUNDS

Chart 1. Total expenditures, total revenues and surplus/deficit of the Budget of the Republic of Macedonia



Source: MoF

Chart 2. Total expenditures, total revenues and surplus/deficit of the Budget of the Republic of Macedonia as % of GDP



Source: MoF

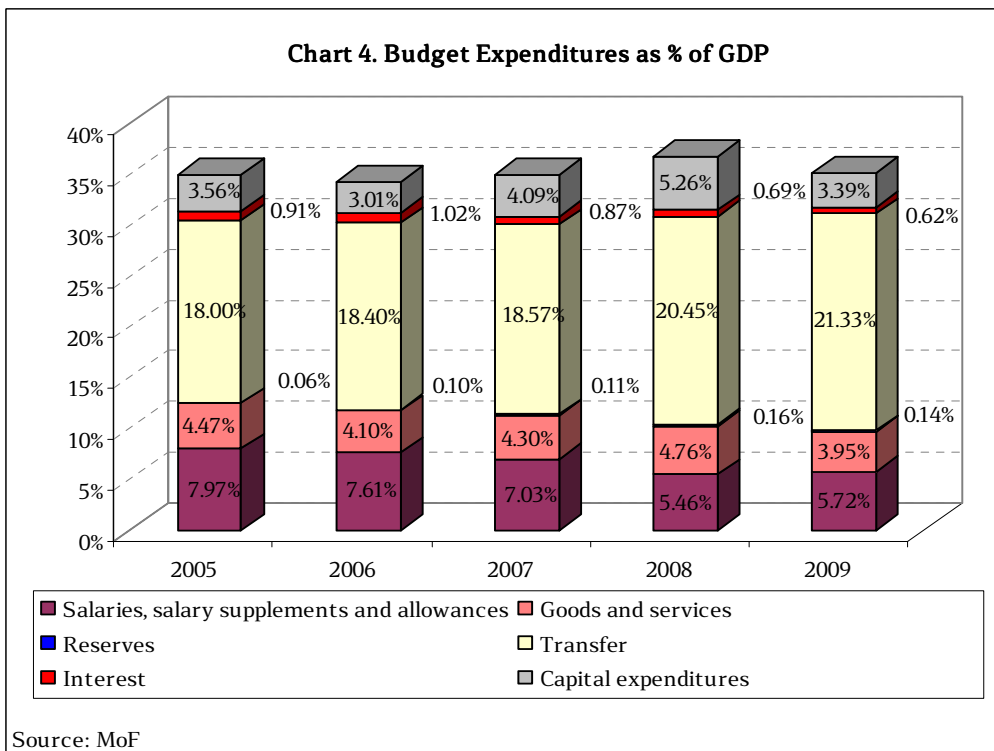
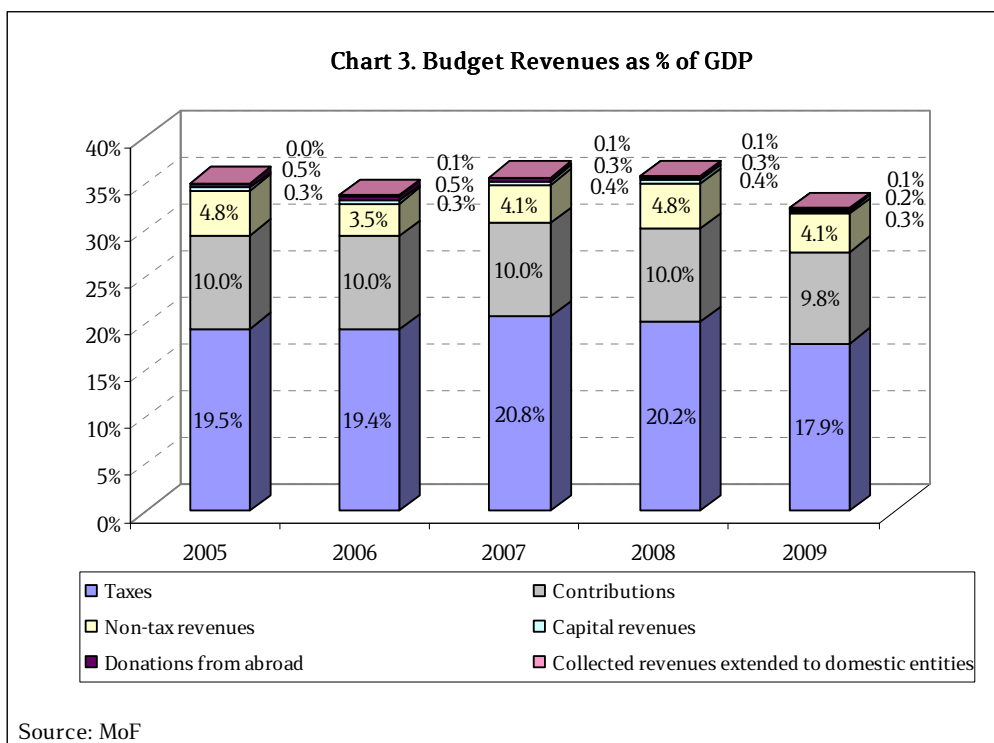


Table 1. Total revenues, total expenditures and surplus/deficit of the Budget of the Republic of Macedonia

Denar million	Revenues	Expenditures	Surplus/Deficit
	1	2	3=1-2
2005	100,877	100,219	658
2006	104,044	105,744	-1,700
2007	119,608	117,455	2,153
2008	136,411	140,222	-3,811
Q-1	33,134	28,874	4,260
Q-2	31,688	31,945	-257
Q-3	37,073	30,710	6,363
Q-4	34,516	48,693	-14,177
2009	128,498	139,393	-10,895
Q-1	31,298	33,231	-1,933
Q-2	31,780	35,357	-3,577
Q-3	31,785	33,008	-1,223
Q-4	33,635	37,797	-4,162
2010 I	9,248	11,560	-2,312

Table 2. Budget Revenues (Central Budget and Funds Budgets)

