



# *SHORT-TERM ECONOMIC TRENDS*



**November 2024**



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**SUMMARY**  
**OF THE MOST IMPORTANT SHORT-TERM ECONOMIC TRENDS**  
**November 2024**

- In November 2024, industrial production recorded a drop by 3.5% compared to the same month previous year.
- In November 2024, industrial producer prices on the domestic market were higher by 5.6% compared to the same month last year.
- In November 2024, the industrial turnover, compared to November 2023, recorded a drop by 7.5%.
- Inflation rate in November 2024 accounted for 4.3% on annual basis, recording acceleration of growth (3.5% in October 2024). On monthly basis, inflation recorded growth of 1.0%.
- Export in the period January - November 2024 dropped by 5.8%, while import dropped by 0.6%, resulting in increase of the trade deficit by 15.3% compared to the same period in 2023.
- In the period January – November 2024, collection of total budget revenues of the Republic of North Macedonia amounted to Denar 277,082 million, accounting for 87.1% of the 2024 projections, i.e. being an increase of 11.5% compared to collected budget revenues for the same period in 2023.
- Total budget expenditures were executed in the amount of Denar 306,738 million in the period January – November 2024, accounting for 84.5% of the annual projections, i.e. an increase of 10.8% compared to same period of 2023.
- Total credits of banks in November 2024 grew by 9.7% compared to November 2023, while total deposit potential of banks surged by 11.0%.



## 1. REAL SECTOR

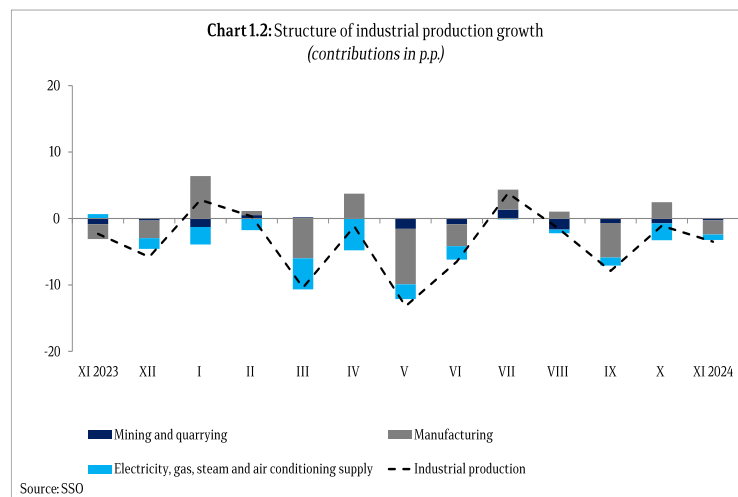
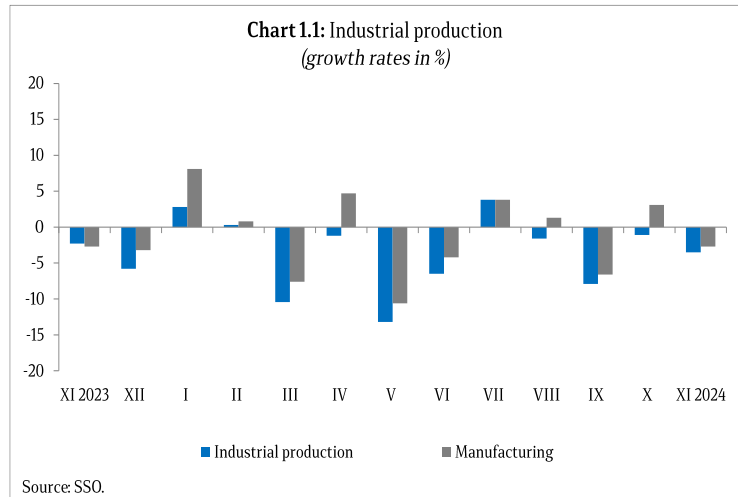
### Industrial Production

In November 2024, industrial production recorded a drop by 3.5% compared to the same month previous year. Drop was due to the reduced production at Mining and quarrying by 3.2%, Manufacturing by 2.7% and Electricity, gas, steam and air-conditioning supply by 6.7%.

Increase in production in November 2024 compared to November 2023 was registered only at 10 out of total of 27 industrial branches, comprising 24.9% in the total industry.

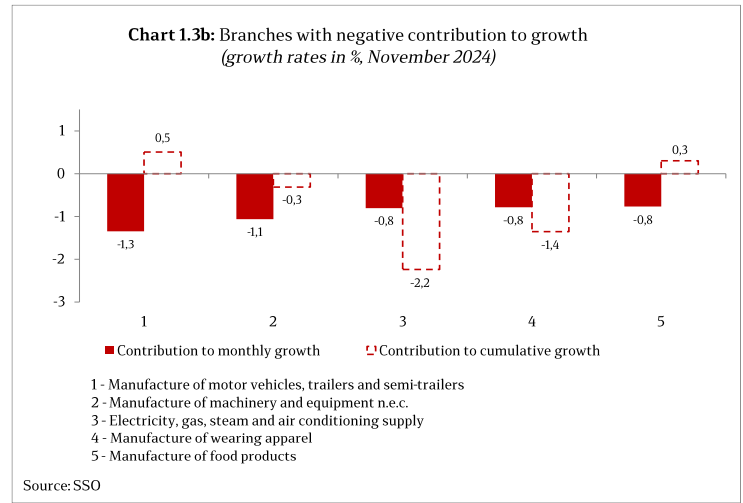
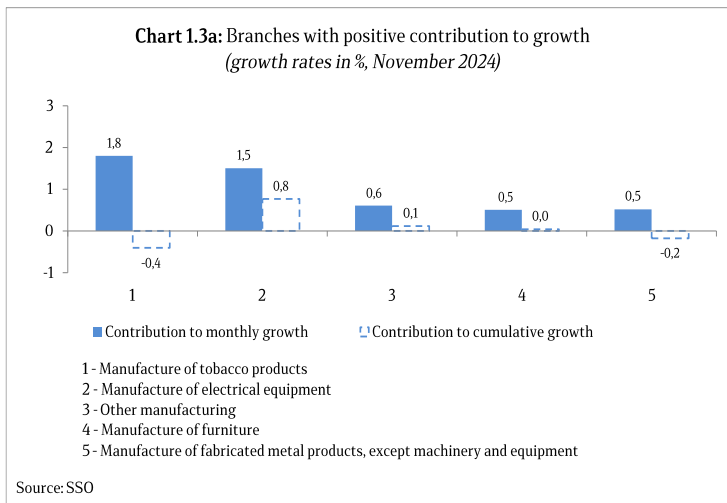
As for branches with higher value added, increase in November 2024 was observed at the following branches: Manufacture of electrical equipment by 28.2% and contribution of 1.5 p.p. and Production of metals by 5.6% and contribution of 0.3 p.p., of whereas decrease in the branches: Manufacture of motor vehicles, trailers and semi-trailers by 10.2% and contribution of -1.3 p.p. and Manufacture of machinery and equipment by 16.7% and contribution of -1.1 p.p..

Traditional branches in November 2024 recorded increase in production throughout the following branches: Manufacture of tobacco products by 144.4% and contribution of 1.8 percentage points, Manufacture of wood and wood and cork products by 39.9% and contribution of 0.3% percentage points, whereas decrease in production was observed with branches: Manufacture of leather by 3.9% and contribution of 0.0 percentage points, Manufacture of wearing apparel by 12.4% and contribution of -0,8 percentage points, Manufacture of beverages by 2.8%, with contribution of -0,1 percentage points, Manufacture of textile by 5.8% and contribution of -0.3 percentage point and Food industry by 7.5% with contribution of -0.8 percentage points.





Industrial production with respect to purpose of production units in November 2024 compared to respective month in 2023 decreased in the following groups: Energy (drop by 6.6% and contribution of -0.8 p.p.), Capital

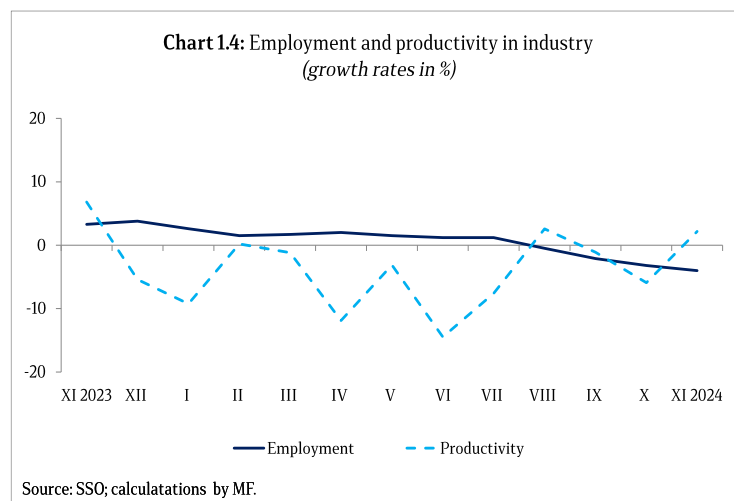


goods (drop by 11.1% and contribution of -2.6 p.p.), Non-durable consumer goods industry (dropping by 6.9% and contribution of -2.1 p.p.), whereas production increased in the following groups: Intermediate goods, except energy (increase by 4.3%, contribution of 1.3 p.p.) and Consumer durables (increasing by 36.2% and contribution of 1.3 p.p.).

As per the purpose of production units, in the period January - November 2024, growth was seen at the following groups: Consumer durables (by 10.2%), with no changes in the Capital goods group, while drop was seen at the following branches: Energy (by 18.4%), Intermediate goods except energy (by 1.9), and Consumer non-durables (by 4.1%).

### Number of Employees in the Industry

In November 2024, number of employees in the industry increased by 4.0% compared to the same month in the previous year. Drop was due to decreased number of employees in the Manufacturing sector by 4.7%, whereas growth was recorded at Mining and Quarrying by 4.9% and Electricity, gas, steam and air-conditioning supply by 1.1%. Increase in the number of employees was seen at the following branches: Manufacture of machinery and equipment, n.e.c. by 34.0%, Manufacture of beverages by 12.1%, and Coal and lignite quarrying by 11.8%.



Data on the number of employees in the industry by target groups in November 2024, compared to the same period last year, showed increase in the number of employees at the following groups: Energy by 4.5% and Consumer durables by 24.6%.

Cumulative data indicate that the number of employers in the industry in the January - November 2024 period recorded growth of 0.1% due to the increased number of employees throughout sectors: Mining and quarrying by 5.1%, Electricity, gas, steam and air-conditioning supply by 0.9% whereas a decrease by 0.2% is recorded in the sector Manufacturing.



As regards target groups, number of employees in the industry in the period January - November 2024 increased in the sectors as follows: Energy by 4.5%, Capital goods by 11.6% and Consumer durables by 16.0%.

### Industrial producer prices on the domestic market

In November 2024, industrial producer prices on the domestic market were higher by 5.6% compared to the same month last year. Increase was due to raised prices throughout the following sectors: Manufacturing by 4.2%, Electricity, gas, steam and air-conditioning supply by 14.3% and Water supply; Sewerage, waste management and remediation activities by 4.5%, whereas in the sector Mining and quarrying the sale prices decreased by 1.7%.

