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БОСНЕ И ХЕРЦЕГОВИНЕ



Comment on Monetary Trends in November 2023

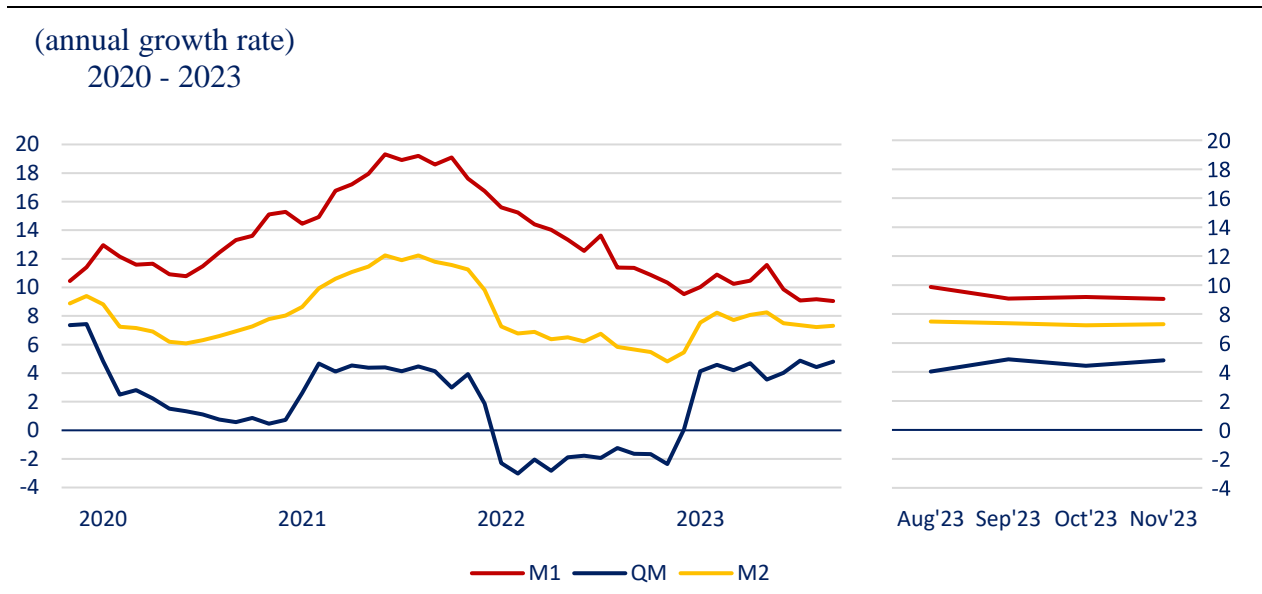


Monetary trends in November 2023

The total money supply (M2) at the end of November 2023 was KM 35.22 billion, compared to the previous month, an increase in the money supply by KM 36.2 million (0.1%) was recorded. The increase in money supply (M2) in November 2023 is the result of an increase in money (M1) by KM 43.7 million (0.2%) and a decrease in quasi-money (QM) by KM 7.5 million (0.1%). Transferable deposits in domestic currency increased by KM 92.9 million (0.6%), while cash outside banks decreased by KM 49.2 million (0.8%), which resulted in an increase in money (M1). Quasi money (QM) decreased due to the decline of other deposits in local currency by KM 6.3 million (0.2%) and other deposits in foreign currency by KM 19.4 million (0.3%), while transferable deposits in foreign currency increased by KM 18.1 million (0.4%).

On an annual level, the increase in the money supply (M2) in November 2023 was KM 2.4 billion (7.3%). Growth was achieved in cash outside banks by KM 332.3 million (5.6%), in transferable deposits in domestic currency by KM 1.42 billion (10.6%), transferable deposits in foreign currency by KM 447 million (12.4%), other deposits in local currency by KM 22.1 million (0.8%) and other deposits in foreign currency by KM 175 million (2.5%).

Monetary aggregates



The counter item to the increase in the money supply (M2) on a monthly basis, in November 2023, in the amount of KM 36.2 million (0.1%) is the reduction of net foreign assets (NFA) by KM 111.3 million (0.5%) and increase of net domestic assets (NDA) by KM 147.5 million (1.0%). The increase in money supply (M2) at the annual level of KM 2.4 billion (7.3%) is the result of an increase in net foreign assets (NFA) by KM 1.3 billion (6.8%) and net domestic assets (NDA) by KM 1.1 billion (8.0%).