Denar million	Total revenues	Taxes	Contributions	Non-tax revenues	Capital revenues	Donations from abroad	Collected loans extended to domestic entities
	1=(2+3+4+5+6+7)	2	3	4	5	6	7
2005	100,877	55,985	28,595	13,867	933	1,494	2
2006	104,044	59,774	30,766	10,706	948	1,423	427
2007	119,608	69,761	33,457	13,901	1,397	906	186
2008	136,411	76,854	38,249	18,400	1,390	1,327	191
Q-1	33,134	19,181	8,821	4,552	336	191	53
Q-2	31,688	19,037	9,068	3,035	282	237	29
Q-3	37,073	19,724	9,605	7,189	373	162	20
Q-4	34,516	18,912	10,755	3,624	399	737	89
2009	128,498	71,023	38,837	16,402	1,167	833	237
Q-1	31,298	17,364	9,190	4,160	414	114	57
Q-2	31,780	16,306	9,727	5,173	238	268	68
Q-3	31,785	18,297	9,477	3,533	194	204	80
Q-4	33,635	19,056	10,443	3,536	321	247	32
2010 I	9,248	5,328	2,674	1,024	150	58	14

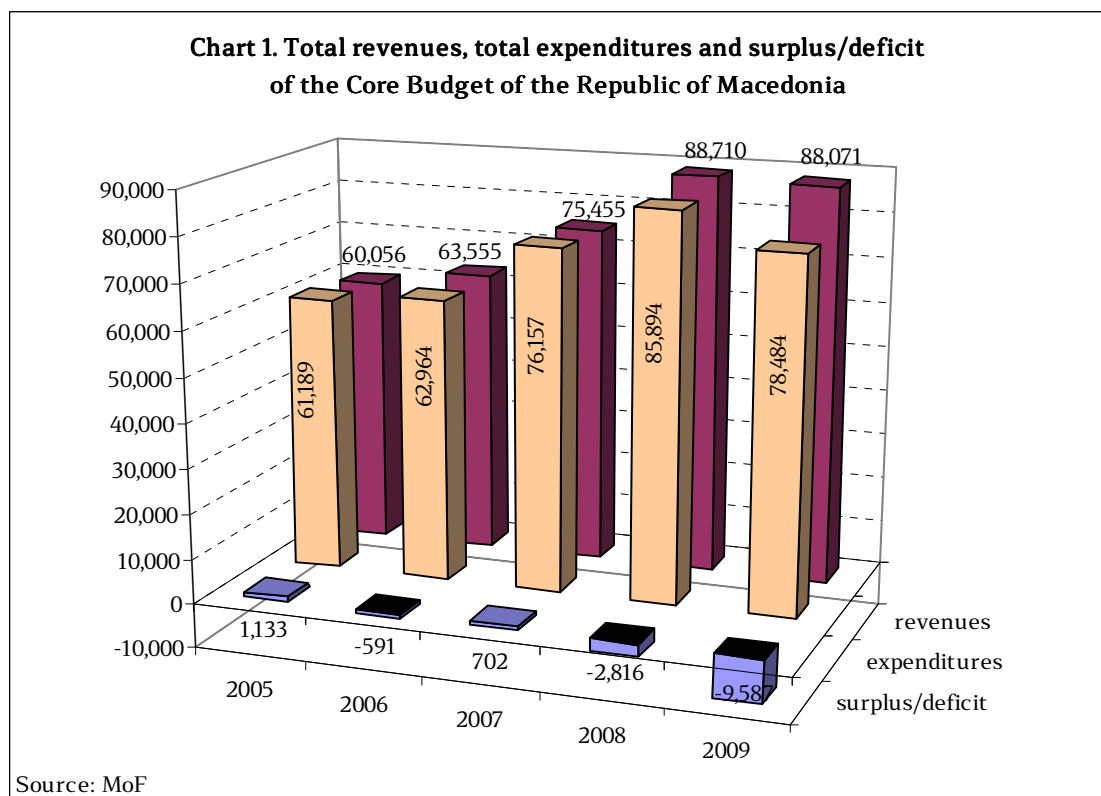
Table 3. Tax revenues of the Budget of the Republic of Macedonia

Denar million	Tax revenues	Personal income tax	Profit tax	VAT	Excises	Import duties	Other tax revenues	Tax revenues (Own accounts)
	1=(2+3+4+5+6+7+8)	2	3	4	5	6	7	8
2005	55,985	8,097	2,837	27,082	11,748	5,266	651	304
2006	59,774	8,414	4,708	27,239	12,174	5,420	1,620	199
2007	69,761	8,892	5,898	32,962	13,265	6,199	2,298	247
2008	76,854	8,696	8,579	36,173	14,276	6,275	2,560	295
Q-1	19,181	2,075	2,823	8,857	3,291	1,320	680	135
Q-2	19,037	2,134	2,075	9,145	3,389	1,675	588	31
Q-3	19,724	1,988	1,747	9,697	3,870	1,666	690	66
Q-4	18,912	2,499	1,934	8,474	3,726	1,614	602	63
2009	71,023	8,710	4,434	35,173	14,533	5,229	2,675	269
Q-1	17,364	2,029	1,996	8,175	3,124	1,304	699	37
Q-2	16,306	2,198	614	7,817	3,662	1,316	641	58
Q-3	18,297	2,141	997	9,205	3,991	1,235	665	63
Q-4	19,056	2,342	827	9,976	3,756	1,374	670	111
2010 I	5,328	582	240	2,365	1,514	267	290	70

Table 4. Budget Expenditures

Denar million	TOTAL EXPENDITURES 1=(2+3+4+5+6+7)	Salaries, salary supplements and allowances 2	Goods and services 3	Reserves 4	Transfers 5	Interest 6	Capital expenditures 7
2005	100,219	22,835	12,802	182	51,597	2,611	10,192
2006	105,744	23,421	12,609	318	56,607	3,137	9,266
2007	117,455	23,607	14,440	366	62,386	2,915	13,741
2008	140,222	20,827	18,146	599	77,942	2,646	20,062
Q-1	28,874	5,220	3,137	28	17,469	420	2,600
Q-2	31,945	4,971	3,994	81	18,771	682	3,446
Q-3	30,710	4,879	3,628	96	18,743	387	2,977
Q-4	48,693	5,757	7,387	394	22,959	1,157	11,039
2009	139,393	22,699	15,656	564	84,601	2,445	13,428
Q-1	33,231	5,570	3,661	96	20,809	503	2,592
Q-2	35,357	5,782	4,328	153	20,699	725	3,670
Q-3	33,008	5,650	3,506	125	20,593	342	2,792
Q-4	37,797	5,697	4,161	190	22,500	875	4,374
2010 I	11,560	1,916	1,117	48	7,098	62	1,321