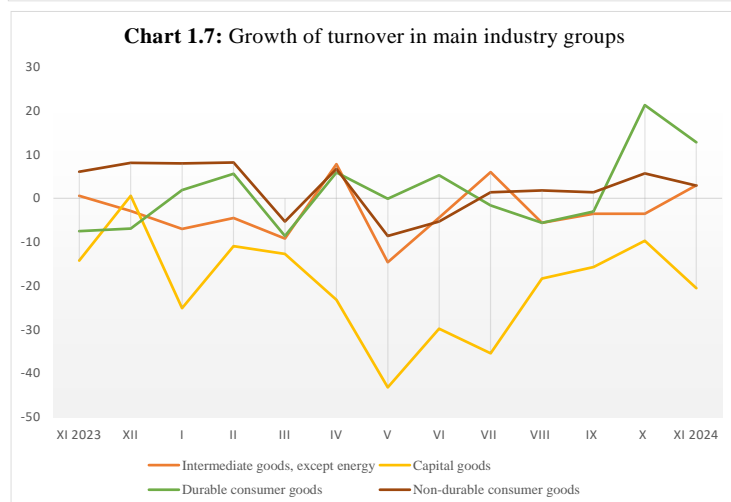
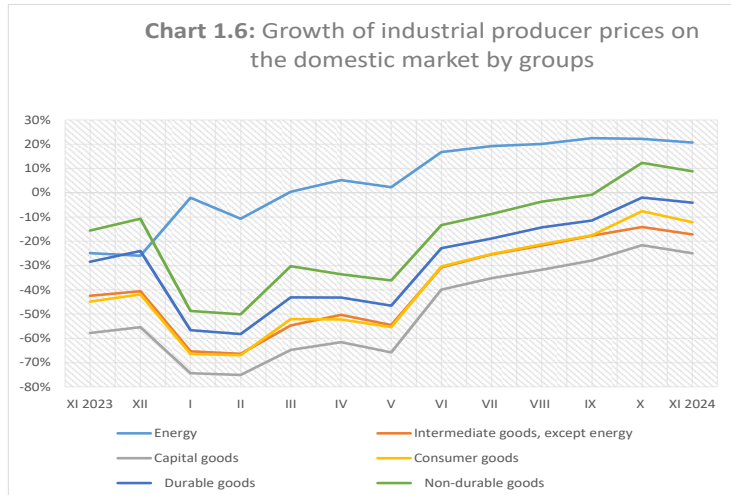
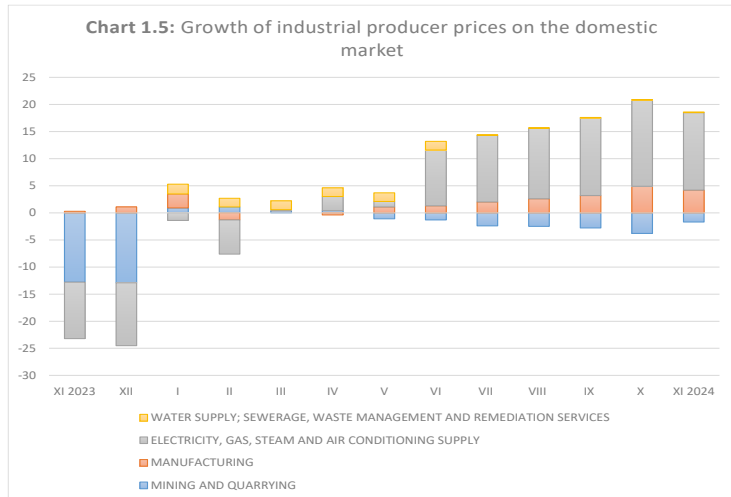
In November 2024 compared to the respective month in 2023, industrial producer prices on the domestic market were higher in the groups: Energy by 13.1%, Consumer goods by 8.1%, Consumer durables by 5.1% and Consumer non-durables by 8.2%.

In the period between January - November 2024 compared to the same period last year, sale prices of industrial producer prices on the domestic market were higher by 2.2% on cumulative basis, due to increased prices throughout the following sectors: Manufacturing by 1.3%, Electricity, gas, steam and air-conditioning supply by 6.8% and Water supply; Sewerage, waste management and remediation activities by 2.9%, whereas in the sector Mining and quarrying, the sale prices decreased by 1.2%.

In the period between January - November 2024 compared to the same period in 2023, industrial producer product prices on the domestic market were higher in the groups as follows: Energy by 6.4%, Consumer goods by 5.9%, Consumer durables by 4.3% and Consumer non-durables by 6.0%.

### Index in industrial turnover

In November 2024, the industrial turnover, compared to November 2023, recorded a drop by 7.5% as per the State Statistical Office's data. The drop was due to the





decreased turnover in the Manufacturing by 8.2%, while a growth of 14.3% was observed in the Mining and quarrying sector.

In November 2024 compared to November 2023, industrial turnover increased in the groups as follows: Intermediate goods, except energy by 3.0%, Consumer durables by 12.8%, and Consumer non-durables by 2.9%.

Branches with highest turnover growth in the industry in November 2024 compared to the same month last year were the following:

- Manufacture of other transport equipment (recording growth of 107.0%),
- Manufacture of wood and wood and cork products, except furniture, Manufacture of articles of straw and plaiting materials (increase of 27.3%), and
- Repair and installation of machinery and equipment (recording growth of 21.5%).

On cumulative basis, in the period between January - November 2024, compared to the same period last year, the industrial turnover recorded a drop by 10.8%, due to decline in turnover in the Manufacturing by 11.2%, whereas turnover in the Mining and quarrying sector recorded an increase 1.1%.

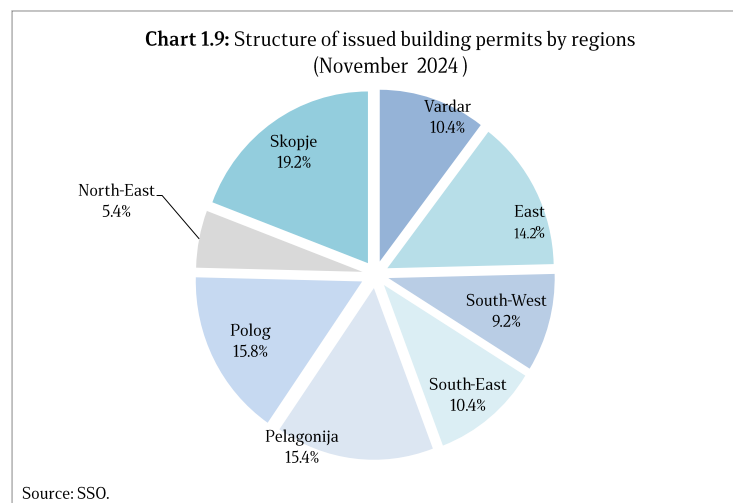
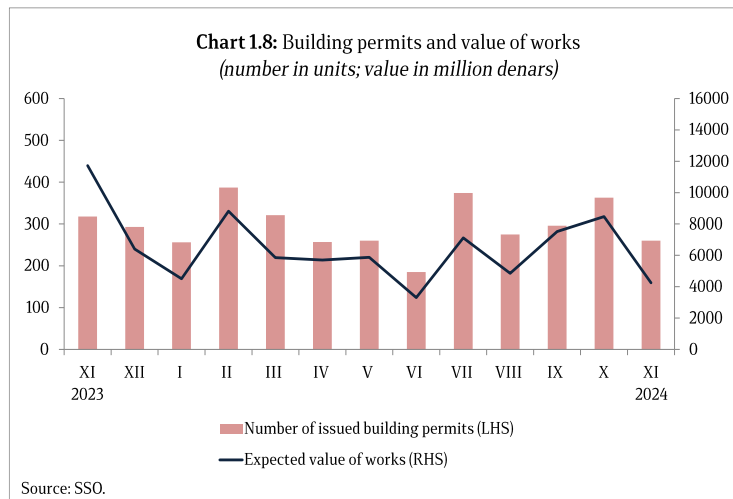
In the period between January - November 2024, compared to the same period in 2023, turnover increased in the groups: Durable consumer goods by 2.9% and Non-durable consumer goods by 1.1%.

### Number of Issued Building Permits and Expected Value of Constructions

In November 2024, 260 building permits were issued, declining by 18.2% compared to the same month in 2023. This was due to the annual drop of issued building permits pertaining to buildings by 9.4% (participating with 59.6% in the total number of issued building permits) and pertaining to reconstruction facilities by 40.3%. Compared to October 2024, number of issued building permits dropped by 28.4%. Expected value of works, according to the issued building permits in November 2024, dropped by 63.8% on annual basis, while compared to the previous month, it decreased by 49.8%.

Analyzed by types of constructions, out of the total number of issued building permits, 155 (or 59.6%) were intended for buildings, 59 (or 22.7%) for civil engineering structures and 46 (or 17.7%) for reconstruction.

Analyzed by types of investors, out of total 260 issued building permits, individuals were investors in 146 facilities (or 56.1%), while business entities were investors in 114 facilities (or 43.9%).





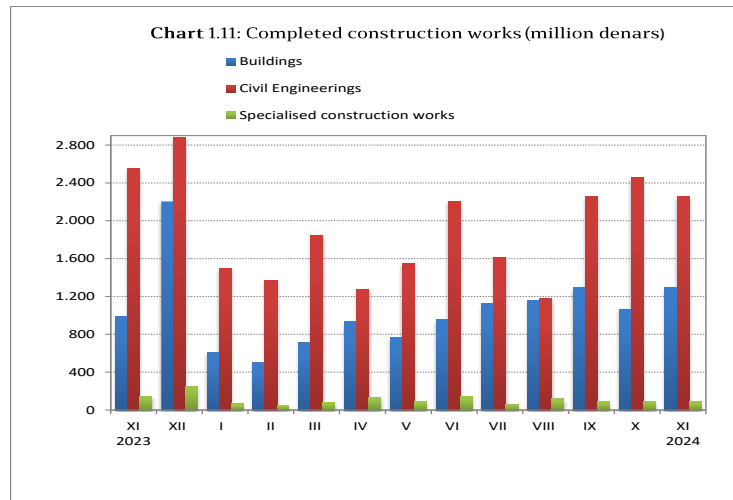
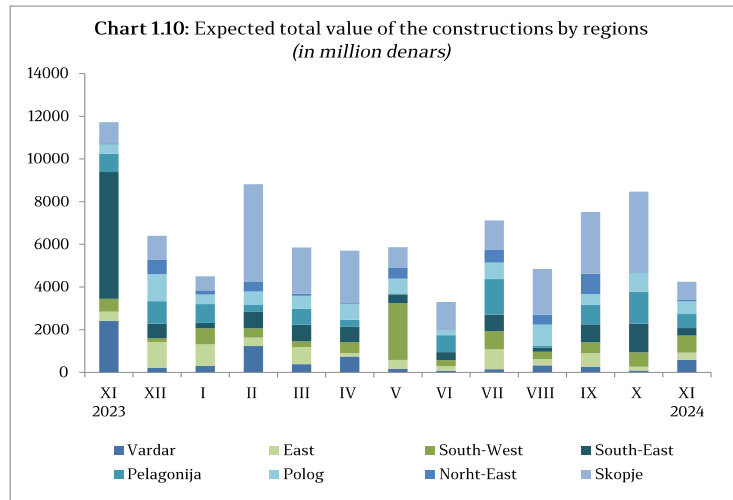
In November 2024, construction of 542 flats was envisaged, with total usable area of 49,111 m<sup>2</sup>. Number of flats envisaged for construction declined by 40.6% on monthly basis and 17.3 % on annual basis.

