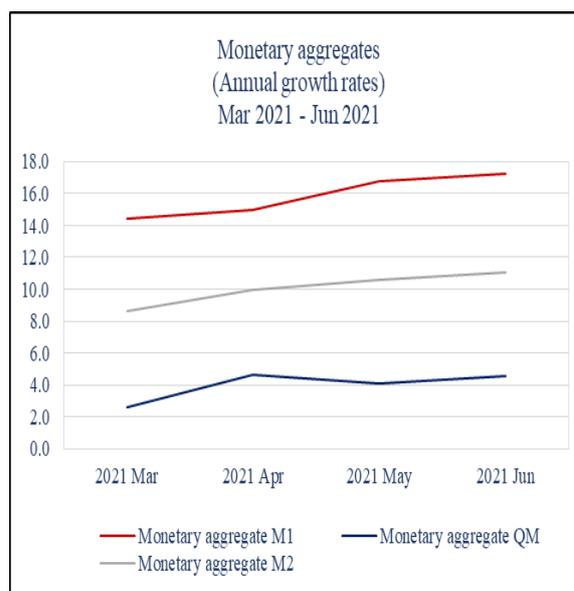
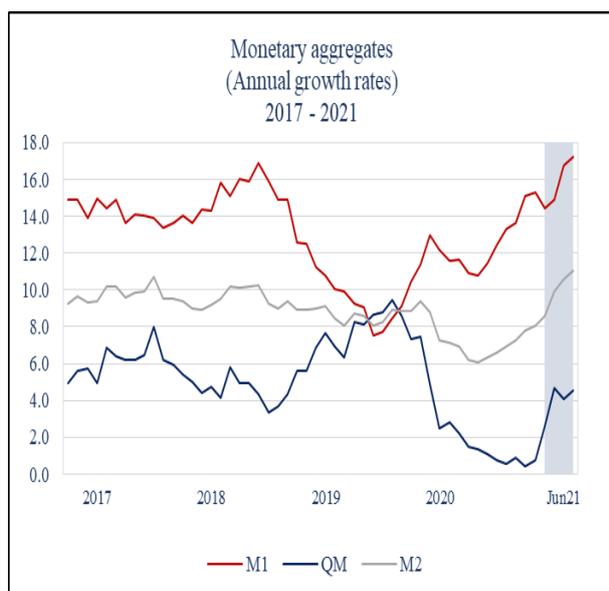


Comment on Monetary Trends in June 2021

The total money supply (M2) at the end of June 2021 amounted to KM 29.62 billion, with a monthly increase of KM 283.4 million (1%). The growth of money supply (M2) in June 2021 is the result of the growth of money (M1) by KM 218.4 million (1.4%) and quasi money (QM) by KM 65 million (0.5%). Cash (M1) increased due to the growth of transferable deposits in local currency by KM 198.7 million (1.9%) and cash outside banks by KM 19.7 million (0.4%). Quasi money (QM) had an increase in other deposits in local currency by KM 100.2 million (3.3%) and a decrease in transferable deposits in foreign currency by KM 20.9 million (0.7%) and other deposits in foreign currency by KM 14.3 million (0.2%).

At the annual level, the increase in the money supply (M2) in June 2021 amounts to KM 2.95 billion (11.1%). Growth was realized in cash outside banks by KM 392.4 million (8.1%), transferable deposits in local currency by KM 1.98 billion (22.1%), transferable deposits in foreign currency by KM 426.6 million (16.3%), other deposits in local currency by KM 116.1 million (3.9%) and other deposits in foreign currency by KM 42.7 million (0.6%).



The counter-item of the monthly increase of money supply (M2) in June 2021 in the amount of KM 283.4 million (1%) was the growth of net foreign assets (NSA) by KM 133.6 million (0.8%) and net domestic assets (NDA) by KM 149.8 million (1.2%). The increase in the money supply (M2) at the annual level of 2.95 billion KM (11.1%) is the result of the growth of net foreign assets (NSA) by 2.52 billion KM (17.2%) and net domestic assets (NDA) by KM 433.2 million (3.6%).