CORE BUDGET



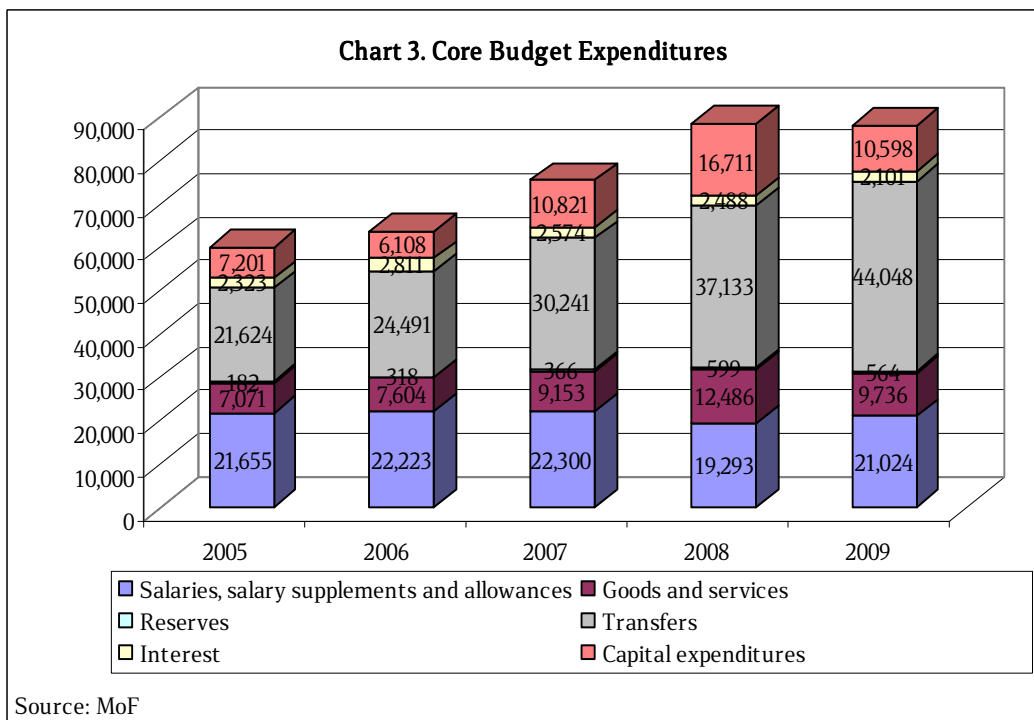
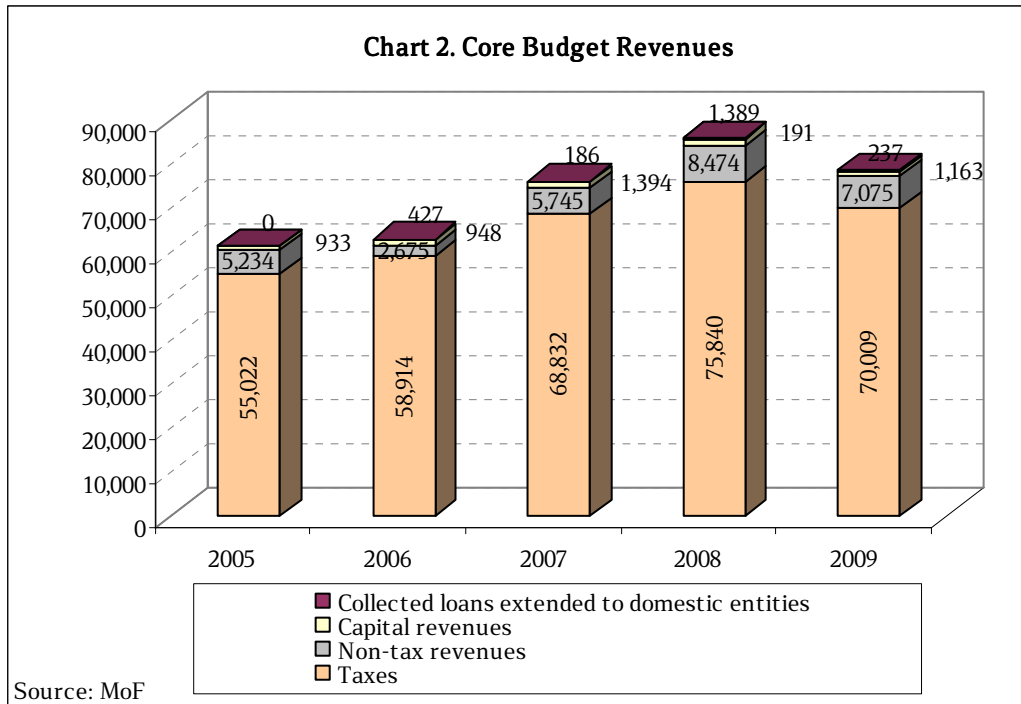


Table 5. Total revenues, total expenditures and Surplus/Deficit of Core Budget

Denar million	Revenues	Expenditures	Surplus/Deficit
	1	2	3=1-2
2005	61,189	60,056	1,133
2006	62,964	63,555	-591
2007	76,157	75,455	702
2008	85,894	88,710	-2,816
Q-1	21,228	17,418	3,810
Q-2	19,895	18,643	1,252
Q-3	24,578	18,098	6,480
Q-4	20,193	34,551	-14,358
2009	78,484	88,071	-9,587
Q-1	19,469	21,791	-2,322
Q-2	19,505	22,776	-3,271
Q-3	19,430	20,624	-1,194
Q-4	20,080	22,880	-2,800
2010 I	5,550	7,519	-1,969

Table 6. Core Budget Revenues

Denar million	Total revenues	Taxes	Non-tax revenues	Capital revenues	Collected loans extended to domestic entities
	1=(2+3+4+5)	2	3	4	5
2005	61,189	55,022	5,234	933	0
2006	62,964	58,914	2,675	948	427
2007	76,157	68,832	5,745	1,394	186
2008	85,894	75,840	8,474	1,389	191
Q-1	21,228	18,890	1,950	335	53
Q-2	19,895	18,829	755	282	29
Q-3	24,578	19,460	4,725	373	20
Q-4	20,193	18,661	1,044	399	89
2009	78,484	70,009	7,075	1,163	237
Q-1	19,469	17,167	1,831	414	57
Q-2	19,505	16,065	3,134	238	68
Q-3	19,430	18,023	1,135	192	80
Q-4	20,080	18,754	975	319	32
2010 I	5,550	5,177	212	147	14

