



Centralna banka  
BOSNE I HERCEGOVINE  
Централна банка  
БОСНЕ И ХЕРЦЕГОВИНЕ

Annual Report  
2024



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## Introduction by the Governor

You are presented with the Annual Report 2024 of the Central Bank of Bosnia and Herzegovina (Central Bank), which provides a comprehensive overview of the activities, achievements and challenges we faced in the past year. After several turbulent years and numerous global economic shocks, 2024 was marked by modest, but positive economic growth, stabilization of inflation and adjustment of monetary policies of leading central banks. Due to the slowdown in economic activity in the EU, geopolitical tensions and floods that affected our country, modest growth in real economic activity was recorded in BH in the last quarter. On the other hand, investments, personal and government consumption made a positive contribution to the growth of economic activity.

Although global economic conditions remained volatile during the previous year, the Central Bank continued to consistently manage foreign exchange reserves in a safe and profitable manner, in accordance with its legal goals and objectives, and to fulfil successfully its key mandate. In 2024, the Central Bank achieved significant results thanks to a timely and adequate investment strategy, which contributed to the growth of income and the preservation of assets safety. Consequently, at the end of the year, the coverage ratio of monetary liabilities to foreign exchange reserves, as a key indicator of the currency board stability increased to 108.4%, which further strengthened monetary stability and increased resilience to potential risks. It was precisely the efficient management of foreign exchange reserves that resulted in the achievement of significant net profit for our institution. The required reserves of banks were maintained in accordance with legal regulations, and with the beginning of 2024, additional flexibility was introduced in the required reserve policy, which enabled a more efficient calibration of the targeted effects of monetary policy.

In the year behind us, the Central Bank, among other things, significantly contributed to the strengthening of financial stability, the harmonization of the regulatory framework with European and international standards, and the further development of its institutional capacities. These activities were significantly supported by regular meetings of the Coordination of Banking Supervision and the Standing Committee on Financial Stability. Active cooperation with key international financial institutions, including the European Central Bank, the International Monetary Fund and the World Bank, continued, thus upgrading and extending the cooperation in the areas of environmental, social and governance standards (ESG), financial inclusion and cybersecurity. In line with the recommendations of the European Union, a Policy on Managing Climate Change Challenges was adopted, and the Central Bank became a member of the Network for Greening the Financial System (NGFS) and the Sustainable Banking and

Finance Network (SBFN). Following ESG standards, within its legal authority, the CBBH made a step forward in the field of investment by investing a part of its portfolio in “green” bonds, aiming to raise the awareness of the importance of adequate management of climate and social risks. By joining the World Bank's Reserve Advisory & Management Partnership (RAMP), the capacities for efficient management of foreign exchange reserves have been strengthened. As part of the continuous work on improving financial literacy, numerous educational activities for pupils and students have been organized, cooperation with educational institutions and partners has been established, and for its activities in the field of financial education, our institution was awarded the prestigious domestic award "Golden BAM".

One of the key focuses in 2024 was the further development of payment systems, with a special emphasis on preparing Bosnia and Herzegovina for integration into the Single Euro Payments Area (SEPA). This step represents one of the priorities of the Growth Plan for the Western Balkans and a significant step forward in the modernization and digitalization of payment transactions in the country, which will increase the efficiency and security of financial transactions, as well as improve the functionality of the domestic payment system.

Aware of its key role in stabilizing and developing the economy of Bosnia and Herzegovina, the Central Bank remains committed to preserving the stability of the currency board, strengthening the resilience of the financial system and supporting economic development, through proactive monetary policy management, modernizing the financial sector and strengthening international cooperation. In this regard, we have also improved the visibility of the Central Bank by participating in numerous conferences in the region and around the world, and by hosting a high number of representatives of embassies, local officials and representatives of international institutions.

Finally, I would like to thank all members of the Governing Board, the Management and the employees of the Central Bank for their dedicated work, expertise and professionalism in the implementation of all tasks and activities. I am sure that we shall, jointly continue to work on stability and reputation of our institution aiming towards well being of citizens and economy of Bosnia and Herzegovina

Sincerely Yours,



Jasmina Selimović, Phd  
Governor

## Legal Status

According to the Constitution - Annex 4 of the General Framework Agreement for Peace in Bosnia and Herzegovina, the Central Bank of Bosnia and Herzegovina is an institution of Bosnia and Herzegovina established by the Law on the Central Bank of Bosnia and Herzegovina, adopted by the Parliament of Bosnia and Herzegovina on 20 June 1997<sup>1</sup> and it has commenced its operations on 11 August 1997. The main objectives and tasks of the Central Bank of Bosnia and Herzegovina, as defined by the Law on the Central Bank of Bosnia and Herzegovina, are the following:

- to achieve and maintain the stability of the local currency (convertible mark) by issuing it with the full coverage in free convertible foreign exchange funds, according to the arrangement known as currency board, according to the fixed exchange rate: one convertible mark for one Deutsche Mark. Since 1 January 2002, convertible mark has been pegged to euro at the exchange rate: one convertible mark for 0.511292 euro, i.e. one euro amounts to 1.955830 convertible mark;
- to define and control the implementation of the monetary policy of Bosnia and Herzegovina;
- to hold the official foreign exchange reserves and manage them in a safe and profitable manner;
- to maintain appropriate payment and settlement systems;
- to coordinate the activities of the Entities' Banking Agencies responsible for issuing banking licenses and supervising banks;
- to receive deposits from Bosnia and Herzegovina and commercial banks in order to meet the mandatory reserves requirements. The Central Bank can also hold deposits of Entities and other public institutions, as well as other reserves of commercial banks, in case they want it;
- to issue regulations and guidelines for performing the activities of the Central Bank of Bosnia and Herzegovina within the mandate set by the Law on the Central Bank of Bosnia and Herzegovina;

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<sup>1</sup> "Official Gazette of BH", 1/97, 29/02, 13/03, 14/03, 9/05, 76/06 and 32/07.

- to participate in the work of international organizations strengthening the financial and economic stability and to represent Bosnia and Herzegovina in intergovernmental organizations related to monetary policy issues.

The Central Bank of Bosnia and Herzegovina is completely independent from the Federation of Bosnia and Herzegovina, Republika Srpska or any public agency or body, with the purpose of objective implementation of its tasks. The Central Bank of Bosnia and Herzegovina performs its operations through the Governing Board, the Management and the staff.

The Governing Board of the Central Bank of Bosnia and Herzegovina is a body of the Central Bank of Bosnia and Herzegovina in charge of defining monetary policy and control of its implementation, organization and strategy of the Central Bank of Bosnia and Herzegovina, according to its mandate stipulated by the Law on the Central Bank of Bosnia and Herzegovina. The Presidency of Bosnia and Herzegovina appoints the Governing Board of the Central Bank of Bosnia and Herzegovina featuring five members who elect the Governor among themselves, who is at the same time the Chairman of the CBBH Governing Board and of the Management. The Governor is the chief executive officer in charge of daily operations of the Central Bank of Bosnia and Herzegovina. The Management of the CBBH which includes Governor and three Vice Governors (appointed by Governor, with the approval of the Governing Board of the Central Bank of Bosnia and Herzegovina) at the request of the Governor, as the chief executive officer, carries out the activities of the Central Bank of Bosnia and Herzegovina and harmonizes the activities of the organizational units.