### Number of Completed Construction Works by Types of Constructions

Total value of performed construction works in October 2024 amounted to Denar 3,621 million, representing an annual growth of 5.7% in nominal terms, whereby buildings and civil engineering structures grew by 6.4% and 8.8%, respectively, while specialized construction works recorded a drop by 42.3%. Compared to September 2024, total value of completed construction works dropped by 0.5%, dropping by 17.7% with regards buildings, while picking up by 9.0% and 9.8% as regards civil engineering structures and specialized construction works, respectively. In cumulative terms, in the period January – October 2024, value of performed construction works amounted to Denar 27,296 million, being higher by 7.6% compared to the same period last year.

Most of the completed construction works pertain to civil engineering construction, wherein construction works amounting to Denar 17,245 million were completed in the first ten months this year, being by 21.9% higher compared to the same period last year. During this period, the value of completed building construction works decreased by 12.0%, amounting to Denar 9,127 million, whereas the value of completed specialised construction works amounted to Denar 924 million, being higher by 9.1% as compared to the same period last year.

In real terms, in the period January – October 2024, value of completed construction works increased by 15.9%, with civil engineering structures (31.3%) and specialised construction (17.5%) recording growth, while recording a drop with buildings (5.3%).







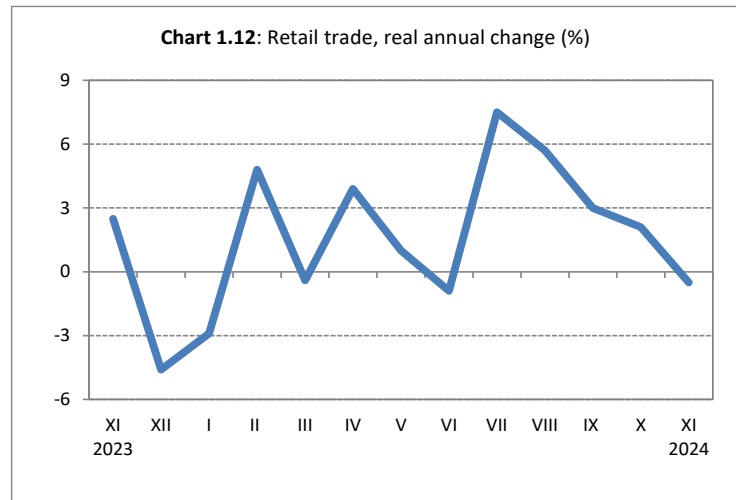
## Trade Sector Turnover

In November 2024, data on internal trade demonstrated nominal annual increase in the turnover by 3.0%, following the 5.7% growth in October. In November 2024, value of turnover amounted to Denar 68,773, whereby in cumulative terms, in the period January - November 2024, value of total turnover in the trade amounted to Denar 727,448 million, being by 4.5% higher compared to the same month last year.

In the period January - November 2024, in cumulative terms, positive growth in turnover was also seen at the sectors: Wholesale trade, which turnover value amounted to Denar 394,280 million, i.e. being higher by 5.9% compared to the same month last year, Retail trade, which turnover value amounted to Denar 289,410 million, being 3.1% higher compared to the same period in 2023, and Trade in motor vehicles and repair, which turnover value amounted to Denar 43,758 million, being higher by 1.6% compared to the same period last year.

In real terms, retail trade in November 2024 recorded annual drop by 0.5%, while analyzed by groups and classes, increase was also seen in the groups of retail trade in automotive fuels by 6.0%, whereas decrease in the Retail trade in non-food products by 0.1% and Retail trade in food products, beverages and tobacco by 4.5%.

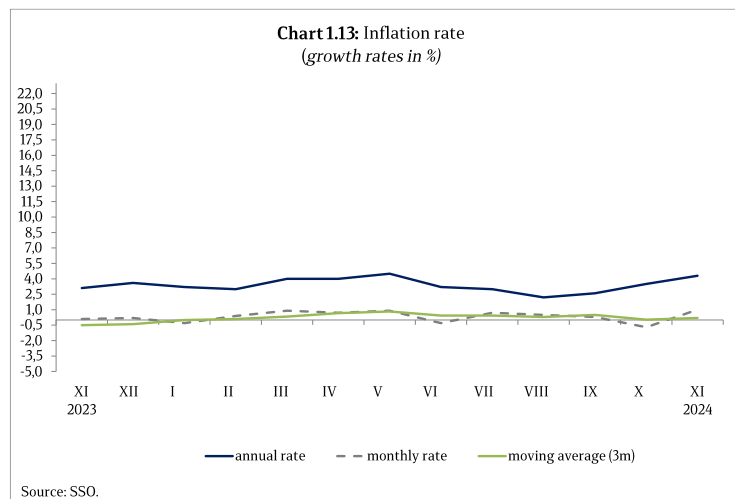
In November 2024, Wholesale trade (52.8%) accounted for the most in the Trade sector, followed by Retail trade (40.1%) and Trade in motor vehicles and motorcycles, repair and their maintenance (7.1%).



## Inflation

Inflation rate in November 2024 accounted for 4.3% on annual basis, recording acceleration of growth (3.5% in October 2024). Inflation growth this month was primarily due to the food component, recording accelerated growth and increased contribution to the total inflation, while the base component in the respective month recorded a growth slowdown. Average inflation rate in the period January – November 2024 amounted to 3.4%.

Core inflation (inflation, wherefrom the impact of prices of food and energy products is excluded) accounted for 5.5% on annual basis in November 2024, reflecting a growth slowdown (6.0% the previous month). Increased prices in the category Restaurants and hotels had most positive contribution this month (1.3 p.p.).





Prices in the Food and non-alcoholic beverages category recorded acceleration of growth of 5.7% (higher by 2.4 p.p. than the previous month), whereby contributing with 2.3 p.p. in the total inflation in November, representing an increase compared to the previous month. Following sub-categories: Vegetables (15.6% annual growth, and contribution of 0.7 p.p.), Milk, cheese and eggs (annual growth of 7.1% and contribution of 0.5 p.p.), Meat (4.0% annual growth and contribution of 0.4 p.p.) and Non-alcoholic beverages (annual growth of 12.9% and contribution of 0.3p.p.) had the biggest contribution to growth in the Food and non-alcoholic beverages category.

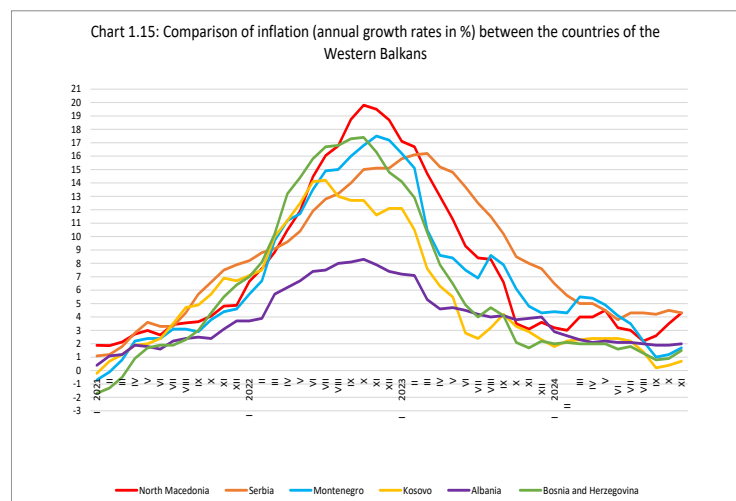
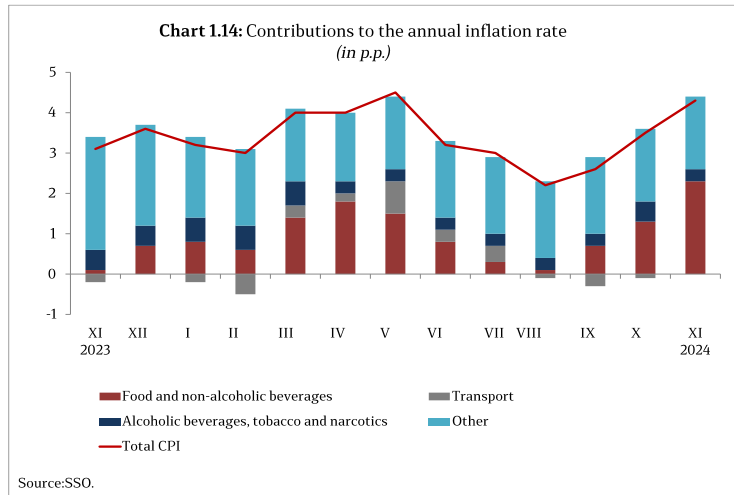
Observed by components, highest annual price growth in November 2024 was seen at the category Restaurants and hotels by 11.4% (contribution to the total inflation growth of 0.7 p.p.).

Price increase was also recorded in the following categories: Alcoholic beverages, tobacco and narcotics by 6.8%<sup>1</sup>, Recreation and culture by 5.8%, Health protection by 4.9%, Miscellaneous goods and services by 4.1%, Wearing apparel and footwear by 3.0%, Furnishings, household equipment and routine maintenance of the house by 2.4%, Communications by 2.2%, Housing, water, electricity, gas and other fuels by 0.7% and Education by 0.3%. Price drop was recorded in the Transport category by 0.4%.

In November, consumer prices grew by 1.0% on monthly basis (last month prices dropped by 0.7%). Increase of prices on monthly basis was due to increase of food prices, whereby the measure of decreasing the margin cap of 73 food products – so called “autumn consumer basket”<sup>2</sup>, was in force up until 31<sup>st</sup> October.

In November, food prices increased by 2.1% on monthly basis (positive contribution of 0.9 p.p.) with Meat, bread and vegetables contributing the most to the increase.

In November 2024, retail prices increased by 4.0% on annual basis, recording an acceleration of growth. On monthly basis, retail prices picked up by 0.3%. In the period between January - November 2024, retail prices increased by 3.7% on annual basis.



<sup>1</sup> Tobacco product prices is increased in accordance with the adopted amendments of the Law on Excise, cigarette excise duty is to increase by Denar 0.23 per piece each year until 2030. New tobacco price was introduced in October 2024.

<sup>2</sup> On 20<sup>th</sup> September, the Government limited the gross profit margin of 73 products by 10%. Bread, baking and milk products, milk, meat and meat products, part of canned products, fruit, vegetables, rice, beans, pasta are covered with the so-called “autumn consumer basket”. The measure was in force up until 31<sup>st</sup> October.



In November 2024, the Eurozone inflation rate accounted for 2.3%, increasing by 0.3 p.p. compared to October.