Table 7. Core Budget Tax Revenues

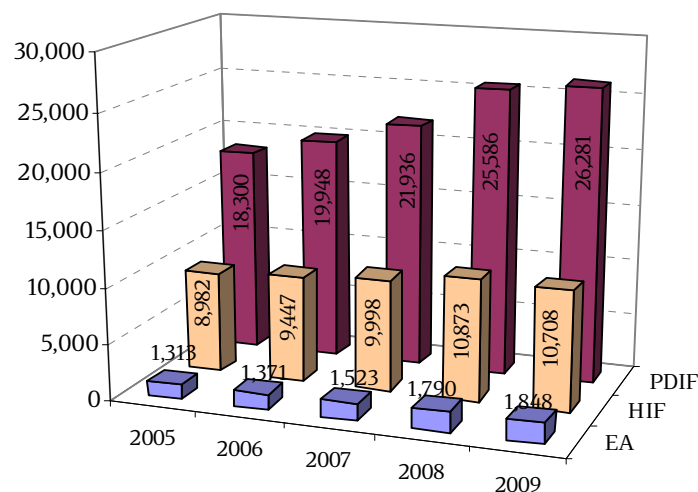
Denar million	Tax revenues	Personal income tax	Profit tax	VAT	Excises	Import duties	Other tax revenues
	1=(2+3+4+5+6+7)	2	3	4	5	6	7
2005	55,022	8,097	2,837	27,082	11,089	5,266	651
2006	58,914	8,414	4,708	27,239	11,513	5,420	1,620
2007	68,832	8,892	5,898	32,962	12,583	6,199	2,298
2008	75,840	8,696	8,579	36,173	13,557	6,275	2,560
Q-1	18,890	2,075	2,823	8,857	3,135	1,320	680
Q-2	18,829	2,134	2,075	9,145	3,212	1,675	588
Q-3	19,460	1,988	1,747	9,697	3,672	1,666	690
Q-4	18,661	2,499	1,934	8,474	3,538	1,614	602
2009	70,009	8,710	4,434	35,173	13,788	5,229	2,675
Q-1	17,167	2,029	1,996	8,175	2,964	1,304	699
Q-2	16,065	2,198	614	7,817	3,479	1,316	641
Q-3	18,023	2,141	997	9,205	3,780	1,235	665
Q-4	18,754	2,342	827	9,976	3,565	1,374	670
2010 I	5,177	582	240	2,365	1,433	267	290

Table 8. Core Budget Expenditures

Denar million	TOTAL EXPENDITURES	Salaries, salary supplements and allowances	Goods and services	Reserves	Transfers	Interest	Capital Expenditures
	1=(2+3+4+5+6+7)	2	3	4	5	6	7
2005	60,056	21,655	7,071	182	21,624	2,323	7,201
2006	63,555	22,223	7,604	318	24,491	2,811	6,108
2007	75,455	22,300	9,153	366	30,241	2,574	10,821
2008	88,710	19,293	12,486	599	37,133	2,488	16,711
Q-1	17,418	4,854	2,079	28	8,352	394	1,711
Q-2	18,643	4,604	2,658	81	8,077	668	2,555
Q-3	18,098	4,517	2,497	96	8,387	355	2,246
Q-4	34,551	5,318	5,252	394	12,317	1,071	10,199
2009	88,071	21,024	9,736	564	44,048	2,101	10,598
Q-1	21,791	5,128	2,508	96	11,368	408	2,283
Q-2	22,776	5,325	2,776	153	10,970	637	2,915
Q-3	20,624	5,266	2,221	125	10,555	303	2,154
Q-4	22,880	5,305	2,231	190	11,155	753	3,246
2010 I	7,519	1,796	974	48	3,463	60	1,178

FUNDS

Chart 1. Social contributions (PDIF, HIF and Employment Agency)



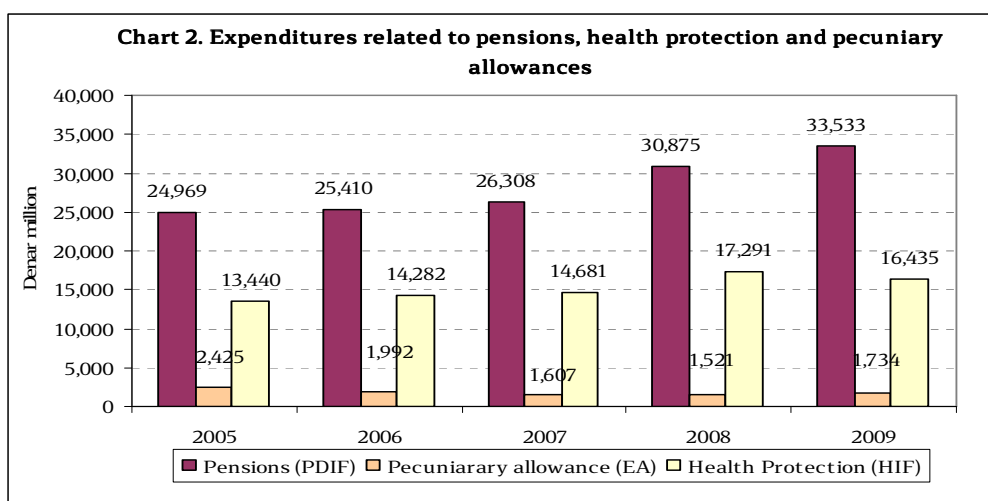
Source: MoF

Table 9. Social Contributions (PDIF, HIF and Employment Agency)

Denar million	PDIF	HIF	EA	TOTAL CONTRIBUTIONS
2005	18,300	8,982	1,313	28,595
2006	19,948	9,447	1,371	30,766
2007	21,936	9,998	1,523	33,457
2008	25,586	10,873	1,790	38,249
Q-1	5,954	2,451	416	8,821
Q-2	6,024	2,619	425	9,068
Q-3	6,481	2,688	436	9,605
Q-4	7,127	3,115	513	10,755
2009	26,281	10,708	1,848	38,837
Q-1	6,185	2,566	439	9,190
Q-2	6,650	2,627	450	9,727
Q-3	6,412	2,608	457	9,477
Q-4	7,034	2,907	502	10,443
2010 I	1,820	728	126	2,674

Table 10. Expenditures related to pensions, health protection and pecuniary allowances

