



Centralna banka  
BOSNE I HERCEGOVINE  
Централна банка  
БОСНЕ И ХЕРЦЕГОВИНЕ



## Comment on Monetary Trends in October 2023

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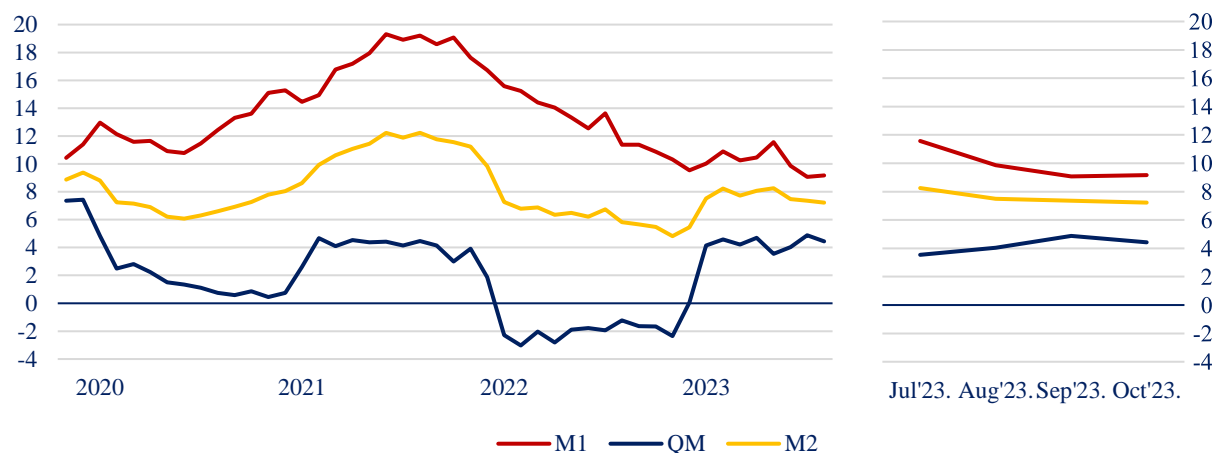
## Monetary trends in October 2023

The total money supply (M2) at the end of October 2023 amounted to KM 35.18 billion. Compared to the previous month, money supply increased by KM 57.8 million (0.2%). The increase of money supply (M2) in October 2023 resulted from the decrease of money (M1) by KM 80.5 million (0.4%) and the increase of quasi money (QM) by KM 138.2 million (1.0%). Cash outside banks decreased by KM 58.6 million (0.9%), and transferable deposits in the local currency by KM 21.9 million (0.1%), which resulted in a decrease of money (M1). Quasi money (QM) increased due to the increase of transferable deposits in foreign currency by KM 23.3 million (0.6%), other deposits in the local currency by KM 47.7 million (1.6%) and other deposits in foreign currency by KM 67.2 million (1.0%).

At the annual level, the increase of money supply (M2) in October 2023 amounted to KM 2.37 billion (7.2%). Growth was recorded with cash outside banks by KM 313.1 million (5.2%), transferable deposits in the local currency by KM 1.46 billion (11.0%), transferable deposits in foreign currency by KM 412.4 million (11.4%), other deposits in the local currency by KM 3.5 million (0.1%) and other deposits in foreign currency by KM 181.9 million (2.6%).

## Monetary aggregates

(annual growth rate)  
2020 - 2023



Counteritem to the increase of money supply (M2) at the monthly level in October 2023 in the amount of KM 57.8 million (0.2%) was the increase of net foreign assets (NFA) by KM 137.5 million (0.7%) and the decrease of net domestic assets (NDA) by KM 79.7 million (0.5%). The increase of money supply (M2) at the annual level of KM 2.37 billion (7.2%) resulted from the increase of net foreign assets (NFA) by KM 934 million (4.8%) and net domestic assets (NDA) by KM 1.44 billion (10.8%).