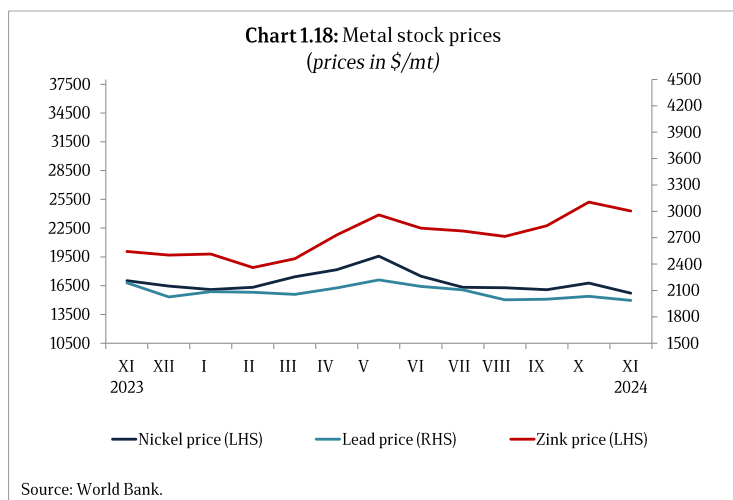
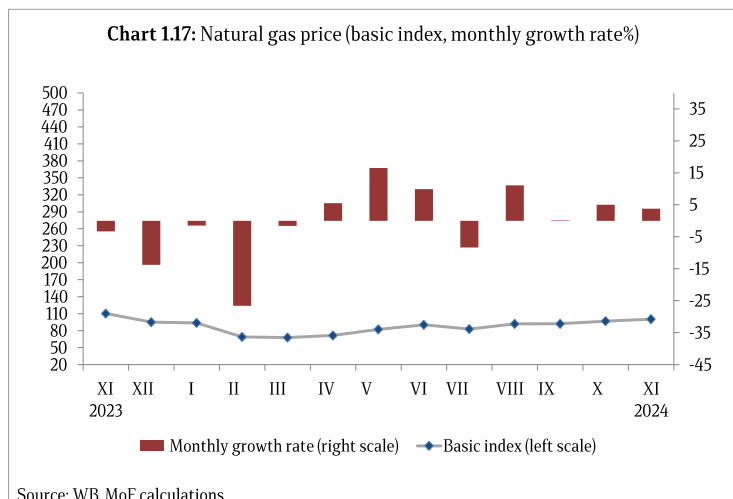
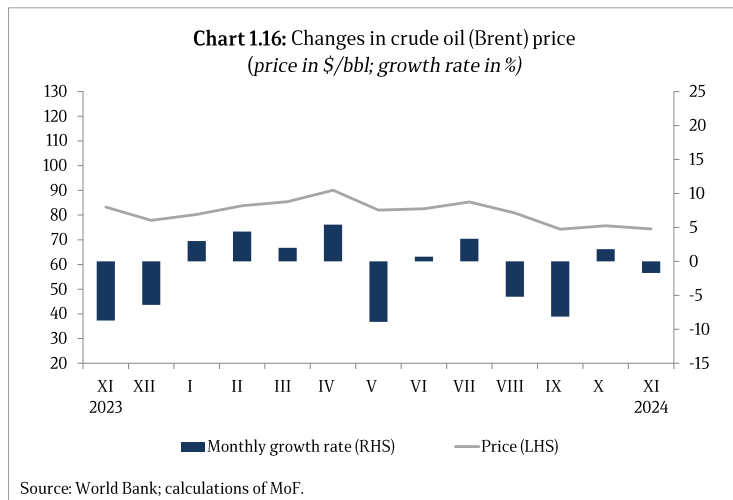
As per ECB projections, inflation rate would reach 2.5% in 2024, 2.2% in 2025 and 1.9% in 2026. The 2024 inflation rate is expected to range around 2.5% with a certain volatility due to the base effect of energy prices. Drastic inflation changes are not to be expected during 2024, with the inflation remaining above the historical average, thus reflecting the slowed decrease of service prices. Taking into account the anticipated prolonged decrease of food prices and the minor positive contribution of the energy component to the total inflation, slowed down disinflation and the 2% target are being anticipated in the fourth quarter of 2025.

### Stock Market Prices

In November 2024, crude oil price (Brent) on the world stock markets reduced by 1.7% on monthly basis, amounting to Dollar 74.4 per barrel, due to combining factors such as the increased supply coming from no OPEC+ member countries, the concern regarding the global economic growth, particularly in China, resulting in reduced oil demand, as well as the geopolitical factors. Oil price was lower by 11.1% on annual basis.

In November 2024, the natural gas price increased by 3.8% on monthly level. Gas price was due to several factors such as geopolitical tensions, including escalation of the Middle East conflict and the concern regarding the potential supply disruptions on the Russian-Ukrainian border due to the current conflict. These factors contributed to the concerns regarding the gas market, leading to much bigger instability. In November 2024, the natural gas price decreased by 9.0% on annual level.

Energy price in November 2024 according to the Hungarian Power Exchange (HUPX), amounted to EUR 163.72 per megawatt/hour, recording growth of 77.6% on monthly basis. Energy prices in Europe recorded significant





increase due to natural gas price increase, increased demand due to weather conditions and drop of renewable energy source production. These factors brought about the rise of energy prices on several European markets. In November, energy prices increased by 64.7% on annual basis.

In November 2024, basic metal prices recorded reduction compared to last month's prices, whereby prices of tin dropped by 7.4%, nickel by 6.2%, copper by 4.8%, zinc by 3.3%, lead by 2.3% and aluminium by 0.5%.

This month, prices of precious metals also recorded decrease on monthly basis, gold price reducing by 1.4%, platinum by 3.3% and silver by 4.1%.

In November, price of maize increased by 5.8% on monthly basis, while price of wheat dropped by 1.9%. The price of sunflower oil picked up by 5.1% on monthly basis.

Table 1.1. Stock market prices of energy products (monthly data)

	Electricity (EUR/MWh)	Crude Oil, Brent (\$/bbl)	Natural GAS, Europe (\$/1000 m3)
2023 I	148.7	83.1	714.1
II	146.2	82.7	585.1
III	113.4	78.5	488.7
IV	106.7	84.1	478.4
V	88.2	75.7	357.7
VI	96.6	74.9	366.2
VII	94.5	80.1	337.2
VIII	100.4	86.2	396
IX	103.8	94.0	408.6
X	104.9	91.1	515.5
XI	99.38	83.2	512.5
XII	81.72	77.9	407.1
2024 I	85.73	80.2	338.2
II	69.35	83.8	288.3
III	65.12	85.5	302.6
IV	61.96	90.5	321.4
V	72.2	82.0	358.2
VI	91.7	82.6	384.6
VII	135.5	85.3	366.1
VIII	120.8	80.9	437.8
IX	106.1	74.3	416.94
X	92.2	75.7	457.1
XI		74.4	492.7

Source: World Bank, Hungarian Power Exchange

## 2. FOREIGN TRADE

Total foreign trade in the first eleven months in 2024 amounted to EUR 17,343.1 million, declining by 2,9% compared to the same period last year.

In the period January - November 2024, share of trade with the European Union (EU 27) as the largest trading partner, decreased by 0.2 p.p. compared to the same period last year, accounting for 61.7% Germany was the major trading partner of our country. As for total foreign trade structure of our country, share of the trade with Germany in the first eleven months of 2024, accounted for 23.1%, dropping by 1.6 p.p. compared to the same period in 2023.



## Export

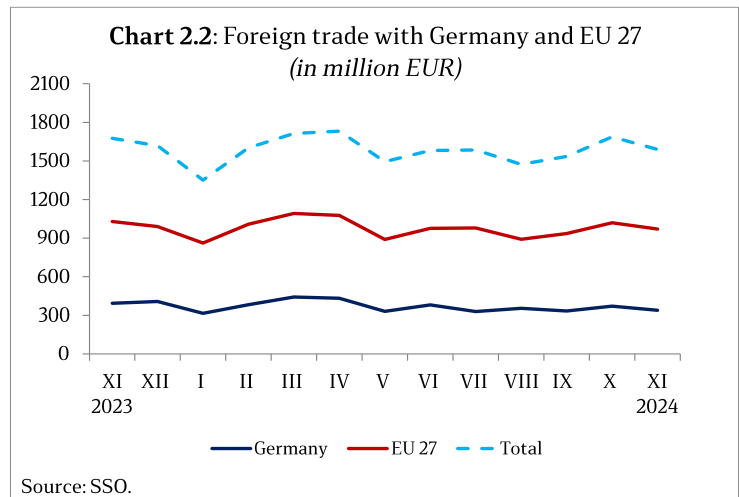
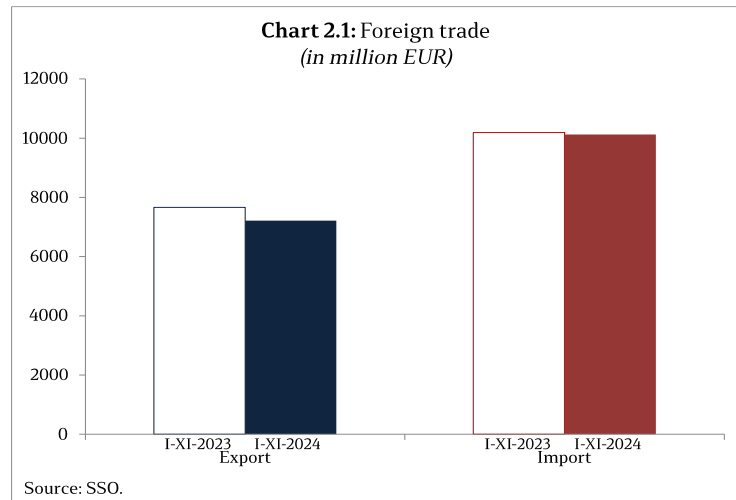
In the first eleven months of 2024, value of exported goods amounted to EUR 7,216.6 million, dropping by 5.8% (EUR 447.9 million) compared to the same period in 2023, while physical output of export increased by 0.3%, compared to the same period last year.

Value of exported goods amounted to EUR 652.6 million in November 2024, dropping by 9.2% (EUR 65,8 million) compared to the same month of the previous year, while physical output of export decreased by 1.2% compared to November 2023.

Analyzed on monthly basis, in November 2024, export recorded a drop by 7.1% (EUR 50.2 million), compared to the previous month, and, in the event of seasonal export adjustment, it registered a monthly drop of 3.9%, showing negative effects of the seasonal factor (3.3 p.p.) on export this month.

Value of export of food in the first eleven months of 2024 increased by EUR 49.4 million, picking up by 10.9% compared to the same period in 2023, while quantity of exported food increased by 12.1%. As for our country's total export structure, share of the food in first eleven months in 2024, accounted for 7.0%, increasing by 1.1 p.p. compared to the same period in 2023. In the total food export, the following products were the most imported: Fruit and vegetable (46.7%), Cereals and cereal products (22.6%), Meat and meat products (7.6%), and Coffee, tea, cocoa and spices (6.5%).

Analyzed by economic groups<sup>3</sup>, in the period between January - November 2024 compared to the same period of 2023, export recorded a drop in the following groups: EU 27, EFTA, Organization of Petroleum Exporting Countries, Asia-Pacific Economic Cooperation, while an increase was observed with the following groups: Western Balkans, North American Free Trade Zone and Commonwealth of Independent States. Export to EU



<sup>3</sup> Economic groups cover the following countries: EU 27 (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Germany, Denmark, Estonia, Spain, Finland, France, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Latvia, Malta, Netherlands, Poland, Portugal, Romania, Sweden, Slovenia and Slovakia); EFTA (Switzerland, Island, Lichtenstein and Norway); Organization of Petroleum Exporting Countries (United Arab Emirates, Angola, Algeria, Ecuador, Iraq, Iran, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia and Venezuela); Western Balkans (Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Kosovo and Serbia); North American Free Trade Agreement (Canada, Mexico and USA); Asia-Pacific Economic Cooperation (Australia, Brunei Darussalam, Canada, Chile, China, Hong Kong, China, Indonesia, Japan, Republic of Korea, Mexico, Malaysia, New Zealand, Peru, Papua New Guinea, The Philippines, Russia, Singapore, Thailand, Chinese Taipei, The United States and Viet Nam) and The Commonwealth of Independent States (Armenia, Azerbaijan, Belarus, Kyrgyzstan, Kazakhstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan).