Governor, with the approval of the Governing Board of the Central Bank of Bosnia and Herzegovina, appoints Chief Audit Executive and Chief Audit Executive Deputies for the risk control in the Central Bank of Bosnia and Herzegovina.

The operations of the Central Bank of Bosnia and Herzegovina are carried out through the Head Office seated in Sarajevo, three Main Units seated in Sarajevo, Mostar and Banja Luka and two Branches seated in Pale and Brčko District.

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## ABBREVIATIONS

APP	Asset Purchase Programme
BHAS	Bosnia and Herzegovina Agency for Statistics
BH	Bosnia and Herzegovina
bp	basis point
CBBH	Central Bank of Bosnia and Herzegovina
CPI	Consumer price index
EC	European Commission
ECB	European Central Bank
ERP BiH	Economic Reform Programme for BiH
ESG	Environmental, social and governance
ESCB	European System of Central Banks
EU	European Union
FBH	Federation of Bosnia and Herzegovina
FDI	Foreign direct investment
FED	US Federal Reserves System
GAV	Gross added value
GDP	Gross domestic product
GFFBP- BiH	Global Framework of Fiscal Balance and Policies in BiH
HICP	Harmonized Index of Consumer Prices
IBRD	International Bank for Reconstruction and Development
KM	Convertible mark
IMF	International Monetary Fund
ITA	Indirect Taxation Authority
LNG	Liquid Natural Gas
LOHN	Jobs on goods processing and manufacturing
MFT BiH	Ministry of Finance and Treasury of BiH
MWh	Megawatt hour
NEER	nominal effective exchange rate
NEET	Not in Education, Employment, or Training
NGFS	The Network for Greening the Financial System
OPEC	Organization of the Petroleum Exporting Countries and other oil exporting countries
PEPP	Pandemic Emergency Purchase Programme
PMI	Purchasing Managers' Index
pp	percentage point
RAMP	Reserves and Advisory Management Partnership

REER	Real effective exchange rate
RS	Republika Srpska
SBFN	The Sustainable Banking and Finance Network
SCFS	Standing Committee for Financial Stability
SDR	Special drawing rights
SPPI	Services Producer Price Index
TTF	“Title Transfer Facility” Dutch gas hub
USA	United States of America

### **ISO country code**

BA	Bosnia and Herzegovina
EA	euro area
EU	European Union

### **Currency code**

CHF	Swiss franc
CNY	Chinese yen
CZK	Check krone
EUR	euro
HUF	Hungarian forint
MKD	Macedonian denar
PLN	Polish zloty
RON	Romanian leu
RSD	Serbian dinar
TRL	Turkish lira
USD	US dollar

# 1. Economic Trends in 2024

## 1.1. International economic environment

After several turbulent years and numerous shocks that followed the pandemic, the year 2024 was marked by a modest but still positive growth in economic activity. Geopolitical tensions were still quite pronounced, especially in connection with the war in Ukraine, but disruptions in supply chains have mostly stabilised, compared to the previous few years. Disinflation continued gradually in most countries, but core inflation remained a challenge. A large number of central banks therefore maintained a relatively restrictive monetary policy, in order to achieve a balance between stabilising prices and preserving economic growth. In such circumstances, for the year 2024, a moderate global growth of economic activity of 2.7% was estimated<sup>2</sup>.

The key factor that distinguishes the year 2024, compared to the previous two years, is the relative stabilisation of the energy market. Although energy prices are still higher than before the pandemic, the instability that was present at the height of the pandemic disruptions and in the early stages of the war in Ukraine has been significantly reduced. Stabilisation on the energy market resulted in a slowdown in headline inflation, especially in segments that are highly exposed to fuel and transport costs. Furthermore, Europe has additionally adapted to reduced gas imports from Russia, owing to the infrastructure for liquefied natural gas (LNG) and alternative gas pipelines, which reduced the risk of acute shortages<sup>3</sup>. Nevertheless, average energy prices in Europe are still above the level before the outbreak of the war<sup>4</sup>.

Economic growth in 2024 was uneven by region, so that, for example, in the United States of America (USA) real GDP growth of 2.8% was estimated for 2024<sup>5</sup>, while much lower growth rates were recorded in Europe. The growth of economic activity in the USA is the result of strong final consumption, low unemployment rates and growth in nominal wages. On the other hand, economic activity in the Euro area and the EU recorded very modest growth rates, so that at the level of 2024, real GDP growth was estimated at 0.7% and 0.9%, respectively<sup>6</sup>. Weaker external demand, a decline in the volume of industrial production, as well as tighter financing

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<sup>2</sup> World Bank – Global Economic Prospects, January 2025

<sup>3</sup> Source: <https://www.consilium.europa.eu/en/infographics/lng-infrastructure-in-the-eu/>

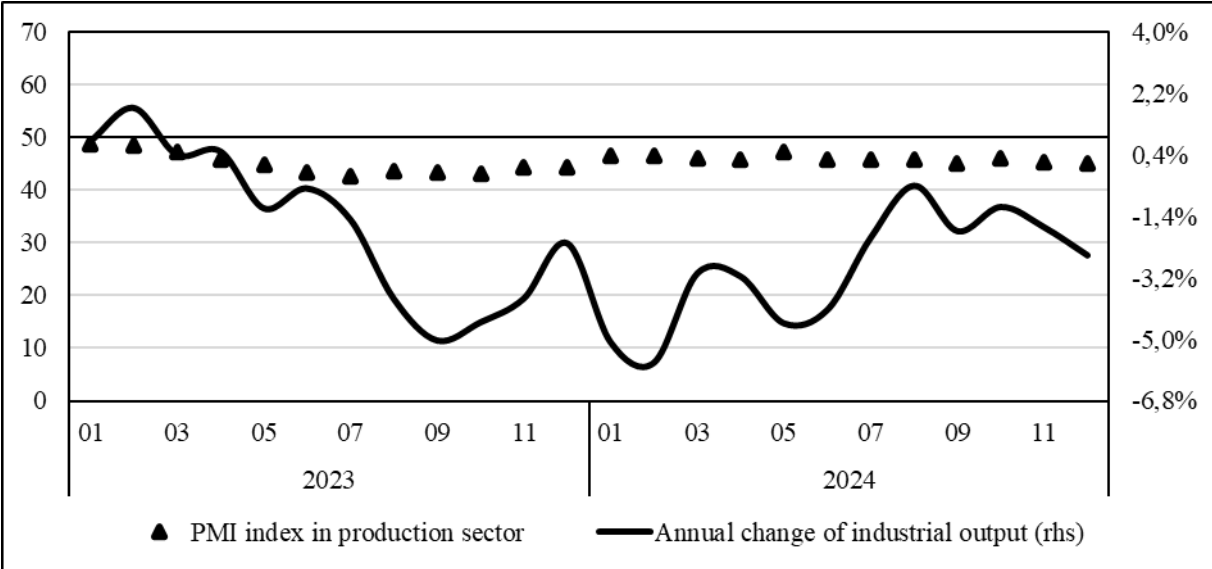
<sup>4</sup> Energy prices in the EU recorded a decrease of 1.6% compared to 2023, but also an increase of 33.0% compared to 2021, i.e. before the outbreak of the war in Ukraine.