## Monetary Survey

	Positions in mil. KM X 2023	Monthly changes in mil. KM			Annual growth rates in %		
		VIII 2023	IX 2023	X 2023	VIII 2023	IX 2023	X 2023
<b>Assets</b>							
<b>1. Net foreign assets</b>	<b>20,447.6</b>	<b>422.6</b>	<b>-5.9</b>	<b>137.5</b>	<b>5.6</b>	<b>5.4</b>	<b>4.8</b>
1.1 Foreign assets	21,900.4	449.3	-24.8	130.7	3.5	3.5	3.0
1.2 Foreign liabilities	-1,452.7	-26.7	18.9	6.8	-17.9	-17.2	-17.2
<b>2. Net domestic assets</b>	<b>14,736.4</b>	<b>-118.7</b>	<b>146.9</b>	<b>-79.7</b>	<b>10.3</b>	<b>10.2</b>	<b>10.8</b>
2.1. Claims on central government (net) cantons and municipalities	519.9	-27.4	11.9	11.4	-274.7	-359.8	-313.7
2.2 Claims on domestic sectors	22,237.8	43.1	184.7	103.9	5.6	6.3	6.3
2.3 Other items	-8,021.2	-134.4	-49.7	-195.0	8.1	9.0	8.7
<b>Liabilities</b>							
<b>1 Money supply (M2)</b>	<b>35,184.0</b>	<b>303.8</b>	<b>141.0</b>	<b>57.8</b>	<b>7.5</b>	<b>7.4</b>	<b>7.2</b>
1.1 Money (M1)	21,104.8	179.5	38.1	-80.5	9.9	9.1	9.2
1.2 Quasi money (QM)	14,079.2	124.3	103.0	138.2	4.0	4.9	4.4

## Loans

The total loans to domestic sectors in the end of October 2023 amounted to KM 23.19 billion. Compared to the previous month, loans increased by KM 158.3 million (0.7%). Credit growth was registered in household sector by KM 90.1 million (0.8%), government institutions by KM 72.4 million (7.1%) and non-financial public companies by KM 2.9 million (0.5%). Decrease of credit growth was registered with private companies by KM 5.8 million (0.1%) and other domestic sectors by 1.4 million (0.6%).

The annual growth rate of the total loans in October 2023 amounted to 5.7%, in nominal terms, KM 1.25 billion. Annual credit growth was registered with household sector by KM 768.5 million (7.0%), with private companies by KM 436.1 million (4.8%), non-financial public companies by KM 27.8 million (4.9%) and other domestic sectors by KM 50 million (28.7%). Decrease of credit growth at the annual level was registered with government institutions by KM 36.7 million (3.2%).

## The loan structure by sectors

	Positions in mil. KM X 2023	Monthly changes in mil. KM			Annual rates of change in %		
		VIII 2023	IX 2023	X 2023	VIII 2023	IX 2023	X 2023
<b>Total</b>	<b>23,186.9</b>	<b>47.7</b>	<b>170.1</b>	<b>158,3</b>	<b>4.8</b>	<b>5.4</b>	<b>5.7</b>
Out of it:							
Households	11,706.4	72.1	79.2	90.1	6.3	6.5	7.0
Private companies	9,564.6	-29.3	111.1	-5.8	3.7	5.2	4.8
Government institutions	1,094.0	-3.5	-20.1	72.4	-7.9	-10.0	-3.2
Public companies	597.8	6.2	-1.3	2.9	12.3	11.7	4.9
Loans to other domestic sectors	224.1	2.3	1.2	-1.4	33.7	26.0	28.7

## Deposits

The total domestic sector deposits in the end of October 2023 amounted to KM 30.89 billion. Compared to the previous month, deposits increased by KM 227.7 million (0.7%). Deposit growth at the monthly level was registered in household sector by KM 151.3 million (1.0%), private companies by KM 35.4 million (0.5%), non-financial public companies by KM 42.7 million (2.3%) and government institutions by KM 25.7 million (0.6%). In other domestic sectors, deposits decreased by KM 27.3 million (1.5%).

The annual growth rate of the total deposits in October 2023 amounted to 7.0%, which is in absolute amount KM 2.01 billion. Annual deposit growth was registered in household sector by KM 1.42 billion (10.0%) and private companies by KM 892.5 million (14.8%). At the annual level, decreases were seen in deposits of government institutions by KM 204.1 million (4.3%), non-financial public companies by KM 39.7 million (2.0%) and other domestic sectors by KM 61.9 million (3.3%).

### Deposit structure by sectors

	Positions in mil. KM X 2023	Monthly changes in mil. KM			Annual rates of change in %		
		VIII 2023	IX 2023	X 2023	VIII 2023	IX 2023	X 2023
<b>Total</b>	<b>30,888.4</b>	<b>343.2</b>	<b>151.7</b>	<b>227.7</b>	<b>6.8</b>	<b>6.9</b>	<b>7.0</b>
Out of it:							
Households	15,666.1	107.7	88.8	151.3	9.3	9.1	10.0
Private companies	6,916.3	153.1	68.9	35.4	16.8	17.1	14.8
Government institutions	4,564.8	47.2	28.7	25.7	-5.3	-3.9	-4.3
Public companies	1,925.2	18.3	-26.1	42.7	-5.9	-5.0	-2.0
Deposits of other domestic sectors	1,815.9	16.9	-8.6	-27.3	0.3	-2.2	-3.3

### Foreign Exchange Reserves

The foreign exchange reserves of the Central Bank of BH in the end of October 2023 amounted to KM 15.77 billion.