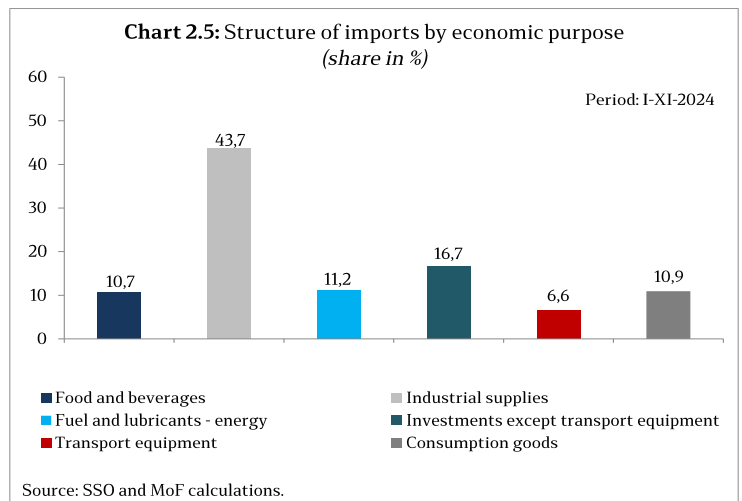
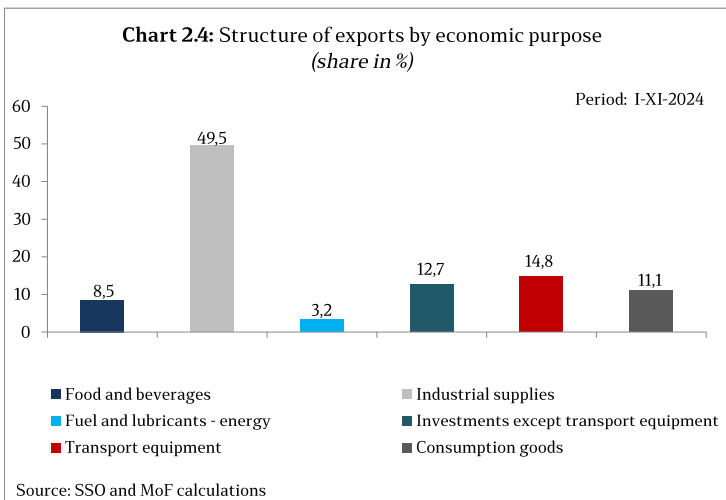
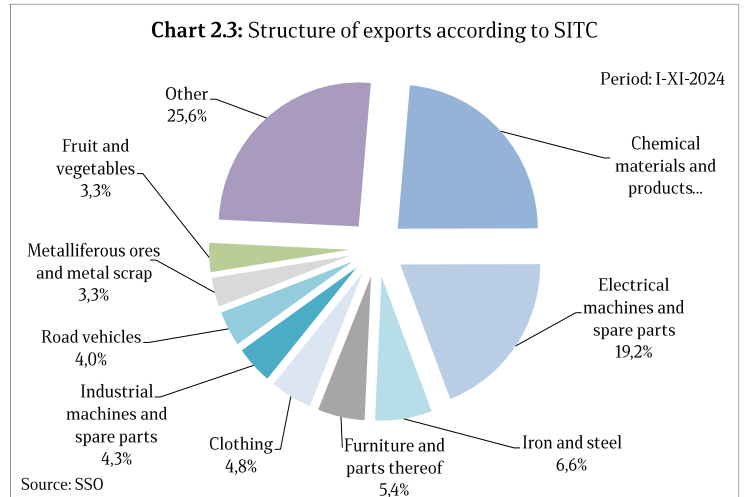
27 declined by 7.5% annually, with a share of 77.4% in the total export of the Republic of North Macedonia, while export to Western Balkan countries picked up by 6.2%, participating with 14.1% in our country's total export.

## Import

In the first eleven months of 2024, value of imported goods amounted to EUR 10,126.5 million, decreasing by 0.6% (EUR 62.2 million) compared to the same period in 2023, while physical output of import dropped by 5.8%.

In November 2024, import value amounted to EUR 936.9 million, dropping by 2.1% (EUR 20.6 million) compared to the same month in 2023, while imported quantities of goods declined by 8.4% compared to November 2023.

Analyzed on monthly basis, in November 2024, import dropped by 4.7% (EUR 46.6 million), compared to the previous month, and, where a seasonal adjustment of the import was made, it registered a monthly decrease of 0.4%, showing negative effects of the seasonal factor (4.4 p.p.) on import this month.



Value of import of food in the first eleven months of 2024 increased by EUR 81.7 million, picking up by 9.2% compared to the same period in 2023, while quantity of imported food increased by 6.4%. As for our country's total import, share of the food in first eleven months in 2024, accounted for 9.6%, increasing by 0.9 p.p. compared to the same period in 2023. In the total food import, the following products were the most imported: Meat and meat products (21.7%), Fruit and vegetable (14.8%), Cereals and cereal products (13.4%), Coffee, tea, cocoa and spices (11.7%) and Milk products and eggs (10.0%).



Table 2.1. Review of export and import of selected groups of products

Export of petroleum and petroleum products*)					Import of petroleum and petroleum products*)				
	I - XI - 2023	I - XI - 2024	Balance	% rate		I - XI - 2023	I - XI - 2024	Balance	% rate
000 T	119,5	107,2	-12,3	-10,3	.000 T	1.089,9	1.077,9	-12,0	-1,1
EUR mil.	94,6	75,7	-18,9	-20,0	EUR mil.	812,9	745,0	-67,9	-8,4
\$ mil.	102,3	82,1	-20,2	-19,7	\$ mil.	878,4	808,5	-69,8	-8,0

\*)Previous data

Export of chemical products*)					Import of chemical products*)				
	I - XI - 2023	I - XI - 2024	Balance	% rate		I - XI - 2023	I - XI - 2024	Balance	% rate
000 T	73,2	61,6	-11,6	-15,8	.000 T	27,9	29,3	1,4	5,1
EUR mil.	2.202,6	1.701,3	-501,3	-22,8	EUR mil.	171,6	160,4	-11,2	-6,5
\$ mil.	2.380,2	1.846,4	-533,8	-22,4	\$ mil.	185,3	174,0	-11,3	-6,1

\*)Previous data

Export of iron and steel*)					Import of iron and steel*)				
	I - XI - 2023	I - XI - 2024	Balance	% rate		I - XI - 2023	I - XI - 2024	Balance	% rate
000 T	608,0	616,7	8,7	1,4	.000 T	637,4	633,7	-3,7	-0,6
EUR mil.	535,9	473,5	-62,5	-11,7	EUR mil.	468,6	435,5	-33,1	-7,1
\$ mil.	579,2	514,0	-65,1	-11,2	\$ mil.	506,0	472,7	-33,2	-6,6

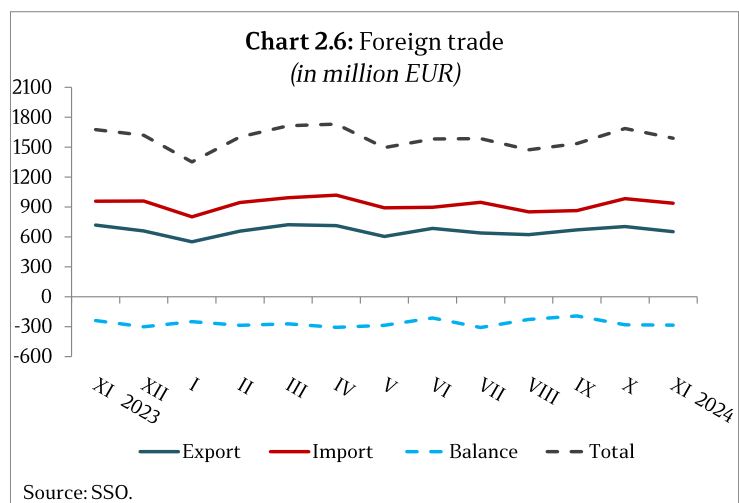
\*)Previous data

## Trade Balance

In the period January - November 2024, trade deficit increased by 15.3%, i.e. by EUR 385,7 million, compared to the same period last year.

In November 2024, trade deficit increased by 18.9%, i.e. EUR 45,2 million compared to November 2023.

If we analyze the balance of export and import of goods by economic purpose, deficit increase was a result of widening of the deficit of the trade in industrial supplies, consumer goods and food and beverages, as well as narrowing of the positive balance in the trade of transport equipment. On the other hand, reduction of the deficit in the trade in oils and lubricants and in investment goods without transport equipment contributed to reduction of the negative balance.



In the first eleven months of 2024, 91.3% of the trade deficit of the country was realized in the trade with Great Britain, China and Greece, followed by: Türkiye, Poland, Italy, Serbia, Bulgaria, and others. Surplus was realized in the trade with Germany, Kosovo, the Czech Republic, Slovakia, Hungary, Spain, and Romania.

## Currency Structure

Observed by currency structure, 91.7% of the trade in the period January-November 2024 was realized in euros, and compared to the same period in 2023, it dropped by 0.1 percentage points. On export and import side, euro accounted for 94.5% and 89.8%, respectively, whereby share of the euro in export was lower by 0.4 p.p., while share of the euro in import increased by 0.3 p.p. compared to the period January – November 2023.



Table 2.2 Foreign trade of the Republic of North Macedonia (by currency); calculations: MoF

import	I - XI - 2023					I - XI - 2024					absolute change in currency value	relative change in currency value (in %)
	currency	.000 T	import in currency	average Denar exch. Rate in relation to currencies	import in Denar	structure in %	.000 T	import in currency	average Denar exch. Rate in relation to currencies	import in Denar		
EUR	5537,3	9.119.564.959	61,5629	561.426.865.594	89,5	5.502,7	9.094.066.978	61,5353	559.606.139.732	89,8	-25.497.980	-0,3
USD	900,8	1.065.214.010	56,9986	60.715.707.245	9,7	556,2	1.023.598.476	56,7049	58.043.049.222	9,3	-41.615.534	-3,9
GBP	1,8	21.290.215	70,7327	1.505.914.374	0,2	2,4	21.301.302	72,5448	1.545.298.690	0,2	11.087	0,1
EUR+USD+GBP	6.439,9			623.648.487.213	99,2	6.061,4			619.194.487.644	99,4		
tot. import	6.455,9			627.275.447.560	100,0	6.080,3			623.155.509.611	100,0		-0,7

Source: SSO and NBRNM

### 3. FISCAL SECTOR

#### Budget Revenues and Expenditures according to the Economic Classification

In the period January – November 2024, collection of total budget revenues of the Republic of North Macedonia's budget amounted to Denar 277,082 million, accounting for 87.1% of the 2024 projections, i.e. increase of 11.5% compared to collected budget revenues for the same period in 2023. As regards total revenues, Denar 256,743 million was collected on the basis of tax revenues and social contributions, accounting for 90.3% of 2024 projected amount, being 14.6% increase in relation to the previous year. Thereby, tax revenues were collected in the total amount of Denar 160,375 million (i.e. 91.3% of the amount projected for 2024), while social contributions were collected in the amount of Denar 94,788 million (annual increase of 14.4%, i.e. 90.1% of the amount projected for 2024). As regards tax revenues, increased collection was recorded at personal income tax by 16.3%, followed by corporate income tax by 18.8%, VAT by 19.3%, excise duties increasing by 10.3%, import duties collection increase by 15.7% while other tax revenue collection experienced a drop by 71.2%. During this period, non-tax revenues recorded growth of 6.4%, and capital revenues decreased by 16.5%, while foreign donation revenues experienced a drop by 63.4%.