<sup>5</sup> Source: <https://www.bea.gov/>

<sup>6</sup> Source: Eurostat preliminary estimates, February 2025.

conditions, are some of the factors that resulted in the slowdown of the growth of the EU economy. At the same time, there are significant differences between EU member states, where Spain stood out during 2024 as one of the countries that was the driving force behind EU growth. On the other hand, according to the first estimates, the German economy recorded a decline in economic activity (0.2%), for the second year in a row<sup>7</sup>. Looking at sectors, in 2024 the manufacturing sector continued to record a decline in activity, while the service sector recorded expansion. In 2024, a decline in the volume of industrial production was recorded, both at the level of the EU and the euro area, of 2.3% and 3.0%, respectively. Certain indicators, such as the Purchasing Managers' Index (PMI) for the manufacturing sector, have recorded values below 50 every month in a row for two and a half years, which also signalled that the euro area economy is stagnating (Graph 1.1)<sup>8</sup>. On the other hand, the same index for the service sector recorded values that indicate expansion. Although the data for the first quarter of 2025 is incomplete, the aforementioned indices already signal a continuation of such trends in early 2025<sup>9</sup>.

Graph 1.1: Annual Change of Industrial Output and PMI Index in Production Sector, in the Euro Area



Source: Eurostat, S&P Global Market Intelligence

Note: Data for industrial production volume are seasonally and calendar adjusted.

<sup>7</sup> Source: [https://www.destatis.de/EN/Press/2025/01/PE25\\_019\\_811.html](https://www.destatis.de/EN/Press/2025/01/PE25_019_811.html), German Federal Statistical Office.  
<sup>8</sup> PMI Releases, S&P Global. The PMI (Purchasing Managers' Index) value for the manufacturing sector above 50 indicates an expansion, and a value below 50 indicates a contraction of economic activity.  
<sup>9</sup> ECB Economic Bulletin, February 2025.

Despite all the foregoing challenges, the labour market in the euro area was relatively stable in 2024, marked by historically low unemployment rates in many member states. However, the mismatch of skills with the needs of the labour market is increasingly becoming apparent, especially in the areas of information technology and the so-called "green energy", which would require retraining of the workforce<sup>10</sup>. In parallel, wage growth in certain industries has accelerated, reflecting the rise in the cost of living, while real wages in some countries have barely kept pace with inflation over the past two years.

In the medium term, global real GDP growth is estimated at 2.7%, i.e. 0.4 pp below the 2010-2019 average<sup>11</sup>. However, this pace of growth is not sufficient to stimulate sustainable economic development, nor can it compensate for the damage caused by numerous shocks in the past years. According to the latest autumn projections of the European Commission, the growth of economic activity in the euro area and the EU in 2025 was estimated at 1.3% and 1.5%, respectively<sup>12</sup>. In 2026, economic activity is expected to grow by 1.3% in the euro area and 1.8% in the EU, mostly as a result of stronger household consumption. The increase in trade barriers and the decrease in competitiveness, along with geopolitical uncertainties, represent the biggest limiting factors for the growth of economic activity in the EU in the coming period. The trends of energy prices in 2024 was influenced by pronounced geopolitical tensions, but also by reduced demand. Brent oil prices, after a marked increase in the first half of the year, recorded a significant decrease in the second, so in December oil was traded at an average price of USD 73.9 per barrel, which is the lowest price in the last two years (Graph 1.2). Weak demand, especially in the markets of leading economies, and relatively high supply outside the OPEC+ countries contributed to a relatively narrow range of crude oil trading prices despite geopolitical tensions in the Middle East and disruptions in transportation in the Red Sea. Postponing the production increase of the OPEC+ countries also helped to keep prices from falling further. The average trading price of Brent oil in 2024 was USD 80.5 per barrel, which is 2.4% lower than the level in 2023, reflecting weak global economic growth, but also long-term trends in the transport sector in China and a shift towards cleaner fuels for transporting goods.

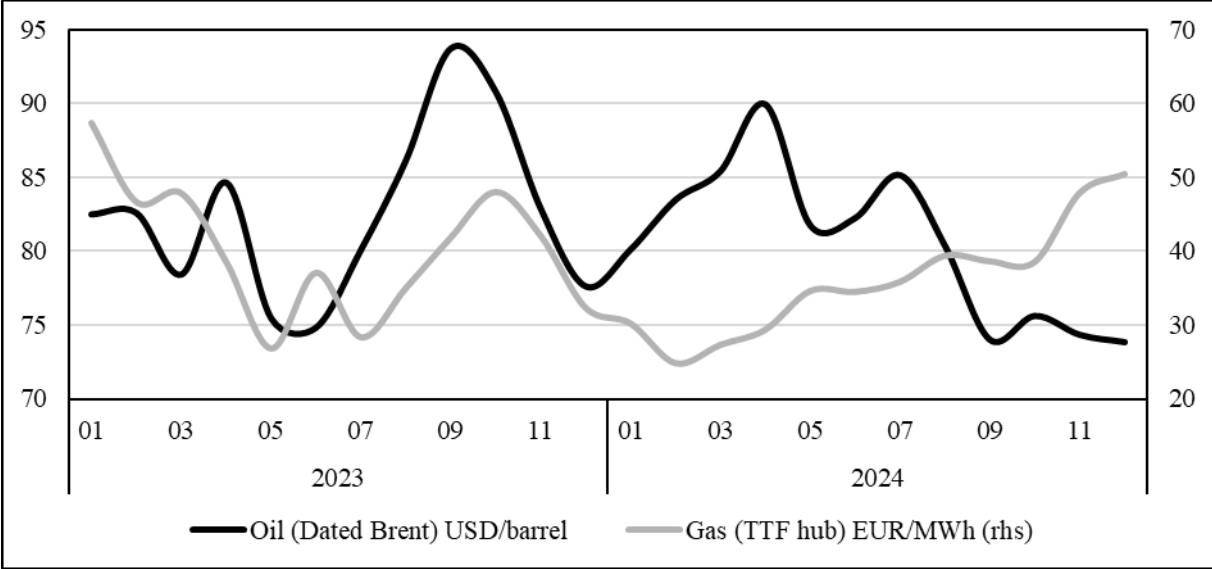
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<sup>10</sup> Source: European Commission, [https://employment-social-affairs.ec.europa.eu/policies-and-activities/skills-and-qualifications/european-skills-agenda\\_en](https://employment-social-affairs.ec.europa.eu/policies-and-activities/skills-and-qualifications/european-skills-agenda_en)

<sup>11</sup> World Bank – Global Economic Prospects, January 2025.

<sup>12</sup> European Commission: Autumn 2024 Economic Forecast, November 2024.

Graph 1.2: Energy Prices in International Market



Source: [www.tradingeconomics.com](http://www.tradingeconomics.com) , [www.statista.com](http://www.statista.com)

On the other hand, the prices of natural gas in 2024, with less oscillations, moved on an upward trajectory so that in December at the Dutch TTF hub, gas was traded at an average price of EUR 50.5 per megawatt hour (Graph 1.2), reflecting pronounced uncertainties in supply, as well as the low level of occupancy of European warehouses. At the beginning of 2025, gas reserves in European warehouses were at the level of 24 billion cubic meters, which is by 36% lower compared to the same period of the previous year, due to colder weather compared to the previous two winters<sup>13</sup>. Also, unfavourable weather conditions for electricity production using wind and solar power plants put additional pressure on natural gas prices in 2024.