Monetary survey

| | Balance in mil. KM | Monthly changes in mil. KM | | | Annual growth rate in % | | |
|---|--------------------|----------------------------|--------------|--------------|-------------------------|-------------|-------------|
| | VI 2021 | IV 2021 | V 2021 | VI 2021 | IV 2021 | V 2021 | VI 2021 |
| Assets | | | | | | | |
| 1 Net foreign assets | 17.168,6 | 502,0 | 195,8 | 133,6 | 14,9 | 15,5 | 17,2 |
| 1.1 Foreign assets | 19.149,5 | 483,3 | 185,6 | 48,2 | 7,5 | 8,4 | 11,6 |
| 1.2 Foreign liabilities | -1.980,9 | 18,7 | 10,2 | 85,4 | -29,5 | 28,1 | 21,3 |
| 2 Net domestic assets | 12.456,0 | -253,3 | 70,9 | 149,8 | 3,8 | 4,5 | 3,6 |
| 2.1. Claims on central government (net) cantons and municipalities | 247,3 | -333,4 | 53,4 | 30,0 | -139,9 | -159,0 | -249,1 |
| 2.2 Claims on local sectors | 19.726,3 | 101,4 | 78,5 | 188,6 | 1,0 | 1,6 | 1,6 |
| 2.3 Other items | -7.517,6 | -21,4 | -61,0 | -68,8 | 4,5 | 5,2 | 4,1 |
| Liabilities | | | | | | | |
| 1 Money supply (M2) | 29.624,6 | 248,6 | 266,7 | 283,4 | 9,9 | 10,6 | 11,1 |
| 1.1 Money (M1) | 16.142,5 | 196,9 | 306,0 | 218,4 | 14,9 | 16,8 | 17,2 |
| 1.2 Quasi money (QM) | 13.482,1 | 51,7 | -39,3 | 65,0 | 4,7 | 4,1 | 4,5 |

Total loans

At the end of June 2021, total loans to domestic sectors amounted to KM 20.81 billion. Compared to the previous month, loans increased by KM 164.2 million (0.8%). Credit growth was registered in the following sectors: households by KM 97.2 million (1%), private companies by KM 81.6 million (0.9%), public companies by KM 0.4 million (0.1%) and other domestic sectors by KM 4.9 million (3.6%). The decrease in credit growth was registered in the sector of government institutions by KM 20 million (1.7%).

The annual growth rate of total loans in June 2021 was (2%), ie nominally 412.4 million KM. Loan growth was registered in the following sectors: households by KM 358.6 million (3.6%), private companies by KM 64.2 million (0.7%) and government institutions by KM 50.3 million (4.6%). The decrease in credit growth was registered in the following sectors: public companies by KM 30.6 million (5.7%) and other domestic sectors by KM 29.9 million (17.3%).

Sectoral structure of loans in BH

| | Balance in mil. KM VI 2021 | Monthly changes in mil. KM | | | Annual change rates in % | | |
|---------------------------------|----------------------------------|----------------------------|-------------|--------------|--------------------------|------------|------------|
| | | IV 2021 | V 2021 | VI 2021 | IV 2021 | V 2021 | VI 2021 |
| Total | 20.808,5 | 98,9 | 72,8 | 164,2 | 1,3 | 1,9 | 2,0 |
| Out of it: | | | | | | | |
| Households | 10.203,1 | 59,8 | 75,1 | 97,2 | 2,3 | 3,2 | 3,6 |
| Private companies | 8.805,1 | 53,9 | 12,5 | 81,6 | -0,6 | -0,2 | 0,7 |
| Government institutions | 1.152,1 | -1,9 | -4,2 | -19,9 | 6,6 | 6,7 | 4,6 |
| Public companies | 505,3 | -2,0 | -6,9 | 0,4 | 9 | 8,4 | -5,7 |
| Loans to other domestic sectors | 142,9 | -10,9 | -3,7 | 4,9 | -13,3 | -14,6 | -17,3 |

The CBBH Foreign exchange reserves

At the end of June 2021, the foreign exchange reserves of the Central Bank of BiH amounted to KM 14.18 billion, increasing by KM 121.6 million (0.9%) compared to the previous month. At the annual level, the foreign exchange reserves of the Central Bank of BiH increased by KM 1.16 billion (8.9%).