Denar million	Pensions (PDIF)	Health Protection (HIF)	Pecuniary allowance (EA)
2005	24,969	13,440	2,425
2006	25,410	14,282	1,992
2007	26,308	14,681	1,607
2008	30,875	17,291	1,521
Q-1	7,215	4,185	368
Q-2	7,580	4,282	402
Q-3	7,895	4,072	377
Q-4	8,185	4,752	374
2009	33,532	16,435	1,734
Q-1	8,231	4,285	387
Q-2	8,337	4,178	458
Q-3	8,426	3,952	433
Q-4	8,538	4,020	456
2010 I	2,794	1,321	159



ATTACHEMENT

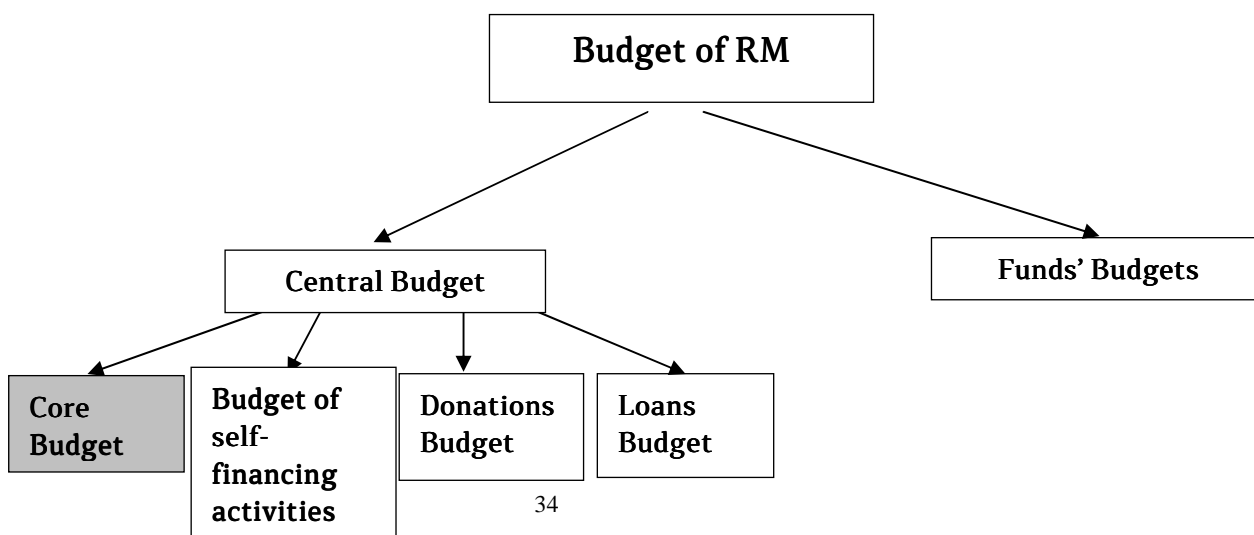
METHODOLOGY OF FISCAL TABLE OF THE BUDGET OF THE REPUBLIC OF MACEDONIA

Methodology used when preparing the fiscal tables (showing the projected, i.e. realized deficit or surplus), i.e. showing revenues and expenditures **above the line** and inflows (borrowing, privatisation and concession proceeds) and outflows (repayment of debt principal) **below the line** (whereby “line” means line showing deficit/surplus), is according to the IMF Government Finance Statistics Manual (GFS Manual 1986). However, when preparing the balance sheets of the Budget of the Republic of Macedonia, inflows are also shown as revenues, i.e. outflows as expenditures. Principle of balancing, i.e. equalizing revenue (including inflows) and expenditure side (including outflows) is applied on the balance sheets, during the budget planning process. When shown in the fiscal tables, revenues and expenditures are above the line, while inflows and outflows below the line. Difference between revenues and expenditures is equal to surplus or deficit. Surplus, i.e. deficit should be equal to the financing below the line, but with opposite sign. Thus, if there is a deficit (negative sign), there should be financing (positive sign). Financing is obtained as difference between inflows and outflows and net changes in deposits (being actually residual of the three previously mentioned categories: inflows, outflows and deficit/surplus).

As for fiscal tables, net changes in deposits are shown below the line under inflows (shown with “-“ if there is increase in deposits, or with “+“ if there is drawing down of deposits

1. Basic scheme of fiscal table according to GFS Methodology

REVENUES	
EXPENDITURES	
SURPLUS/DEFICIT	= REVENUES - EXPENDITURES line
FINANCING	= surplus/ deficit with opposite sign, i.e. inflows-outflows
INFLOWS	
DEPOSITS	+/-
OUTFLOWS	