In the USA, in 2024, an inflation rate of 2.0% was registered, which is by 1 pp lower than in 2023. In the euro area and the EU, during 2024, a weakening of inflationary pressure was also recorded, with registered annual inflation rates of 2.4% and 2.6%, respectively (which is by 3.0 pp and by 3.8 pp lower compared to the previous year). The prices of services, which make up 44.9% of household consumption in the euro area, were by far the most significant contributor to the overall growth of average consumer prices, and recorded an annual growth of 4.0% (Graph 1.3). Food prices recorded a much lower growth rate compared to the previous year (2.9% for 2024, after 10.9% for 2023). After the recorded decrease in prices in 2023, energy

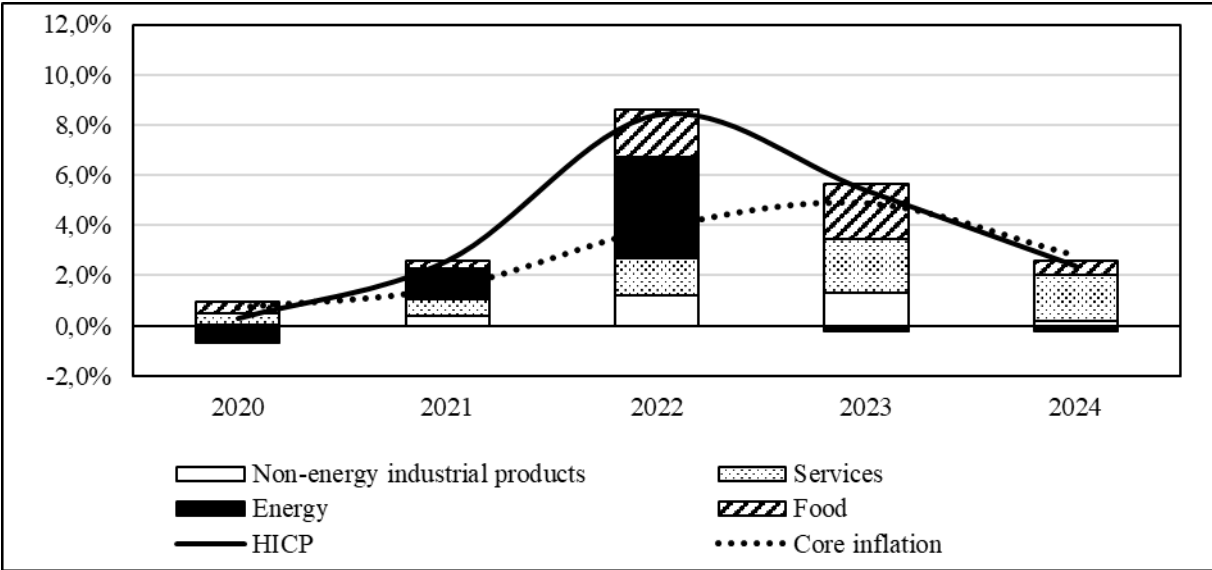
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<sup>13</sup> Gergely Molnar and Peter Zeniewski; Februar 23, 2025; „European gas market volatility puts continued pressure on competitiveness and cost of living“; URL: <https://www.iea.org/commentaries/european-gas-market-volatility-puts-continued-pressure-on-competitiveness-and-cost-of-living>



prices also recorded a decrease in 2024 (by 2.2%). Core inflation in the euro area continues to be above the headline inflation rate, which is one of the challenges for monetary policymakers in the euro area, with a high degree of uncertainty surrounding economic activity. According to the latest autumn projections of the European Commission<sup>14</sup>, the inflation rate in 2025 is estimated at 2.4% for the EU and 2.1% for the euro area. According to the same projections, inflation rates for 2026 for the EU and the euro area are expected to be 2.0% and 1.9%, respectively.

Graph 1.3: Contributions of Components to the Change of Consumer Price Index in the Euro Area

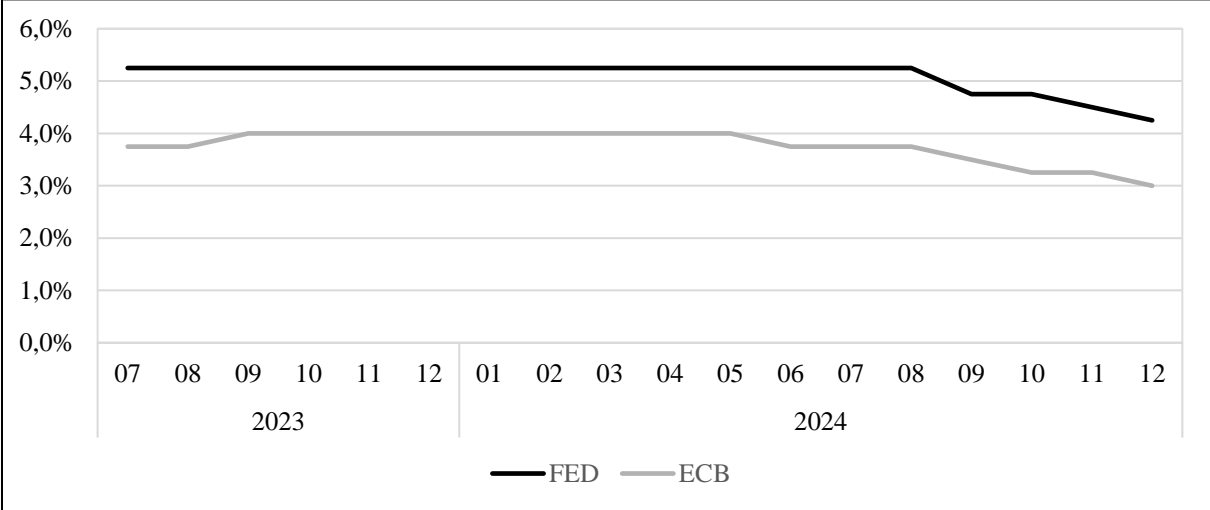


Source: Eurostat

During 2024, both the US Federal Reserves System (FED) and the European Central Bank (ECB) adjusted their monetary policies in response to changing economic conditions, with both institutions reducing interest rates, but at different pace and intensity (Graph 1.4). The ECB has been doing this more intensively in an attempt to stimulate economic growth. On the other hand, the FED took a more cautious approach to tapering, focusing on maintaining price stability while supporting economic growth. These differences in monetary policy approaches reflected different economic challenges in the US and the euro area, but also had a significant impact on foreign exchange markets, interest rate movements and investor expectations around the world.

<sup>14</sup> European Commission – Autumn 2024 Economic Forecast, November 2024.

