



Centralna banka
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БОСНЕ И ХЕРЦЕГОВИНЕ



Comment on Monetary Trends in April 2023

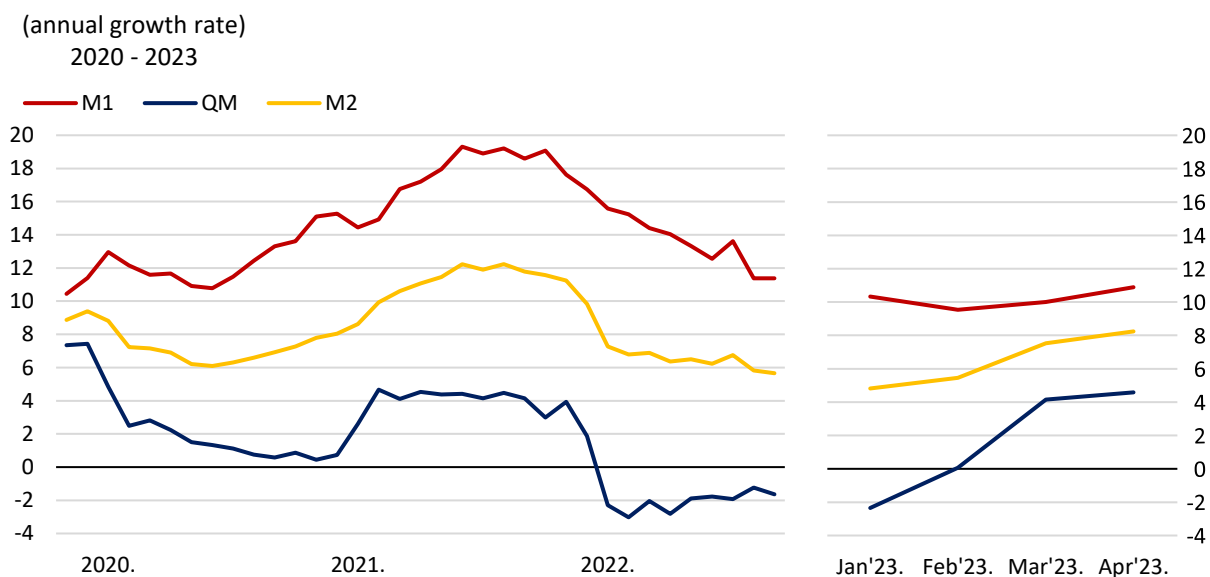


1. Monetary Trends – April 2023

The total money supply (M2) amounted to KM 33.6 billion at the end of April 2023, with an increase being KM 353.3 million (1.1%) compared to the previous month. The increase in money supply (M2) in April 2023 was the result of an increase in money (M1) by KM 346.8 million (1.8%) and quasi money (QM) by KM 6.4 million. The increase in money (M1) was caused by an increase in cash outside banks by KM 171.9 million (2.9%), and increase in transferable deposits in local currency by KM 174.9 million (1.3%). The increase in quasi money (QM) is the result of an increase in transferable deposits in foreign currency by KM 2.9 million (0.1%) and other deposits in local currency by KM 15.2 million (0.5%), while other deposits in foreign currency decreased by KM 11.7 million (0.2%).

On an annual level, the increase in money supply (M2) amounted to KM 2.56 billion (8.2%) in April 2023. The growth was recorded in cash outside banks by KM 260.7 million (4.4%), transferable deposits in local currency by KM 1.7 billion (14.1%), transferable deposits in foreign currency by KM 538.4 million (16.7%) and other deposits in foreign currency by KM 107.2 million (1.6%), while other deposits in local currency decreased by KM 47.3 million (1.6%).

1.1. Monetary aggregates



The counter-item to the monthly increase in money supply (M2) in April 2023 totaling KM 353.3 million (1.1%), is an increase in net foreign assets (NSA) by KM 237 million (1.2%) and net domestic assets (NDA) by KM 116.3 million (0.8%). The annual increase in money supply (M2) totaling KM 2.56 billion (8.2%), was the result of an increase in net foreign assets (NSA) by KM 1.15 billion (6.3%) and net domestic assets (NDA) by KM 1.4 billion (11.0%).