PUBLIC DEBT

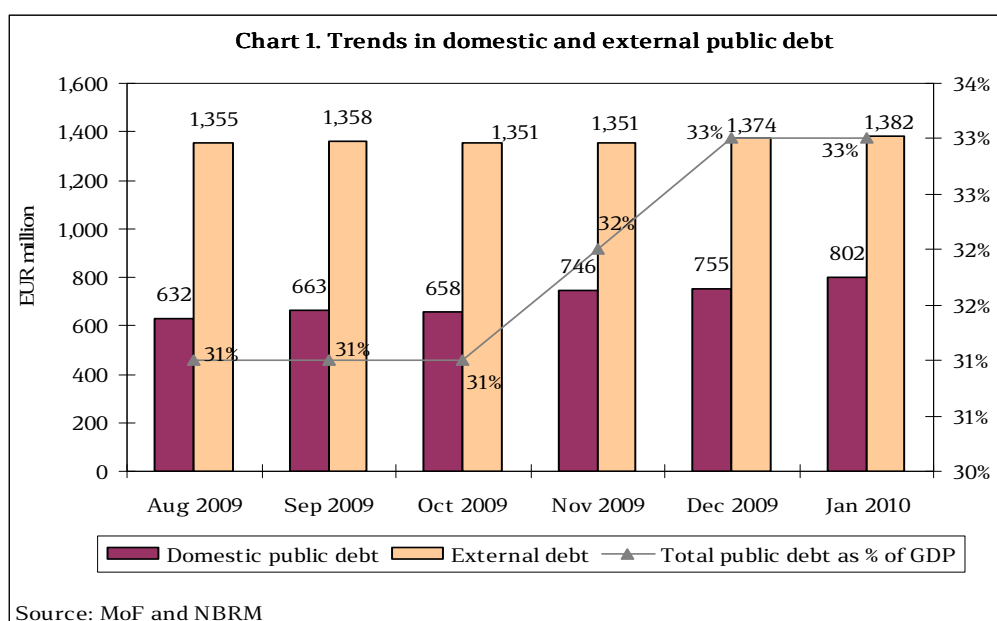
STOCK OF PUBLIC DEBT

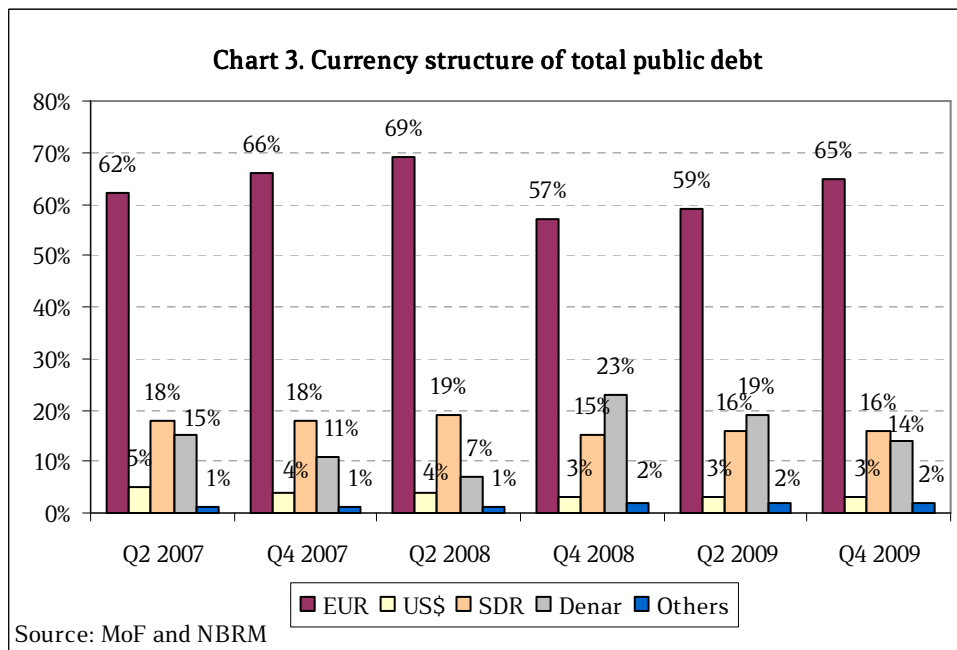
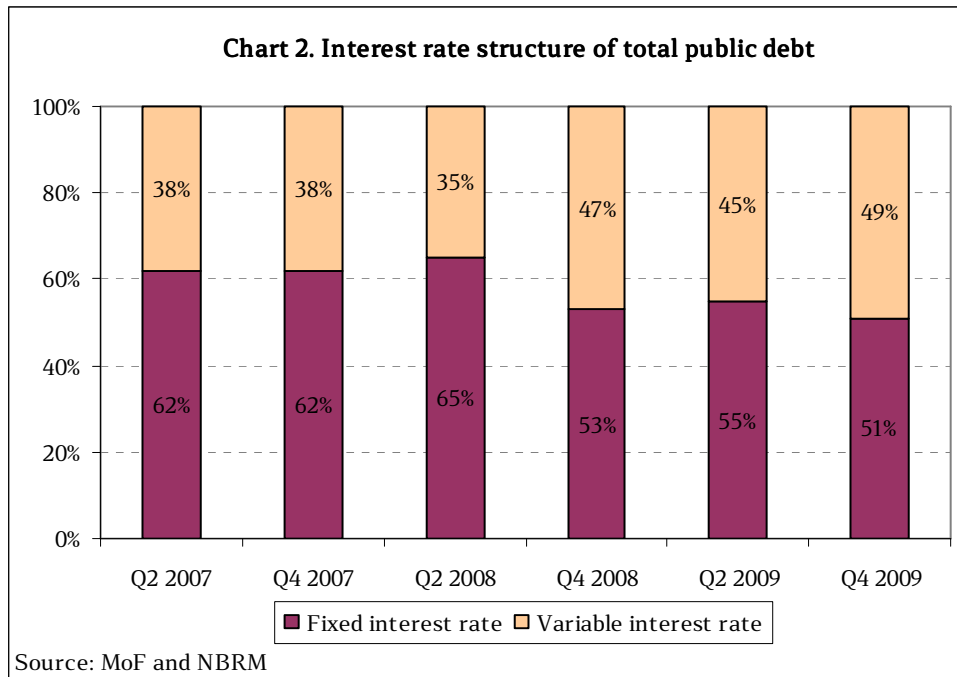
Table 1. Stock of public debt

(EUR million)

	Dec. 2007	Dec. 2008	Dec. 2009
EXTERNAL PUBLIC DEBT	1,027.90	1,115.70	1,373.80
General government debt	877.2	921.2	1,105.3
Central government debt (consolidated)	877.2	921.2	1,105.3
Central Government	841.8	886.7	1,074.4
Public Funds	35.4	34.6	30.9
Municipalities	0	0	0
Central Bank	0	0	71.7
Public enterprises	150.6	194.5	196.8
DOMESTIC PUBLIC DEBT	555.6	754.5	755
General government debt	552.8	465.9	492
Central government debt	552.8	465.5	491.7
Structural bonds	396.3	343.5	282.5
Bonds for selective credits	17	16.9	16.9
Bonds for privatisation of Stopanska banka	60.1	51.5	42.9
Bond for old foreign exchange saving	203.9	152.9	101.9
Denatolization bond	115.4	122.2	120.7
Continuous GS	156.5	122	209.2
Municipalities	0	0.4	0.3
Central Bank	344.3	285.2	260.4
Public enterprises	2.8	3.5	2.7
TOTAL PUBLIC DEBT - GFS Metodology and Law on Public Debt	1,583.5	1,870.2	2,128.8
GDP	5,544.0	6,507.0	6,466.0
Average export	2,594.50	2,684.00	2,107.00
External debt as % of total public debt	64.9	59.7	64.5
Domestic debt as % of total public debt	35.1	40.3	35.5
Total public as % of GDP	28.6	28.7	32.9
Total public debt as % of average export	61	69.7	101
General government debt	1,430.0	1,387.1	1,597.2
External debt of the general government as % of general government debt	61.3	66.4	69.2
Domestic debt of the general government as % of total general government debt	38.7	33.6	30.8
General government debt as % of GDP	25.8	21.3	24.7