Graph 1.4: Reference Rates of Leading Central Banks



Source: ECB, FED

During 2024, the euro area continued to face weak domestic demand and relatively low wage growth. The European Central Bank (ECB), after the end of the cycle of increasing its key interest rates in September 2023, maintained an extremely restrictive monetary policy until the middle of 2024. Considering that economic activity showed signs of stagnation, the ECB decided to loosen monetary policy more quickly to stimulate lending and consumption. The ECB decided to ease monetary policy in June 2024 by cutting key interest rates by 25 basis points. The turnaround in monetary policy is explained by the weakening of inflationary pressures and a general slowdown in inflation, which was to a large extent the result of the previously conducted restrictive monetary policy. Although some progress was made, inflationary pressures related to the labour market remained pronounced, especially in the services sector, which required a further cautious approach to monetary policy. In the second half of 2024, the ECB's monetary policy was aimed at a careful balancing between stimulating economic growth and curbing inflation. After the June reduction, the ECB again lowered the ECB deposit rate three times by an additional 25 bp each, to a level of 3% at the end of December 2024. At the same time, from the beginning of the year, the ECB continued to gradually reduce its balance sheet, following a pre-defined plan. The reduction of the portfolio of securities purchased through the Asset Purchase Programme (APP) took place through the suspension of the reinvestment of the principal of the securities due. In the first quarter of 2024, the ECB continued with the full reinvestment of maturing securities within the framework of the Pandemic Emergency Purchase Programme (PEPP), while in the second quarter it began a gradual reduction of the portfolio, with the aim of completely suspending reinvestment by the

end of the year. Further expectations of Euro area analysts are that the ECB's deposit rate will fall to a neutral level of 2% by the end of 2025.

On the other hand, the FED took a more cautious approach, cutting interest rates much later. The US economy showed greater resilience, with a stronger labour market and more stable consumption growth. Inflation remained relatively persistent in the US, so the FED tried to avoid easing monetary policy too quickly in order not to encourage price growth again. The FED gradually, between September and December 2024, reduced the reference interest rates, by a total of one percentage point, responding to the reduction of inflationary pressures and with the aim of making monetary policy less burdensome on economic growth. At the end of the year, the target federal funds rate was in the range of 4.25% to 4.50%.

Regardless of strong recessionary pressures in the world's leading currency areas, and ever-present geopolitical tensions, most of the most important global stock markets recorded growth. The growth of stock market indices in the USA<sup>15</sup> and in most of the EU took place in parallel with, still, extremely high interest rates. The average annual growth of the American stock market (S&P 500 Dow Jones Industrial Average and Nasdaq Composite) was very close to last year's level of 22%, and also like last year, the stock market was under the influence of technology companies and their main product, artificial intelligence, which is expected to generate high revenues and increase in profitability (Nasdaq Composite rose by 28.6%). The Euro Stoxx 50 index indicates that the European stock market grew (8.3%) more than both inflation and nominal GDP in the EU, but also that it is only a third of the growth of the American stock market. Despite the crisis in the German automotive industry, extremely low economic growth, bad business climate and weak consumer sentiment, the German DAX rose by 18.8%, approximately the same as last year<sup>16</sup>. The low growth of the European stock market includes expectations of low economic growth in the EU in 2025 due to only a partial adjustment to the energy shock (which was brought about by the transfer of a part of the production capacity to more expensive liquid gas compared to cheaper natural gas), reduced exports from the EU, the growth of the Chinese auto industry (electric cars), demographic problems and high public debt in some of the largest EU countries. The growth of the FTSE 100 (5.7%), for the fourth year in a row, is the result of cyclical and structural factors, with

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<sup>15</sup> In the EU, France is an exception to the large European economies.

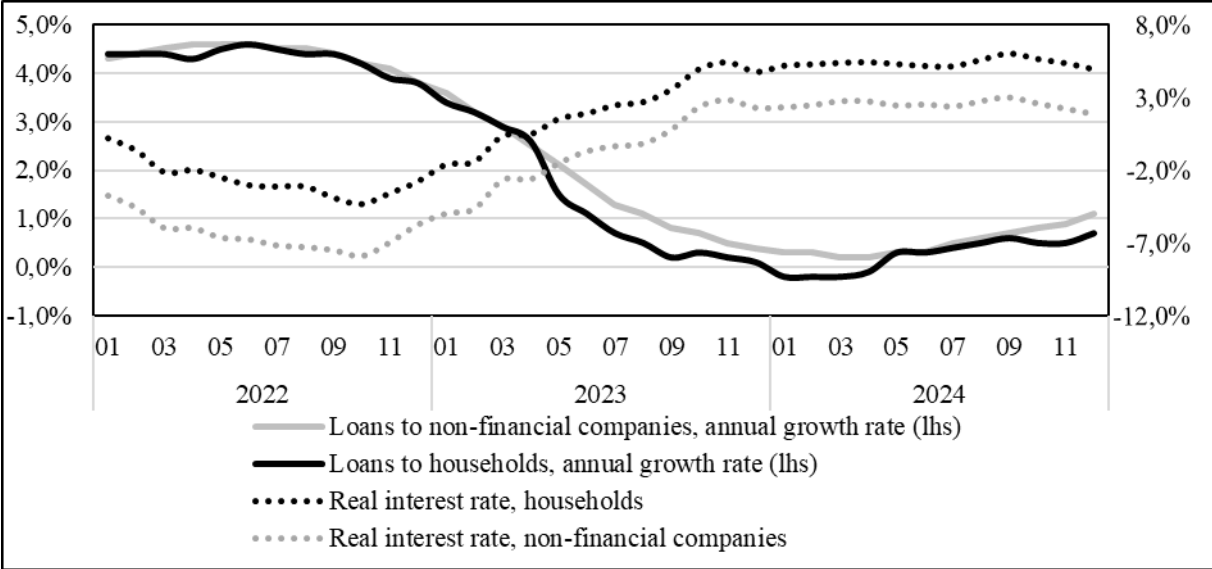
<sup>16</sup> A significant share in this Index, in addition to industrial companies, has companies engaged in the production of software, providing financial services, as well as companies from telecommunications and defence.

companies from the aviation industry, banking, energy and healthcare sectors being the main drivers of market growth, the largest since 2021.

In anticipation of a reduction in ECB interest rates, yields on short-term bonds of euro area countries began to decline from mid-2024. In the second part of the year, the market reacted to the announced changes in the economic policy of France related to tax policy and public debt by increasing the spread between the yields on German and French yields on ten-year bonds<sup>17</sup>, while on the other hand, this spread in relation to the bonds of Italy, which also has an above-average public debt, remained stable and decreased. The growth of yields on ten-year bonds was registered mainly in peripheral EU countries outside the euro area (Czech Republic, Poland, Hungary, Romania).

The reduction of the reference interest rates of the ECB was reflected in the interest rates of the banks, but not in the credit markets in the euro area to a greater extent (Graph 1.5). The still extremely low average credit growth in the EU is under the influence of high real interest rates, pessimism of European consumers, and the bad business climate in the leading countries of the Union. However, the demand for loans in peripheral EU countries is still high.

Graph 1.5: Loans in the Euro Area



Source: Eurostat

<sup>17</sup> This period in France was marked by political instability, the fall of the government, extraordinary elections, the gap between the results of the elections for the European and national parliaments.

## 1.2. Report on the situation in BH economy

### 1.2.1. Real sector

According to the autumn round of medium-term macroeconomic projections from November 2024, the CBBH<sup>18</sup> projects real GDP growth in 2024 at the level of 2.4%. Based on currently available information, a moderate growth in economic activity and stabilisation of inflationary pressures are expected in the medium term (Table 1.1). In 2024, the continuation of the modest growth of real economic activity was recorded, which was caused by the decrease in foreign demand, as well as the sequence of the effect of floods on economic activity in the last quarter. The decrease in foreign demand followed the deterioration of global trade conditions and the tightening of monetary conditions, as a result of high inflationary pressures. On the other hand, investments, personal and state consumption had a positive contribution to growth, taking into account the payment of social assistance and the increase in wages and services, due to natural disasters and long-term inflationary pressures. The growth of private sector investments is influenced by the domestic interest rates, which are still lower than the interest rates in the euro area, and the retained financial profit from the previous year, in which many companies recorded a high net profit. The state's investment spending is caused by works on large infrastructure projects, which, among other things, were recorded in 2024 due to local elections. At the same time, the growth in personal consumption was driven by a significant increase in wages, in line with indexation with previously high inflation rates.