Total budget expenditures were executed in the amount of Denar 306,738 million in the period January – November 2024, accounting for 84.5% of the annual projections, i.e. an increase of 10.8% compared to same period of 2023. Thereby, current expenditures were executed in the amount of Denar 285,319 million, i.e. 87.7% of the amount projected for the whole year, being an increase of 16.4% compared to the same period in 2023. Increase was recorded at expenditures related to wages and allowances by 18.7%, at goods and service-related expenditures by 11.5% and at interest-related expenditures a surge by 37.4%. Transfers, as the largest category of current expenditures, increased by 15.1%, driven by the growth of social transfers by 15.3%, health care expenditures by 13.3%, block and earmarked grants by 11.2% and subsidies and transfers by 18.3%. Capital expenditures were executed in the amount of Denar 21,419 million, being lower by 32.9% compared to the same period in 2023. Execution rate of capital expenditures for the period January – November 2024 accounted for 57.3% compared to the projected amount.

Table 3.1. RNM's Budget Execution for the period January – November 2024

	2024 Execution	January-November 2024		
	(Denar million)	(Denar million)	Annual growth rate (%)	% of collection/execution rate (%)
<b>TOTAL REVENUES</b>	<b>318,151</b>	<b>277,082</b>	<b>11.5%</b>	<b>87.1%</b>
<b>Taxes and contributions</b>	<b>284,469</b>	<b>256,743</b>	<b>14.6%</b>	<b>90.3%</b>





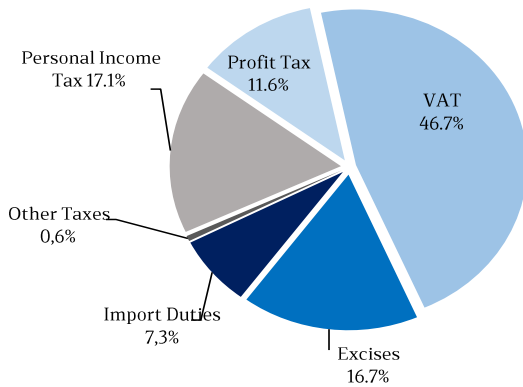
Taxes	175,751	160,375	14.9%	91.3%
Personal Income Tax	31,542	27,434	16.3%	87.0%
Corporate Profit Tax	21,118	18,545	18.8%	87.8%
VAT	78,458	74,929	19.3%	95.5%
Excise duties	29,837	26,812	10.3%	89.9%
Import charges	13,556	11,760	15.7%	86.8%
Other tax revenues	1,240	895	-71.2%	72.2%
Contributions	105,212	94,788	14.4%	90.1%
<b>Non-tax revenues</b>	<b>22,541</b>	<b>15,959</b>	<b>6.4%</b>	<b>70.8%</b>
<b>Capital revenues</b>	<b>3,240</b>	<b>1,671</b>	<b>-16.5%</b>	<b>51.6%</b>
<b>Foreign Donations</b>	<b>7,900</b>	<b>2,709</b>	<b>-63.4%</b>	<b>34.3%</b>
Revenues from paid extended loans	0	0	/	/
<b>TOTAL EXPENDITURES</b>	<b>362,816</b>	<b>306,738</b>	<b>10.8%</b>	<b>84.5%</b>
<b>Current expenditures</b>	<b>325,443</b>	<b>285,319</b>	<b>16.4%</b>	<b>87.7%</b>
Wages and allowances	44,361	39,446	18.7%	88.9%
Goods and services	26,043	19,758	11.5%	75.9%
Transfers	237,408	208,923	15.1%	88.0%
Social transfers	173,432	154,615	15.3%	89.2%
Pension and Disability Insurance Fund of North Macedonia	106,615	96,526	17.7%	90.5%
Pecuniary unemployment allowance	2,926	2,345	8.1%	80.1%
Social welfare	15,314	13,518	6.6%	88.3%
Health protection	48,576	42,226	13.3%	86.9%
Other transfers	61,546	52,257	14.7%	84.9%
Interest	17,632	17,192	37.4%	97.5%
<b>Capital expenditures</b>	<b>37,374</b>	<b>21,419</b>	<b>-32.9%</b>	<b>57.3%</b>
<b>BUDGET BALANCE</b>	<b>-44,666</b>	<b>-29,656</b>	<b>4.1%</b>	<b>66.4%</b>

Source: Ministry of Finance



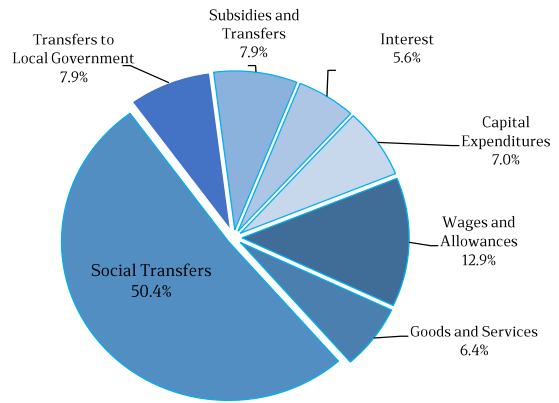
In the period January – November 2024, the state budget deficit amounted to Denar 29,656 million, accounting for 3.1% of the GDP projected for 2024, i.e. 66.4% of the budget deficit.

Chart 3.1: Structure of Collected Tax Revenues, January – November 2024



Source: MoF

Chart 3.2: Structure of Executed Expenditures according to Economic Classification, January – November 2024



Source: MoF.

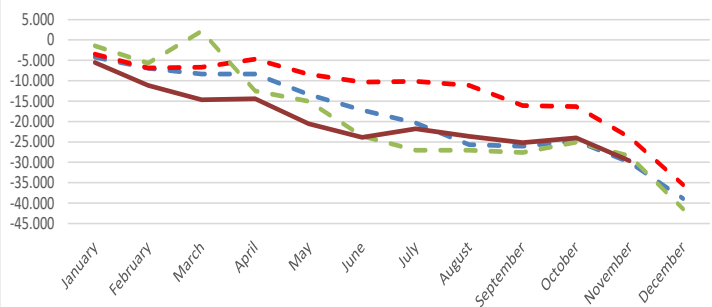
### Expenditures by Budget Users

Review of budget expenditures for the largest budget users is given below.

In the period January – November 2024, Ministry of Social Policy, Demographics and Youth executed funds in the amount of Denar 62,473 million or 91.7% of its total budget for the current year. Thereby, most of the expenditures (69.8%) were allocated for current transfers to extra-budgetary funds, for which Denar 43,589 million was spent, i.e. 93.9% of the funds allocated for 2024. The second highest expenditure category was the social benefits, participating with 21.2% in the total expenditures, whereby 91.1% (Denar 13,265 million) of the

During the analyzed period, Ministry of Education and Science executed budget funds in the amount of Denar 31,112 million, representing 86.1% of its total 2024 Budget. Current transfers to LGUs accounted for the most of the expenditures (57.9%), Denar 20,332 million being spent therefore or 90.4% of total projected funds. Wages and allowances category was the second highest expenditure item, accounting for 19.9%, for which an amount of Denar 6,980 million, accounting for 88.8%, being executed out of total projected funds.

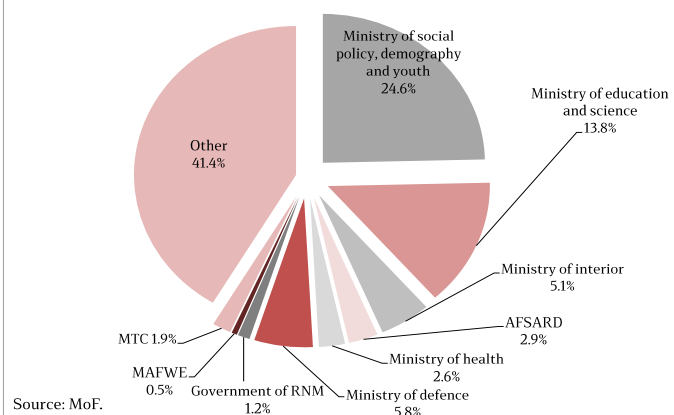
Chart 3.3: Budget deficit, cumulative data (million denars)



Source: MoF.

expenditures, whereby 91.1% (Denar 13,265 million) of the

Chart 3.4: Structure of expenditures by budget users (November 2024)



Source: MoF.



In the period January – November 2024, Ministry of Internal Affairs executed expenditures in the total amount of Denar 12,939 million, accounting for 84.6% of its 2024 budget. Wages and allowances was the highest expenditure category, participating with 68.1%, Denar 8,817 million being spent therefore, accounting for 90.3% of the projected ones. Second highest category was Goods and services, accounting for 19.5%, with Denar 2,521 million being spent therefore, accounting for 80.3% of the annual projections.

During this period, the Agency for Financial Support in Agriculture and Rural Development executed expenditures in the amount of Denar 7,441 million, accounting for 72.0% of the funds projected for the current year. As for subsidies and transfers, accounting for 91.5% of the total expenditures, 72.7%, with Denar 6,807 million of the funds planned for the whole year, being spent therefore.

In the period January – November 2024, Ministry of Defence executed budget funds in the amount of Denar 14,804 million, accounting for 83.3% of this year's total budget. Expenditures related to wages and allowances accounted for the most with 37.5%, Denar 5,548 million being spent therefore, (accounting for 88.1% of the total funds projected for the current year). Capital expenditures accounted for 29.5% of total expenditures, Denar 4,365 million being spent therefore during the analyzed period, i.e. 82.4% execution of the total projected funds.

Government of the Republic of North Macedonia spent total of Denar 3,038 million, i.e. 68.4% of the funds projected for 2024, in the period January – November 2024. Thereby, subsidies and transfers accounted for 56.9% of total expenditures of this budget user, Denar 1,729 million (60.8% of the projected funds) being spent therefore.

During the analyzed period, Ministry of Health executed budget funds in the amount of Denar 6,598 million, accounting for 80.1% of the total 2024 Budget. Current transfers to extra-budgetary funds accounted for the most of the expenditures with 52.8%, for which Denar 3,486 million were spent or 85.4% of the funds projected for 2024. Second highest item was Goods and services, Denar 2,562 million (79.3% of the projections for the year) being spent therefore, accounting for 38.8% of total expenditures.

In the period January – November 2024, Ministry of Transport and Communications executed funds in the amount of Denar 4,728 million, i.e. 45.5% of the total budget for the current year. Execution of capital expenditures, as main item, accounted for 80.5% of the total spent funds of this budget user (Denar 3.805 million or 41.8% of total projected funds).

During this period, Ministry of Agriculture, Forestry and Water Economy executed funds in the amount of Denar 1,391 million, accounting for 81.2% of the funds projected for 2024. Wages and allowances (Denar 579 million) was, by far, the highest item in the total expenditures of this budget user, accounting for 41.6% of its total expenditures, with 89.3% of the projected expenditures, being executed. As regards expenditures related to Subsidies and transfers, they accounted for 20.7% of the total expenditures, Denar 288 million being spent therefore, accounting for 93.2% of the total budget for this purpose.