Source: MoF and NBRM





DISBURCEMENT ON THE BASIS OF EXTERNAL AND DOMESTIC BORROWING

Table 2. Net issue of continuous government securities and structural bonds

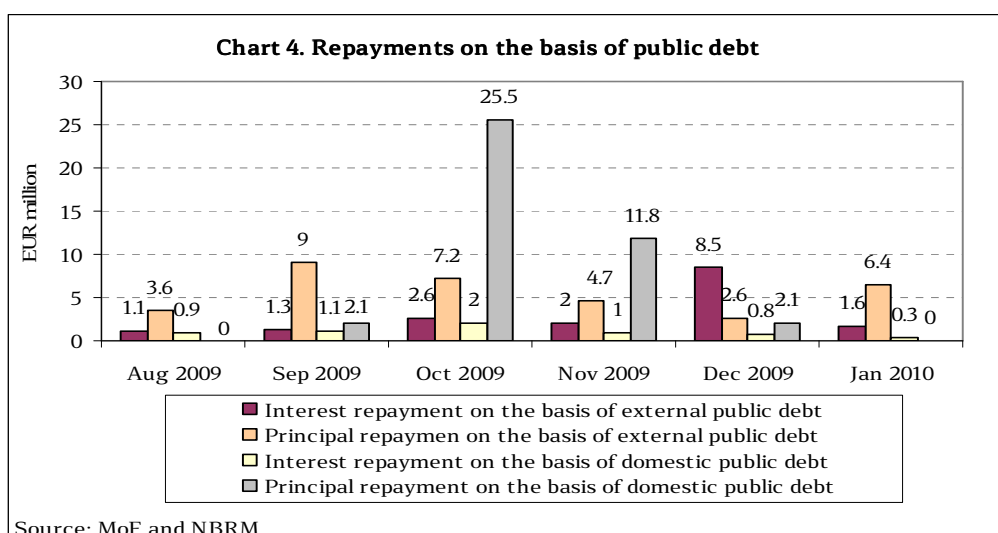
	EUR million	Q-1 2009	Q-2 2009	Q-3 2009	Q-4 2009	Jan. 2010
I	Net issue of government securities	85.1	-51.2	-16.4	67.6	18,68
1	1-month GS	66.8	-67	0	0	0
2	3-months GS	24.7	-2.2	-51.3	11.7	0
3	6-months GS	-1.3	-4.1	29.6	69.5	18,76
4	12-months GS	-1.1	21.9	5.3	-1.8	-0,08
5	2-year government bond	-3.9	0.2	0	-7.1	0
6	3-year	0	0	0	-4.8	0

Table 3. Results of Auctions of GS

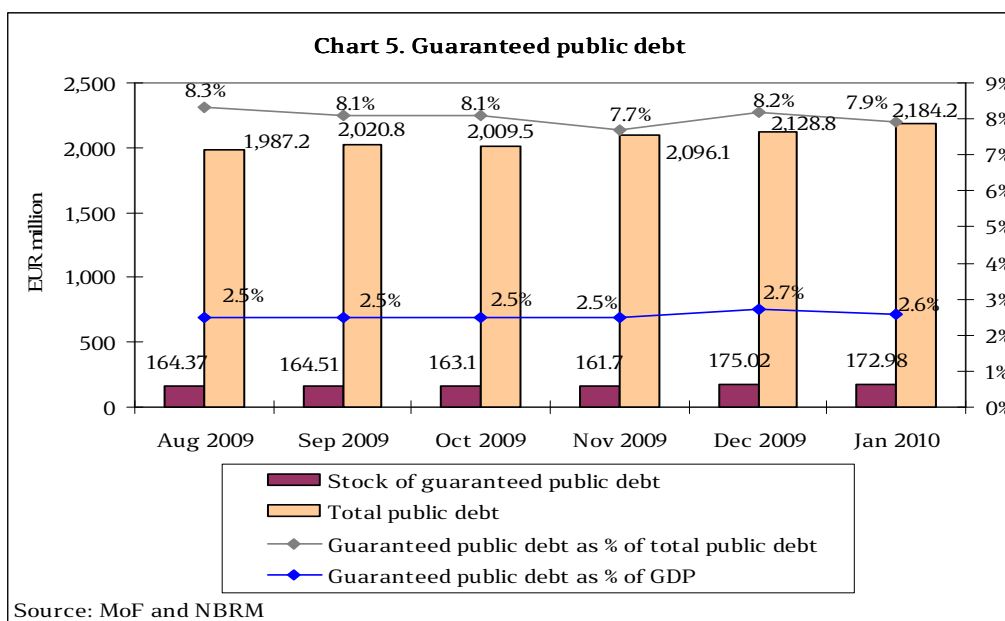
Results of Auctions of GS	
	January 2010
	DZ2010/01-180 dk
ISIN code	MKMINFDZA019
Type of tender	Tender with amounts (with a limited-price)
Date/year of maturity	180
Auction date	05.01.2010
Date of maturity	07.07.2010
Exchange rate Den/EUR	61.1659
Interest rate	5.20%
Price	97.4659
Offer	1,900,000,000
Demand	1,780,810,000
Realization	1,780,810,000