Table 1.1: Medium-term Projections of the CBBH from November 2024

	2020.	2021.	2022.	2023.	2024. *	2025.*	2026. *
	Changes on an annual basis						
Real GDP	-2,9%	7,6%	3,7%	1,9%	2,4%	2,6%	2,8%
Inflation (consumer prices)**	-1,1%	2,0%	14,0%	6,1%	1,7%	1,9%	2,0%
	Share in GDP (expenditure approach)						
Individual spending	68,6%	66,5%	65,3%	64,7%	65,3%	64,7%	64,2%
Government spending	19,8%	18,9%	18,5%	18,5%	18,5%	18,3%	17,9%
Investments	22,3%	25,4%	25,1%	25,1%	26,6%	26,0%	26,4%
Net exports	-11,1%	-10,8%	-8,8%	-8,6%	-10,3%	-9,1%	-8,6%

Source: BHAS

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<sup>18</sup> Economic activity and inflation projections in the medium term are available on the website of the CBBH: <https://cbbh.ba/press/ShowNews/1628>.

Note: Official data on GDP for the period 2020- 2023 at the moment of preparing the projections. \* CBBH projections period; \*\* Inflation for 2024 is based on the latest published official data at the beginning of 2025 and is almost identical to the November projections (1.8%).

In 2025, an almost identical growth in economic activity (2.6%) is expected, assuming a prolongation of existing inflationary shocks, growth in personal consumption and improved trade opportunities for domestic industrial production and exports. Inflation in 2025 is expected to be 1.9%, where once again the biggest contribution to the growth structure will be basic inflation and food prices. In 2025, downside risks to economic activity prevail, particularly those related to the global economy, i.e. the decline in the competitiveness of the European economy, which will have consequential effects on domestic demand. On the other hand, inflation growth is increasingly influenced by core inflation, especially after the increase in the minimum wage in the previous period<sup>19</sup>, the increase in electricity prices, de-globalisation and climate change. At the end of the projection horizon, if the announcements about the start of application from January 2026 come true, it is expected that the introduction of the CBAM (Carbon Border Adjustment Mechanism) will have a significant impact on prices and real economic activity, which will cause an increase in the prices of products based on fossil energy, which will form an additional challenge to the main domestic industries such as the production of base metals. The next round of medium-term macroeconomic projections, for the period 2025-2027, will be published by the CBBH in May 2025.

At the time of the preparation of the Annual Report, official statistical data on the structure and level of GDP according to the production and expenditure approach, ending with the third quarter of 2024, were available. In the first nine months of 2024, a moderate annual growth of real GDP of 2.5% was recorded, due to the slowdown of economic activity and unfavourable trends in the external environment, weak growth in the main foreign trade partner countries, geopolitical instability, and the still relatively restrictive nature of monetary policy. In the observed period, a significant decrease in the annual growth rate of nominal GDP was recorded

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<sup>19</sup> At the beginning of 2024, the minimum wage increased in the FBH by 3.9% and in RS by as much as 28.6%. Considering that after the preparation of the autumn round, the minimum wage was additionally increased in both entities for 2025, the growth of which was particularly pronounced in the FBH (61.6%), the macroeconomic effects of this change will certainly be revised in the next round of projections. The official announcement by BHAS on the increase in inflation in January 2025 of 3.3%, among other things, indicates the price effects of the increase in the minimum wage.

(to the level of 2.9%), due to the stabilisation of inflation (the GDP deflator for the first nine months of 2024 was 0.5%, according to the production approach<sup>20</sup>).

Observed by areas of activity classification, the growth of real GAV (Gross added value) is a consequence of the growth of service activities, while production activities recorded an annual decline or negligible growth rates<sup>21</sup>. The exception to the above is the production activity of Mining, which recorded a significant annual growth rate in the first three quarters, but the participation of this activity in the total gross added value was negligible (1.2 pp). In addition, the activities that recorded the most pronounced growth in real economic activity are the activities of Construction and Wholesale and Retail Trade (which had the largest share in the total annual increase in GAV). On the other hand, the activity of the Manufacturing industry, which is also a significant component of GAV, recorded a significant rate of decline (6.7%) in the observed period.

Looking at the GDP structure according to the expenditure approach, gross investments had the largest positive contribution to real GDP growth in the first three quarters of 2024 (Graph 1.6). In the same period, gross investments recorded an extremely high annual real growth rate (15.6%). Historically, the largest part of total gross investments refers to gross investments in fixed assets (88.5% in 2023). From this amount, viewed according to the technical structure, more than half of the total value of gross investment in fixed assets refers to investments in construction facilities. Therefore, the high growth rates of total gross investments can be partially attributed to the strong economic activity in the construction sector (for more details, see the subsection Domestic service activities, except for financial intermediation). Taking into account that the inventory item includes a statistical discrepancy in the calculation of GDP according to the production and expenditure approach, as well as the expressed volatility of the inventory item<sup>22</sup>, a certain part of the growth of total gross investments can be attributed to this category, as well.

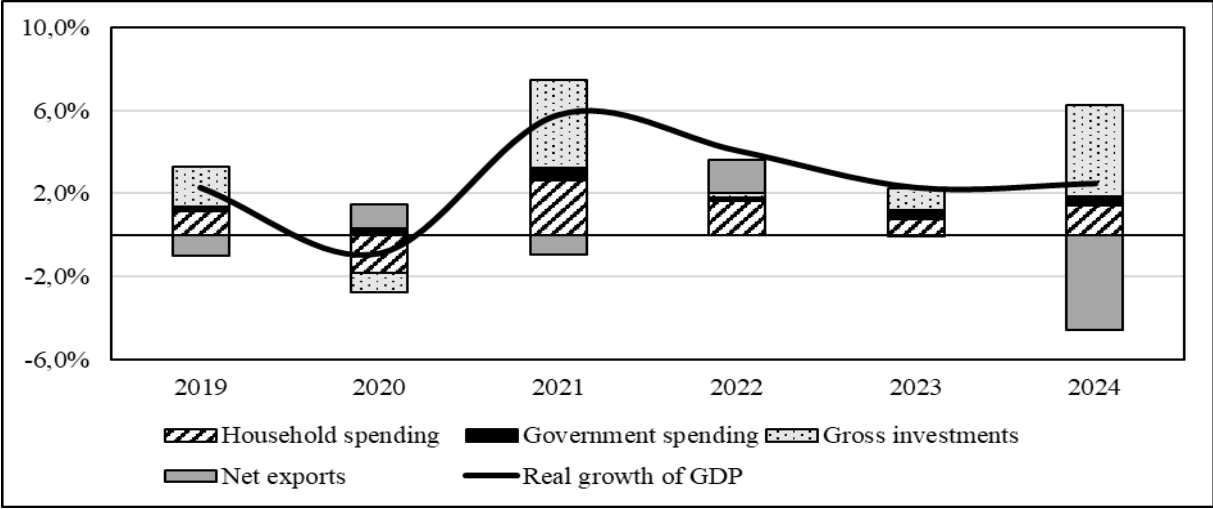
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<sup>20</sup> The GDP deflator for the first three quarters of 2023 was 8.7%.