In-depth data on each budget user are presented in the statistical annex attached at the following link (<http://finance.gov.mk/краткорочни-економски-движења-кед-ме/>).

## 4. SOCIAL SECTOR

### Newly Employed and Registered Unemployed Persons in the Employment Service Agency

In the first eleven months of 2024, Employment Service Agency registered total of 174,617 new employments. Total number of newly employed persons decreased by 8.4% compared to the same period in 2023.

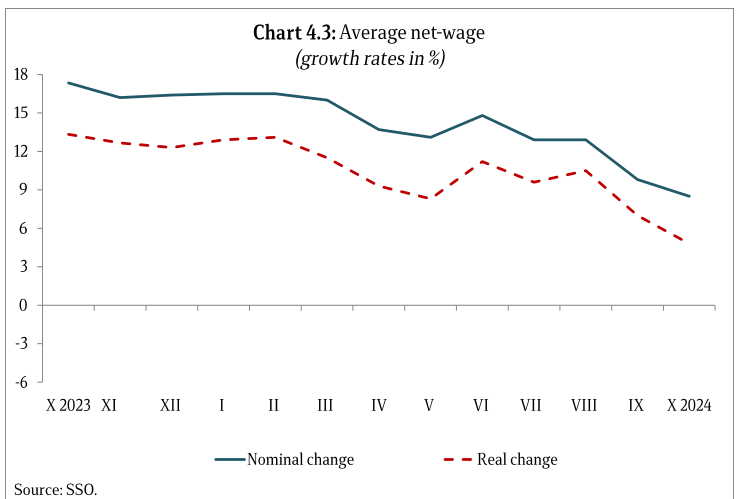
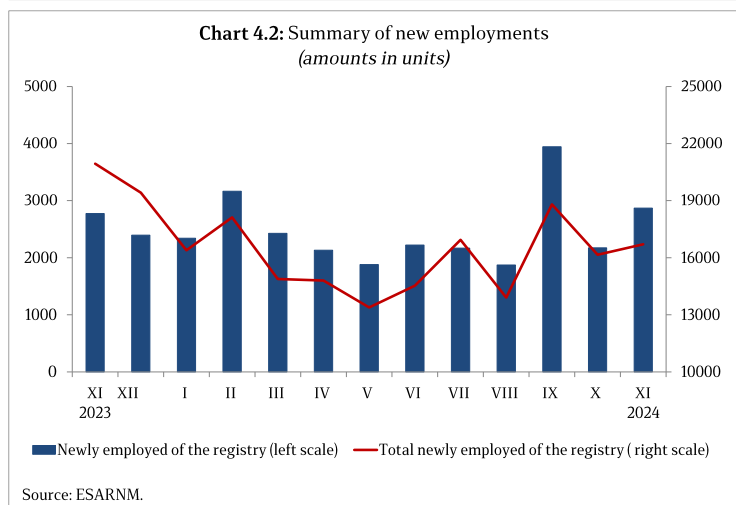
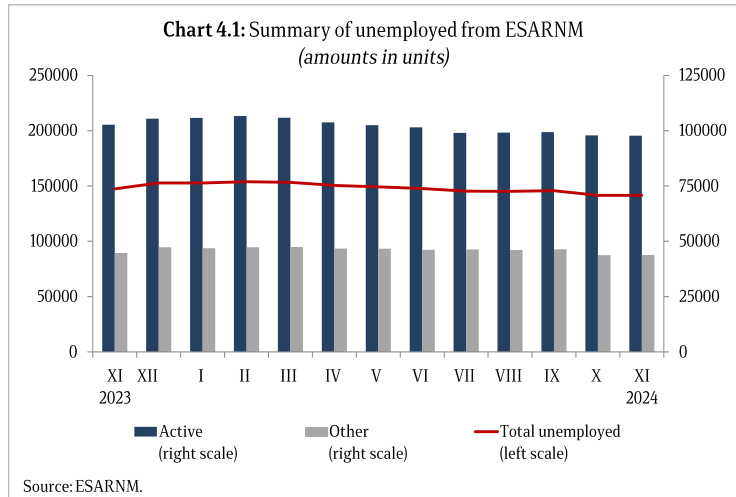


As regards the total number of newly employed, 41.4% was engaged on permanent basis, while the remaining percentage was engaged on temporary basis and as seasonal workers. In November 2024, 17.2% out of the total number of newly employed persons was from the unemployed records.

Total number of unemployed persons in November 2024 was 141,539, out of which 97,753 persons were active job seekers, while 43,786 persons were from the category “other unemployed”. On annual basis, total number of unemployed persons decreased by 4.0%, whereas, starting from May 2021, it recorded a continuous annual reduction. Number of unemployed persons decreased by 67 people compared to October 2024.

Urban residents accounted the most (with 58.9%) among the active unemployed persons, whereas with respect to gender, men accounted for 47.9%. Analyzed by the level of education, majority, i.e. 68.9%, of the unemployed persons were with incomplete secondary education or less, 23.7% were with completed secondary education, while 7.4% of the unemployed persons were with completed community college or higher education level.

Analyzed by age structure, 49.6% of the unemployed people belonged to the group aged 25-49 years. With respect to waiting time for employment, 59.3% of the unemployed persons wait for employment from 1 to 7 years, while 13.4% wait for employment for 8 years or more.





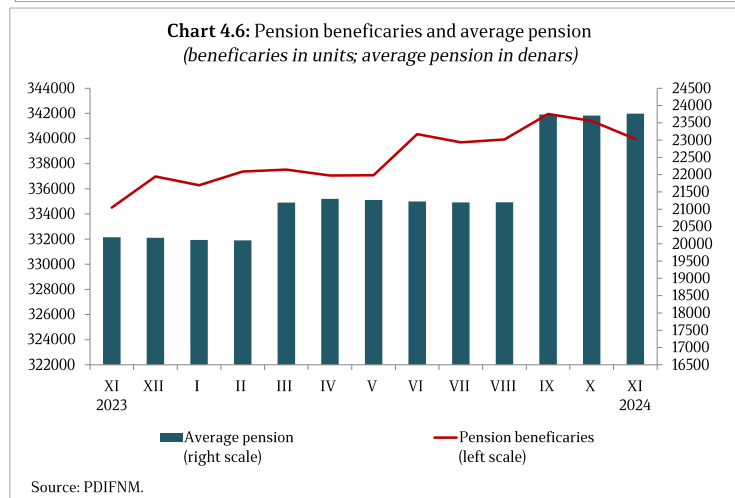
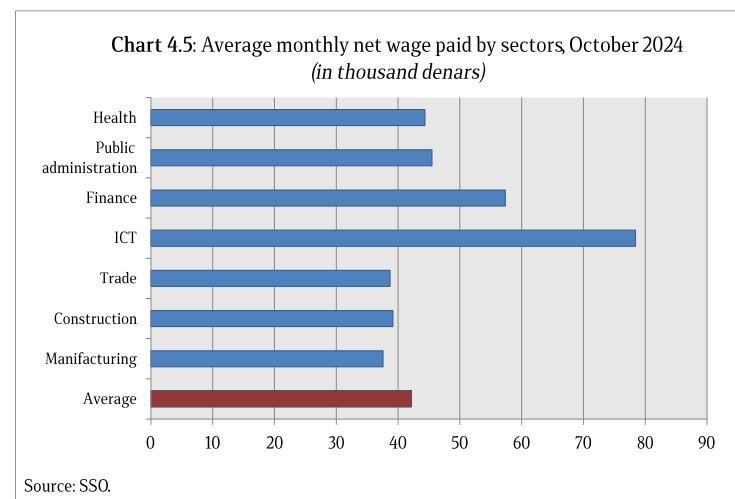
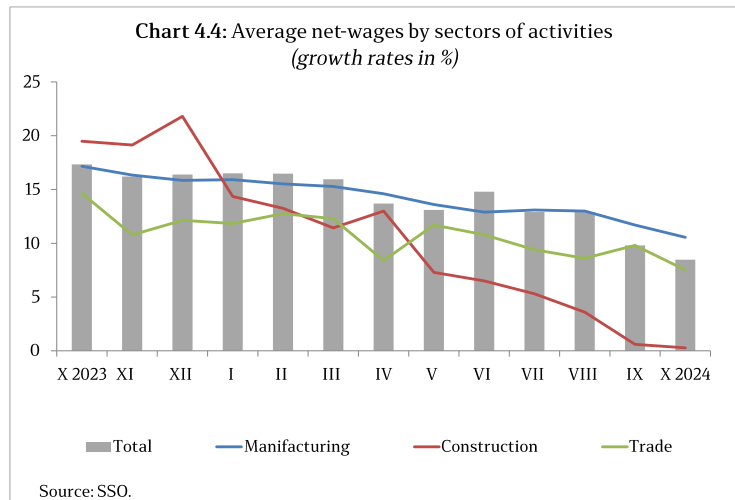
## Wages

As per the notification of the State Statistical Office, in October 2024, average net wage amounted to Denar 42,134, in nominal terms, being higher by 8.5% on annual basis, and being higher by 1.3% compared to September 2024. The highest increase of average net wage, in relation to October 2023, was observed at the following sectors: Arts, fun and recreation (11.5%), Information and communication (10.7%) and Education (10.5%). In October 2024, wages picked up by 4.8% in real terms on annual basis. Highest average net wage in October 2024 was paid in the sector Information and communications (Denar 78,426), wherein highest amount of net wage was paid in the activity Computer programming, consulting and related activities (Denar 97,404), followed by Financial and insurance activities with Denar 57,462, Mining and quarrying with Denar 54,271 and Electricity, gas, steam and air conditioning supply sector with average net wage in the amount of Denar 54,052.

Average nominal gross wage in October 2024 amounted to Denar 63,392 and compared to the same month in 2023, increased by 8.6%, being higher by 1.3% on monthly basis. The highest increase of average gross wage in October 2024, compared to October in 2023, was recorded in the following sectors: Arts, fun and recreation (11.7%), Manufacturing (10.8%) and Education (10.8%).

## Pensions

In November 2024, Pension and Disability Insurance Fund registered 339,955 pensioners. In September 2024, the Law on Pension and Disability Insurance was amended, according to which a linear increase of Denar 2,500 was introduced for all types of pensions, starting on 1st October 2024. As regards the total number of pensioners, 71.0% are beneficiaries of old-age pension, amounting to 241,400 pensioners, 21.5% of survivor pension, amounting to 73,113 pensioners and 7.5% of disability pension, amounting to 25,442 pensioners.





Average pension in November 2024 amounted to Denar 23,763, being higher by 17.7% compared to the same month in 2023.<sup>4</sup> Increase in pensions was, among the other, a result of the March pension indexation as per the methodology, foreseeing pension indexation with a combined model of 50% increase of the average wage and 50% increase of costs of living, as per the official data of the State Statistical Office. According to this methodology, indexation is carried out twice a year, i.e. in March and September, starting March 2022.

Ratio between the average pension and the average paid wage in October 2024 (the most recent available data) was 56.3%.

In November 2024, average old-age pension amounted to Denar 25,404, average disability pension amounted to Denar 21,303, while average survivor pension amounted to Denar 19,200. This month, Denar 8,061 million was spent for payment of pensions, accounting for 52.0% of the total social transfers.