Monetary Data

	million KM XI 2023	Monthly changes, million KM			Annual growth rates in %		
		IX 2023	X 2023	XI 2023	IX 2023	X 2023	XI 2023
Assets							
1. Net foreign assets	20,336.3	-5.9	137.5	-111.3	5.4	4.8	6.8
1.1. Foreign assets	21,793.6	-24.8	130.7	-106.8	3.5	3.0	4.5
1.2. Foreign liabilities	-1,457.3	18.9	6.8	-4.5	-17.2	-17.2	-20.0
2. Net domestic assets	14,883.9	146.9	-79.7	147.5	10.2	10.8	8.0
2.1. Claims on central government (net), on canton and municipalities)	635.2	11.9	11.4	115.3	-359.8	-313.7	192.9
2.2. Claims on domestic sectors	22,338.4	184.7	103.9	100.6	6.3	6.3	6.7
2.3. Other items	-8,089.7	-49.7	-195.0	-68.4	9.0	8.7	9.7
Liabilities							
1. Money supply (M2)	35,220.2	141.0	57.8	36.2	7.4	7.2	7.3
1.1. Money (M1)	21,148.6	38.1	-80.5	43.7	9.1	9.2	9.0
1.2. Quasi money (QM)	14,071.6	103.0	138.2	-7.5	4.9	4.4	4.8

Loans

Total loans to domestic sectors at the end of November 2023 amounted to KM 23.3 billion, compared to the previous month, an increase in loans of KM 113.8 million (0.5%) was recorded. Credit growth was recorded in the household sector by KM 59.4 million (0.5%), in private companies by KM 58.4 million (0.6%) and in non-financial public companies by KM 2.8 million (0.5 %). A decrease in credit growth was recorded at government institutions by KM 1.7 million (0.2%) and at other domestic sectors by KM 5 million (2.2%).

The annual growth rate of total loans in November 2023 was 6.1%, nominally KM 1.33 billion. Annual credit growth was registered in the household sector by KM 810.4 million (7.4%), in private companies by KM 483.4 million (5.3%), non-financial public companies by KM 18.8 million (3.2 %) and in other domestic sectors by KM 54.3 million (32.9%). A reduction in credit growth on an annual basis was recorded at government institutions by KM 32.9 million (2.9%).

Structure of loans by sector

	million KM XI 2023	Monthly changes, million KM			Annual growth rates in %		
		IX 2023	X 2023	XI 2023	IX 2023	X 2023	XI 2023
Total	23,300.7	170.1	158.3	113.8	5.4	5.7	6.1
Out of it:							
Households	11,765.8	79.2	90.1	59.4	6.5	7.0	7.4
Private companies	9,623.0	111.1	-5.8	58.4	5.2	4.8	5.3
Government institutions	1,092.2	-20.1	72.4	-1.7	-10.0	-3.2	-2.9
Public companies	600.6	-1.3	2.9	2.8	11.7	4.9	3.2
Deposit of other domestic sector	219.0	1.2	-1.4	-5.0	26.0	28.7	32.9

Deposits

Total deposits of domestic sectors amounted to KM 30.94 billion, at the end of November 2023. Compared to the previous month, deposits increased by KM 49.1 million (0.2%). The growth of deposits on a monthly level was recorded in the household sector by KM 8.9 million (0.1%) and in private companies by KM 125.8 million (1.8%). Deposits decreased with non-financial public companies by KM 1.8 million (0.1%), with government institutions by KM 70.5 million (1.5%) and with other domestic sectors by KM 13.3 million (0.7 %).

The annual growth rate of total deposits in November 2023 was 7.7%, which in absolute terms is KM 2.2 billion. The annual growth of deposits was recorded by the household sector by KM 1.4 billion (9.8%), by private companies by KM 1.02 billion (17.0%) and by government institutions by KM 7 million (0.2%). Deposits decreased on an annual basis with non-financial public companies by KM 49.1 million (2.5%) and with other domestic sectors by KM 174 million (8.8%).

Structure of deposits by sector

	million KM XI 2023	Monthly changes, million KM			Annual growth rates in %		
		IX 2023	X 2023	XI 2023	IX 2023	X 2023	XI 2023
Total	30,937.5	151.7	227.7	49.1	6.9	7.0	7.7
Out of it:							
Households	15,675.0	88.8	151.3	8.9	9.1	10.0	9.8
Private companies	7,042.1	68.9	35.4	125.8	17.1	14.8	17.0
Government institutions	4,494.4	28.7	25.7	-70.5	-3.9	-4.3	0.2
Public companies	1,923.4	-26.1	42.7	-1.8	-5.0	-2.0	-2.5
Deposit of other domestic sector	1,802.6	-8.6	-27.3	-13.3	-2.2	-3.3	-8.8

Foreign Exchange Reserves

The foreign exchange reserves of the Central Bank of BH amounted to KM 15.68 billion at the end of November 2023.