<sup>21</sup> The share of industrial production (which includes Mining, Manufacturing, and Production and supply of electricity and gas) in the gross added value for the first three quarters of 2024 was 16.7%. According to the latest data from BHAS Structural Business Statistics, 15.8% of companies and entrepreneurs are from the field of industrial activities, while 22.8% of employees are involved in industrial activities.

<sup>22</sup> The share of inventories in total gross investments, in real terms, ranged from 3.8% in 2015, 19.4% in 2022, or 11.5% in 2023. Source: BHAS, Gross domestic product, according to the production, revenue and expenditure approach for 2023, January 2025.

Graph 1.6: Contributions to Annual Rate of Change of GDP Components according to Expenditure Approach for the First Three Quarters



Source: BHAS

The weakening of inflationary pressures in the goods sections, which constitute a significant item of household expenditure, contributed to the continued growth of household consumption, and an annual growth rate of 2.2% was recorded in household consumption<sup>23</sup>. Favourable trends in household consumption can be linked to the continuous growth of employment and real wages, but also to the growth of remittances from abroad (see External sector, Balance of payments). On the other hand, the negative contribution of net exports to overall GDP growth can be attributed to weak external demand, a change in the demand structure (growth in demand for services compared to goods, which is especially pronounced after the pandemic), and, consequently, the slowdown in the economic activity of our main trading partners<sup>24</sup>.

<sup>23</sup> The share of household consumption in the total GDP, in the first three quarters, was 64.5%.  
<sup>24</sup> In the first three quarters of 2024, exports of goods and services recorded an annual decline of 4.4%, while imports recorded an annual growth of 2.7% in the same period. The share of exports in the total GDP, in the first three quarters, was 41.3%, and the share of imports was 52.5%.



## I. Industrial production

In 2024, the downward trend in the volume of industrial production in Bosnia and Herzegovina continued. The slowdown of economic activity in the EU, as well as global geopolitical tensions, influenced the reduction of demand on the markets of BH's main trading partners, which resulted in a reduced volume of industrial production in 2024. Industrial production recorded an annual decline of 3.9% in 2024, compared to the previous year. The decline in industrial production, as well as the decline in employment in the industry sector<sup>25</sup>, indicate a decrease in the competitiveness of domestic industry. At the same time, the decline in the share of industry in the gross added value<sup>26</sup> indicates structural changes, where the service sector is becoming more dominant (see the subchapter Domestic service activities, except for financial intermediation).

Trends in activities that make up industrial production remained relatively unchanged compared to the previous year (Graph 1.7). All major activities recorded an annual decline in the volume of industrial production in 2024. Certainly, the activity of the Manufacturing industry stands out, which recorded a slightly lower annual decline compared to the previous year, but considering its large participation in the index of industrial production, the mentioned activity had the greatest impact on the total annual decline of industrial production<sup>27</sup>. The decline of the manufacturing industry can also be explained by the reduced demand for domestic products abroad (more information in the sections on the external sector: the structure of foreign trade exchange, and the balance of payments, the category of services for finishing and processing goods for export), because the production of intermediate products and non-durable products for mass consumption recorded a decline in 2024 as well (by 4.7% and 0.4%, respectively). Given that the said industrial groups Intermediate and Non-durable products for mass consumption together have a share of 57.0% in the total index of industrial production, their influence on the decline in the total volume of industrial production is also understandable.

Mining activity<sup>28</sup> recorded a decline in production volume (7.8% on an annual basis) for the sixth year in a row, with strong intra-year cyclicalities.

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<sup>25</sup> The number of employees in the industry sector (which includes Mining, Manufacturing, and Production and supply of electricity and gas) decreased by 2.2% in 2024, compared to 2023.

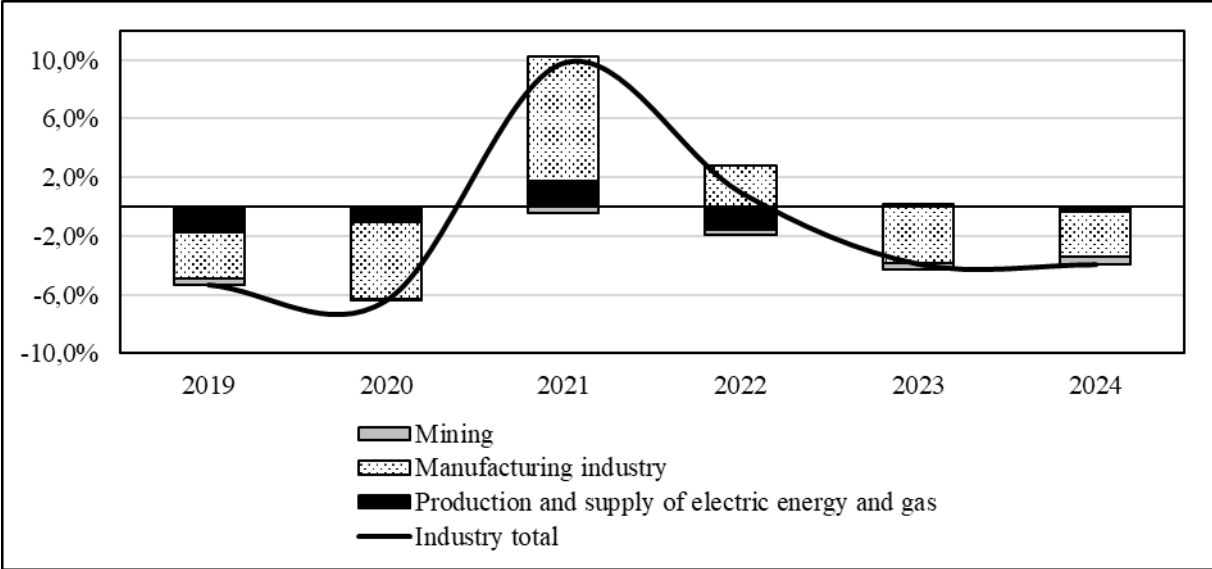
<sup>26</sup> The share of the industry sector in the Gross added value, for the first three quarters of 2024, compared to the same period of 2023, is lower by 2.3 pp.

<sup>27</sup> The weight of the manufacturing industry in the Index of industrial production (January 2025) was 74.6%.

<sup>28</sup> The weight of the Mining activity in the index of industrial production (January 2025) was 7.4%

Production and supply of electricity and gas<sup>29</sup> also recorded a decrease (2.0%) in 2024. The aforementioned activity has shown a highly cyclical behaviour for years, strongly influenced by certain factors, such as activities in the domestic mining industry, the characteristics of electricity export contracts <sup>30</sup>, and climatic conditions as well.

Graph 1.7: Contributions to Annual Changes of Industrial Output by Areas, Source Indices



Source: BHAS

Graph 1.8 below shows the activities within the Manufacturing industry, which most significantly contributed to the decline in industrial production in 2024, either because of their importance for the industry (size of weighting), or because of the decline in the volume of production. In 2024, the decline in the volume of production of finished metal products had the greatest impact on the overall decline in industrial production. The production of finished metal products recorded an annual decline of 6.9%, which directly affected the decline in the value of exports<sup>31</sup>. Furniture production also made a major contribution to the decline in total production in 2024.