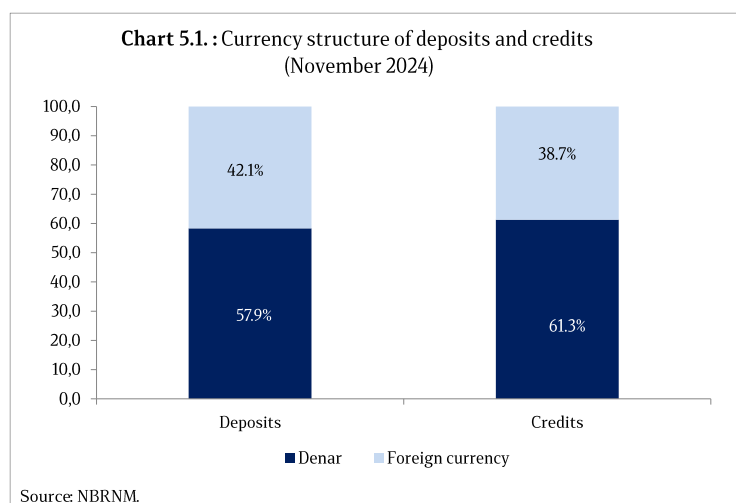
Chart 4.1 November 2024 Pension Data			
Pension beneficiaries	Number	Structure	Average pension
Old age pension	241,400	71.0%	25,404.00
Disability pension	25,442	7.5%	21,301.00
Survivor pension	73,113	21.5%	19,200.00
<b>Total</b>	<b>339,955</b>	<b>100.0%</b>	<b>23,763.00</b>
<b>Minimal agricultural pension beneficiaries</b>	<b>37</b>		<b>13,429.00</b>
<b>Beneficiaries of military pensions</b>	<b>729</b>		<b>32,386.00</b>
<b>Total</b>	<b>340,721</b>		<b>23,780.00</b>

**Source: Pension and Disability Insurance Fund of North Macedonia**

## 5. MONETARY AND FINANCIAL SECTOR

In November 2024, National Bank maintained the policy rate of 5.80%, having begun reducing it two months ago. The decision on loosening the monetary policy was based on assessment of inflation, recent developments in key macroeconomic indicators and favourable trends on the foreign exchange market. This reduction was in alignment with ECB's monetary policy, whereby interest rates have been cut starting from September 2024.

In November 2024, the National Bank kept the available overnight and seven-days deposits at 4.20% and 4.25%, respectively.



Military and agricultural pensions are not included when calculating the average pension.



## Primary Money

In November 2024, primary money<sup>5</sup> reduced by 8.0% on monthly basis. Such drop of primary money was a result of decrease of total liquid assets of banks by 14.8%, while currency in circulation decreased by 0.2%.

In November 2024, primary money grew by 7.5% on annual basis, as a result of both increased total liquid assets of banks and currency in circulation by 11.2% and 3.8%, respectively.

## Deposit Potential<sup>6</sup>

In November 2024, total deposits of banks grew by 0.9% on monthly basis. Sector analysis showed that, compared to the previous month, deposits of households picked up by 1.9%, while deposits of households dropped by 0.6%.

Analyzed by currency, in November 2024, compared to the previous month, Denar deposits and foreign currency deposits increased by 1.6% and 0.1%, respectively.

Total deposit potential in November 2024 grew by 11.0% on annual basis. Analyzed by currency, domestic currency deposits increased by 16.2%, and foreign currency deposits by 4.5%.

From sectoral point of view, deposits of enterprises grew by 7.0%, and deposits of households increased by 13.3% on annual basis.

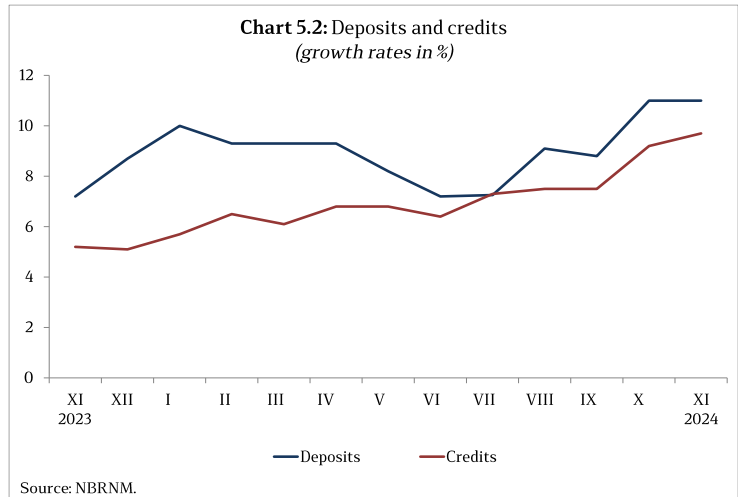


Table 5.1. Deposit potential and credits to the private sector

Deposit potential and credits to private sector (November 2024)	In Denar million	Monthly change	Annual change
Deposit Potential	<b>570,298</b>	<b>0.9%</b>	<b>11.0%</b>
By currency:			
<i>Denar</i>	<i>332,336</i>	<i>1.6%</i>	<i>16.2%</i>
<i>Foreign currency</i>	<i>237,963</i>	<i>0.1%</i>	<i>4.5%</i>
By maturity:			
<i>Short-term</i>	<i>214,595</i>	<i>-0.4%</i>	<i>-1.1%</i>
<i>Long-term</i>	<i>145,904</i>	<i>2.1%</i>	<i>27.1%</i>
Credits to private sector	<b>481,410</b>	<b>0.7%</b>	<b>9.7%</b>

<sup>5</sup>Primary money is calculated as a sum of currency in circulation (including cash in hand), denar and foreign currency reserve requirement and the surplus of liquid assets over the reserve requirement.

<sup>6</sup>NBRNM published data from monetary statistics, statistics of other financial corporations and statistics of interest rates according to the new methodology. Methodologic changes were made for the purpose of harmonization with the recommendations under the newly published IMF Monetary and Financial Statistics Manual and Compilation Guide as of 2016 (MFSMCG – IMF, 2016) and the IMF Technical Mission in the field of monetary and financial statistics in NBRNM as of 2015.



By currency:			
<i>Denar</i>	295,096	0.8%	16.0%
<i>Foreign currency</i>	186,315	0.7%	0.9%
By maturity:			
<i>Short-term</i>	69,545	-0.7%	8.5%
<i>Long-term</i>	394,978	0.9%	10.6%

Source: NBRNM

According to maturity, short-term deposits declined by 1.1%, while long-term deposits surged by 27.1%, on annual basis.

Currency structure of deposits kept being stable, whereby share of domestic currency deposits in the deposit base was dominant and accounted for 58.3%, being increased this month.

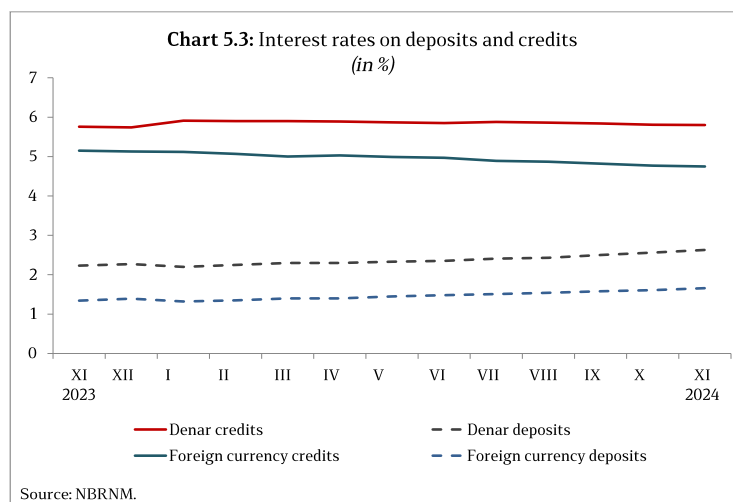
### Bank Credits

In November 2024, total credits of banks to the private sector surged by 0.7% on monthly basis, as a result of the growth of both credits to households by 0.7%, and credits to enterprises by 0.8%.

Analyzed by currency, Denar credits picked up by 0.8%, and foreign currency credits by 0.7% on monthly basis.

On annual basis, in November 2024, total credits grew by 9.7%, in conditions of growth of both credits to enterprises and credits to households of 11.5% and of 8.2%, respectively. Denar credits surged by 16.0%, while foreign currency credits increased by 0.9%.

As regards maturity, long-term credits experienced annual growth of 10.6% and short-term credits picked up by 8.5%.



### Interest Rates of Deposit Banks

In November 2024, total interest rate on credits dropped by 0.02 p.p. compared to the previous month, accounting for 5.36%. Interest rate on Denar credits dropped by 0.01 p.p., accounting for 5.80%, while interest rate on foreign currency credits decreased by 0.02 p.p. on monthly basis, accounting for 4.75%.

Total interest rate on deposits grew by 0.05 p.p. in November 2024, compared to last month, accounting for 2.12%. Interest rate on Denar deposits increased by 0.07 p.p., accounting for 2.63%, while interest rate on foreign currency deposits grew by 0.05 p.p., accounting for 1.66%.

Interest rate on newly granted Denar credits accounted for 5.16%, while interest rate on newly approved foreign currency credits accounted for 3.94%. Interest rates on newly received Denar and foreign currency deposits accounted for 3.21% and 2.27%, respectively.



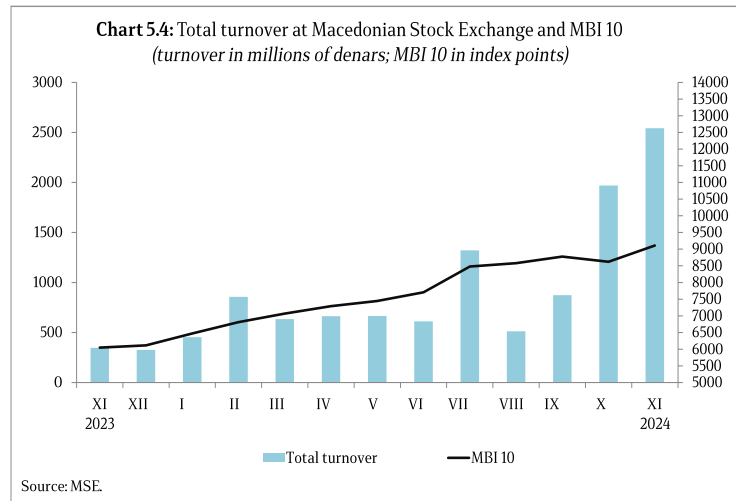


## Capital Market

As for the capital market, in November 2024, total turnover on the stock exchange surged by 33% on monthly basis, as a result of the increase of turnover from block transactions by 12.4%, while the turnover from classical trading in best decreased by 4.1%.

Total turnover on the stock exchange amounted to Denar 2,541.5 million in November 2024, increasing by 693.9% on annual basis.

Macedonian Stock Exchange Index MSEI - 10 amounted to 9,109.4 index points at the end of November 2024, whereby the index grew by 5.7% on monthly basis, while, compared to the same month last year, the index was higher by 50.7%.



## Reserve Assets

At the end of November 2024, gross reserve amounted to EUR 4,919.96 million, being lower by 1.1% compared to the previous month and higher by 24.1% compared to November 2023.