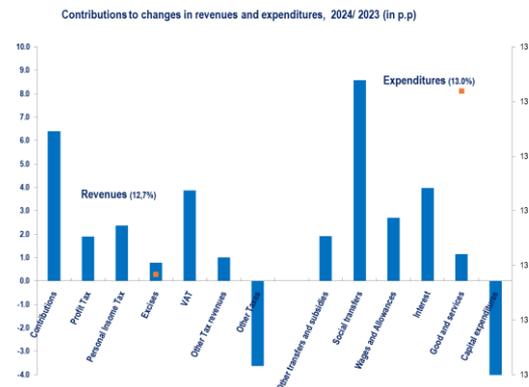
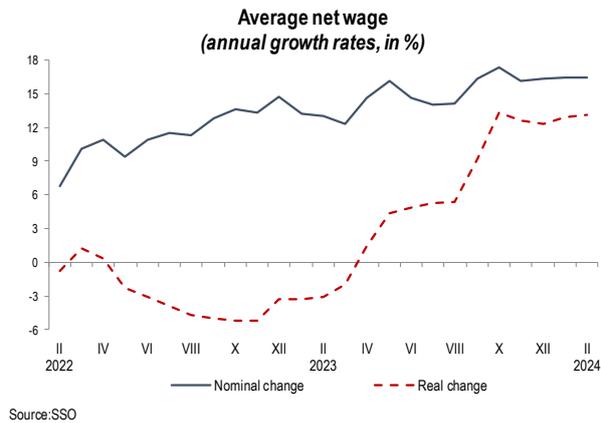




## MONTHLY NEWSLETTER – APRIL 2024

- In March 2024 **industrial production** decreased by 10.4% annually. In the first three months of 2024, industrial production decreased by 3.1%, as a result of the fall in Electricity, gas, steam and air conditioning supply by 24.5%, Mining by 2.3%, and Manufacturing by 0.5%.
- In April 2024, **inflation rate** stayed at a level of 4.0% y/y, (same as in March 2024). In the period January-April 2024, inflation was 3.6%, prices of food increased by 3.0% (y/y) and the core inflation increased by 4.8%.
- In the first three months of 2024, **export of goods** dropped by 9.2% on annual basis, while **import of goods** drop by 0.9%, which led to an increase of the **trade deficit** by 27.3% compared to the same period of 2023.
- In the period January-February 2024, **average net wage** recorded an annual growth of 16.5% in nominal terms and a 13.0% increase in real terms. In February 2024, the average net wage amounted to Denar 39,276 (EUR 638), with the average gross wage amounting to Denar 58,967 (EUR 957).



- In March 2024, bank **lending** grew by 6.1% y/y, with lending to corporate sector and lending to households increasing by 5.4% y/y and 6.8% y/y respectively. **Total deposits** were higher by 9.3% y/y, reflecting a sustained growth in both household (8.7% y/y) and corporate deposits (12.2% y/y).
- In April 2024, Credit Agency "Fitch", affirmed the credit rating of the country at BB + with stable outlook.
- In the period January-April 2024, total budget revenues were realized 31.7% of the Budget for 2024. **Budget revenues** grew by 12.7% y/y, whereby tax revenues picked up by 18.6% y/y, while social contributions increased by 19.7% y/y. Higher tax revenues were driven by other tax revenues ,VAT,PIT, import duties ,profit tax and excises.
- Total expenditures in the period January-April 2024 were realized 32.8% of the Budget for 2024. **Budget expenditures** grew by 13.0% y/y. Current expenditures surged by 21.1% y/y, while capital expenditures recorded lower execution by 39.3%. **Budget deficit** stood at 1.46% of MoF- projected GDP for 2024.



Key macroeconomic indicators and projections

	2016	2017	2018	2019	2020	2021	2022	2023
Real GDP growth, %	2.8	1.1	2.9	3.9	-4.7	4.5	2.2	1.0
Nominal GDP, million EUR	9,657	10,038	10,744	11,262	10,852	11,836	13,033	13,656
Average annual inflation, %	-0.2	1.4	1.5	0.8	1.2	3.2	14.2	9.4
Budget balance, % of GDP	-2.7	-2.7	-1.8	-2.0	-8.0	-5.3	-4.4	-4.9
General government debt, e.o.p., % of GDP	39.9	39.4	40.4	40.5	50.8	51.4	50.5	53.1*
Current account balance, % of GDP	-2.6	-0.8	0.2	-3.0	-2.9	-2.8	-6.1	0.7
Average unemployment rate, %	23.7	22.4	20.7	17.3	16.4	15.4	14.4	13.1
Average exchange rate MKD/EUR	61.6	61.6	61.5	61.5	61.7	61.6	61.6	61.6
Key monetary policy rate (average), %	3.73	3.27	2.92	2.29	1.65	1.29	2.46	5.8
Foreign reserves, e.o.p., % of GDP	27.1	23.3	26.7	29.0	31.0	30.8	29.6	31.3