1.2. Monetary Survey

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	IV 2023	II 2023	III 2023	IV 2023	II 2023	III 2023	IV 2023
Assets							
1. Net foreign assets	19,435.5	-213.5	111.7	237.0	0.5	4.9	6.3
1.1 Foreign assets	20,960.6	-235.8	-32.0	234.6	-0.4	2.8	4.5
1.2 Foreign liabilities	-1,525.1	22.3	143.7	2.4	-9.7	-17.6	-14.3
2. Net domestic assets	14,169.4	265.7	-45.1	116.3	13.0	11.4	11.0
2.1. Claims on central government (net) cantons and municipalities	243.2	150.7	-157.4	-3.4	-305.3	-215.3	-213.4
2.2 Claims on local sectors	21,441.2	143.0	233.5	199.3	5.1	5.1	5.1
2.3 Other items	-7,515.0	-28.0	-121.2	-79.6	-0.2	0.7	1.3
Liabilities							
1 Money supply (M2)	33,604.9	52.2	66.6	353.3	5.5	7.5	8.2
1.1 Money (M1)	19,957.3	-86.6	-15.4	346.8	9.5	10.0	10.9
1.2 Quasi money (QM)	13,647.7	138.8	82.0	6.4	0.1	4.1	4.6

2. Loans

Total loans to domestic sectors amounted to KM 22.39 billion at the end of April 2023, having increased KM 175 million (0.8%) compared to the previous month. The loan growth was registered in the household sector by KM 86.1 million (0.8%), private companies by KM 79.5 million (0.9%), non-financial public companies by KM 5.8 million (1.0%) and government institutions by KM 5.5 million (0.5%). The decrease in loan growth was registered in other domestic sectors by KM 2 million (1.2%).

The annual growth rate of total loans in April 2023 amounted to 4.6%, nominally KM 975.3 million. The annual loan growth was registered in the household sector by KM 604.9 million (5.7%), private companies by KM 296.8 million (3.3%), non-financial public companies by KM 99.2 million (19.6%) and other domestic sectors by KM 1.4 million (0.8%). The annual decrease in loan growth was registered with government institutions by KM 27 million (2.4%).

2.1. Sectorial structure of loans

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	IV 2023	II 2023	III 2023	VI 2023	II 2023	III 2023	IV 2023
Total	22,389.0	136.2	208.0	175.0	4.5	4.5	4.6
Out of it:							
Households	11,200.2	32.6	110.8	86.1	5.4	5.6	5.7
Private companies	9,332.0	105.4	128.0	79.5	3.9	3.7	3.3
Government institutions	1,083.8	-10.0	-24.9	5.5	-4.2	-4.1	-2.4
Public companies	605.3	15.0	-11.9	5.8	19.0	18.6	19.6
Loans to other domestic sectors	167.8	-6.7	6.0	-2.0	-1.9	1.9	0.8

3. Deposits

Total deposits of domestic sectors amounted to KM 29.41 billion at the end of April 2023, having increased by KM 142.9 million (0.5%) compared to the previous month. The monthly growth of deposits was registered in the household sector by KM 110.9 million (0.7%), non-financial public companies by KM 12.9 million (0.7%) and other sectors by KM 53.8 million (3.0%). In government institutions deposits have decreased by KM 25.2 million (0.6%), as well as in private companies by KM 9.6 million (0.2%).

The annual growth rate of total deposits in April 2023 amounted to 9.4%, which is in the absolute amount KM 2.53 billion KM. The annual growth of deposits was registered in the household sector by KM 1.33 billion (9.6%), government institutions by KM 301.4 million (7.4%), private companies by KM 943.6 million (18.3%) and other domestic sectors by KM 52.8 million (2.9%). Deposits for non-financial public companies have decreased by KM 95.2 million (4.7%) at the annual level.

3.1. Sectorial structure of deposits

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	IV 2023	II 2023	III 2023	IV 2023	II 2023	III 2023	IV 2023
Total	29,405.6	141.2	77.5	142.9	5.8	9.1	9.4
Out of it:							
Households	15,115.7	184.6	169.6	110.9	2.2	8.8	9.6
Private companies	6,089.6	-24.4	-196.7	-9.6	15.4	15.0	18.3
Government institutions	4,382.0	-8.4	152.7	-25.2	8.0	10.6	7.4
Public companies	1,952.2	31.9	-54.5	12.9	5.0	-3.6	-4.7
Deposits of other domestic sectors	1,866.0	-42.5	6.4	53.8	1.6	4.5	2.9

4. Foreign Exchange Reserves

At the end of April 2023, the foreign exchange reserves of the Central Bank of BiH amounted to KM 15.33 billion having increased by KM 122.1 million (0.8%), compared to the previous month. Consequently, foreign exchange reserves of the Central Bank of BiH are reduced by KM 625,7 million KM (3,9%) on an annual level.

On a monthly level, in the of scope of the foreign exchange reserve's structure, investments in securities have increased by KM 95.4 million (1.5%), as well as deposits with non-resident banks by KM 9.6 million (0.1%).