Source: MoF

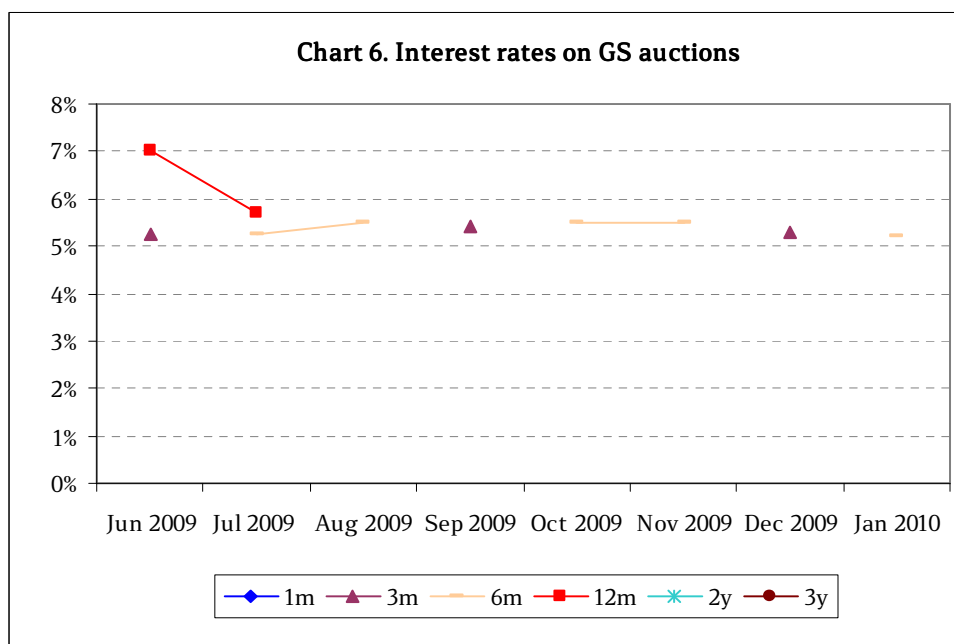
SERVICING OF TOTAL PUBLIC DEBT

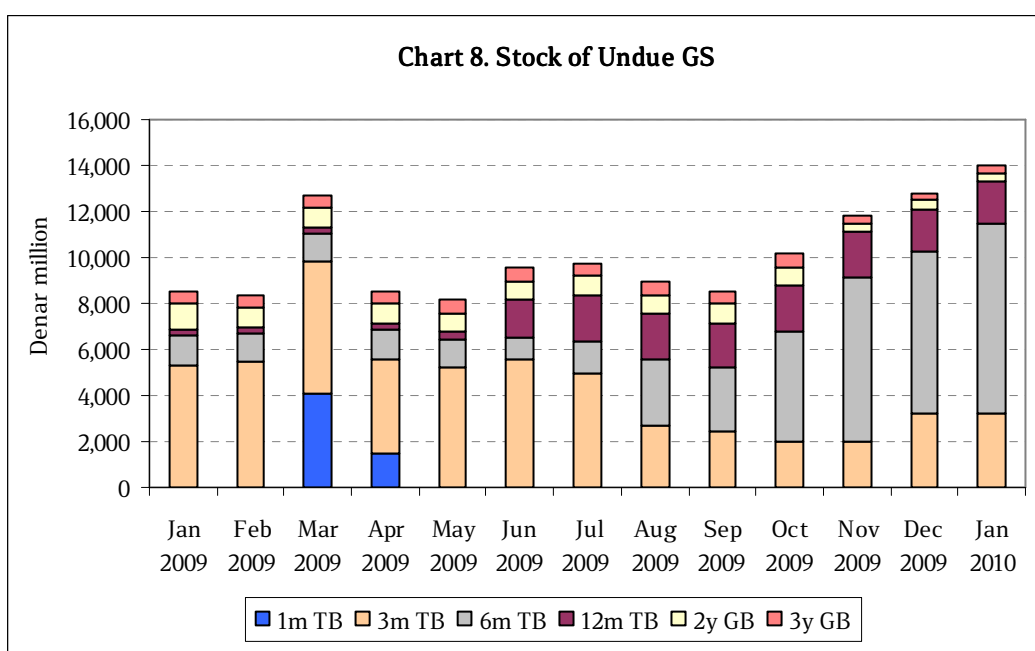
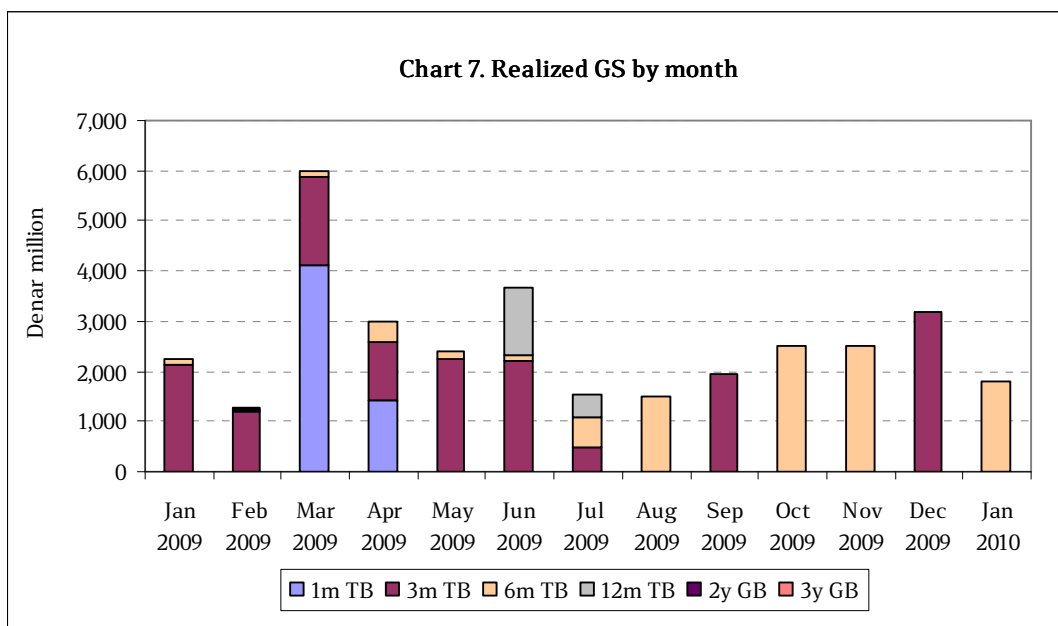


GUARANTEED PUBLIC DEBT



GOVERNMENT SECURITIES





Methodology

Public debt of the Republic of Macedonia comprises sovereign debt and the debt of public enterprises fully or predominantly owned by the state, debt of municipalities, municipalities in the City of Skopje and the City of Skopje, and the debt of the National Bank of the Republic of Macedonia. Thus, Government of the Republic of Macedonia, municipalities and municipalities in the City of Skopje and the City of Skopje, public enterprises and companies fully or predominantly owned by the state, municipalities, municipalities in the City of Skopje and the City of Skopje, and the National Bank of the Republic of Macedonia can be issuers of public debt.

This definition on public debt is included in the Public Debt Law (Official Gazette of the Republic of Macedonia, nos. 62/2005, 88/2008) and it represents what is known as national methodology for calculating the public debt. According to the modifications and amendments to the Law on Public Debt, methodology for presenting the public debt is harmonized pursuant to the Law on Public Debt and the GFS Methodology, whereby total public debt also includes the debt of the National Bank of the Republic of Macedonia. GFS Methodology is included in the IMF Government Financial Statistics Manual, issued by IMF, and it is often applied methodology to calculate public sector debt.