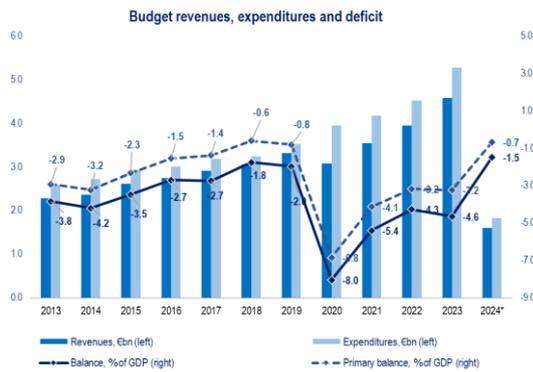
\*Actual for Q4 2023

Latest GDP and inflation estimates and forecasts

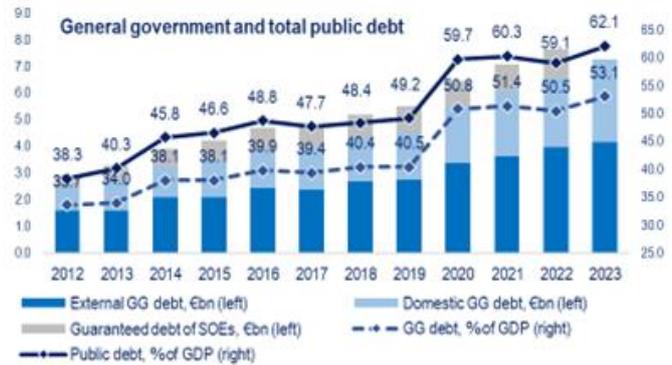
	Real GDP growth, %	Average inflation, %
	2024	2024
IMF, WEO (April 2024)	2.7	4.0
European Commission (November 2023)	2.7	4.1
World Bank (April 2024)	2.5	3.0
National Bank (November 2023)	3.0	3.5-4.0
MoF, North Macedonia (December 2023)	3.4	3.6

Credit rating, latest

	Rating	Outlook
Standard & Poor's, January 2024	BB-	Stable
Fitch, April 2024	BB+	Stable

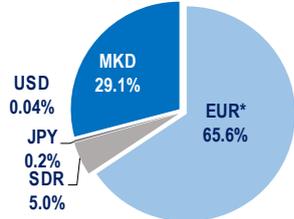


\*2024 (April) Budget data and MoF GDP forecast



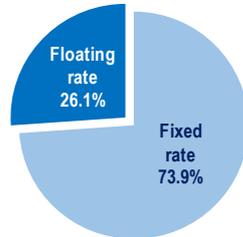
Starting Q2 2019, public debt also includes non-guaranteed debt of SOEs  
\* Ratio using MoF - GDP forecast for 2023

GG debt - Currency structure, Q4 2023

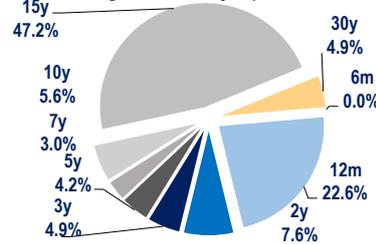


\*Includes FX-linked domestic government

GG debt - Interest rate structure, Q4 2023



Domestic government securities - original maturity, April 2024



Domestic government securities, EUR m

Outstanding, 31st April 2024	3,330.8
- Of which without FX clause	2,422.9
- Of which with FX clause	907.9
Total planned net issuance for 2024	358.3
Of which net issued by April 2024	296.3

\* includes roll-over of T-Bonds + net issuance of GS

Yields on domestic government securities issued on the primary market during March 2024

in %	3m	6m	12m	2y	3y	5y	7y	10y	15y	30y
Without FX clause			3.80			4.20			5.60	
With FX clause										

Republic of North Macedonia outstanding eurobonds, at the end of April 2024

Maturity date	Rating		Original/outstanding size (mn)	Coupon	Price	Yield	Bid Spread vs. BM	Bid z-Spread vs. MS
	S&P	F						
Jan-25	BB-	BB+	€ 500	2.750%	97.98	5.669	223	194
Jun-26	BB-	BB+	€ 700	3.675%	97.11	5.170	216	188
Mar-28	BB-	BB+	€ 700	1.625%	87.22	5.387	241	282
Mar-27	BB-	BB+	€ 500	6.960%	104.25	5.313	223	202