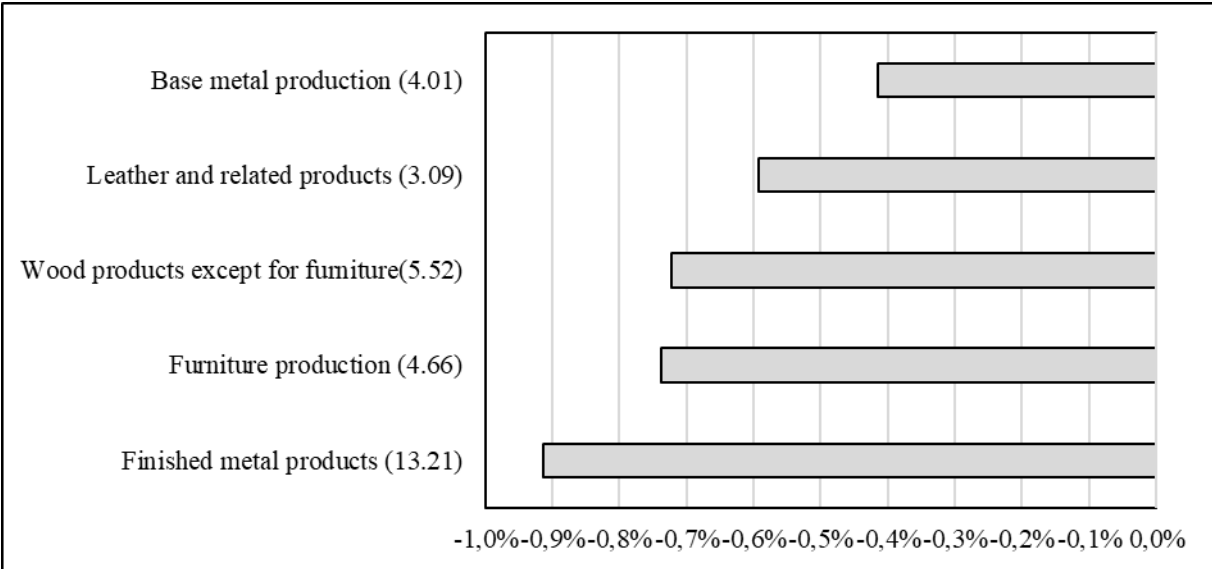
<sup>29</sup> The weight of the activity of production and supply of electricity and gas in the index of industrial production (January 2025) was 18.0%.

<sup>30</sup> In terms of quantity, because, according to BHAS (Index of Industry Turnover), the Energy group (which also includes the activity of Production and supply of electricity and gas) recorded a 4.5% decrease in sales on the domestic market, and a 31.2% decrease on the foreign market, in 2024, compared to 2023.

<sup>31</sup> According to the announcement of BHAS (Statistics of trade of BH with foreign countries, January 2025), finished metal products recorded an annual decrease in the value of exports of 4.2%.

In 2024, the decline in the volume of production of base metals continued, and an annual decline in production of 10.4% was recorded<sup>32</sup>. The decline in the volume of production directly affected the value of exports of base metals, which recorded an annual decline of 5.0% in 2024, which indicates a decrease in demand on the markets of the main foreign trade partners. The decline in demand for steel in the EU is estimated at 2.3% for 2024<sup>33</sup>, mostly due to the decline in activity in the construction and automotive industries. The aforementioned decline in activity in the automotive industry in the EU also had a negative impact on the leather industry in BH, which is strongly linked<sup>34</sup>. Some of the activities within the Manufacturing industry (such as the production of electrical equipment, and the printing and duplicating of recorded records) recorded high production growth rates in 2024, however their weight in the total industrial production is low, therefore their impact on the total volume was weak.

Graph 1.8: Contributions of the Most Significant Activities for the Manufacturing Industry Decline in 2024



Source: BHAS

Note: Within the brackets we put the January 2025 weights by the name of series.

<sup>32</sup> In 2023, a 29.7% annual decline in the production volume of base metals was recorded, largely due to a temporary halt in the production of one of the largest steel production plants, which in 2024 was among the three largest exporters in BH, according to data from the BH Indirect Taxation Authority. The share of companies involved in the production of base metals is only 0.07%, according to the latest data from the BHAS Structural Business Statistics.

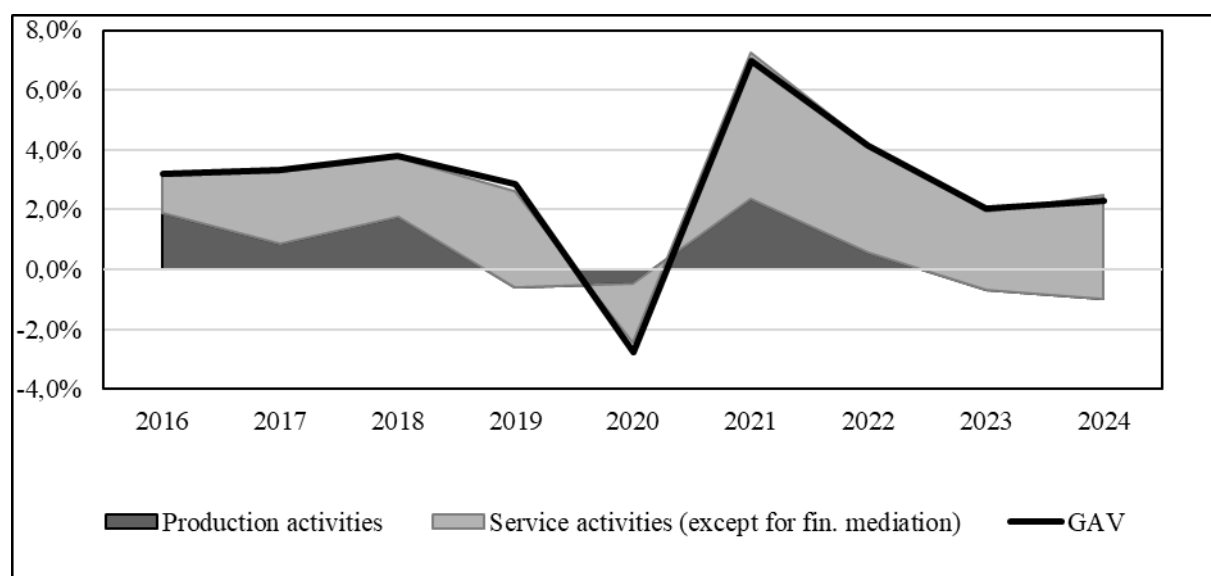
<sup>33</sup> Economic and Steel Market Outlook, February 2025.

<sup>34</sup> The annual decline in the volume of production in the leather industry amounted to 19.2% in 2024.

## II. Domestic service activities, except for financial intermediation

Service activities play a key role in the economic development of Bosnia and Herzegovina, significantly generating employment and stimulating economic growth. As industrial production and agriculture have limited capacity for expansion, and their main export groups of products are strongly influenced by economic activity in developed countries, the service sector becomes the main driver of economic dynamics. The growth of economic activity was influenced by increased economic activity in the service sector, supported by strong post-pandemic demand, as well as significant activity in the trade and construction sectors (Graph 1.9).

Graph 1.9: Contributions of Production and Service Activities to Real Growth of GAV



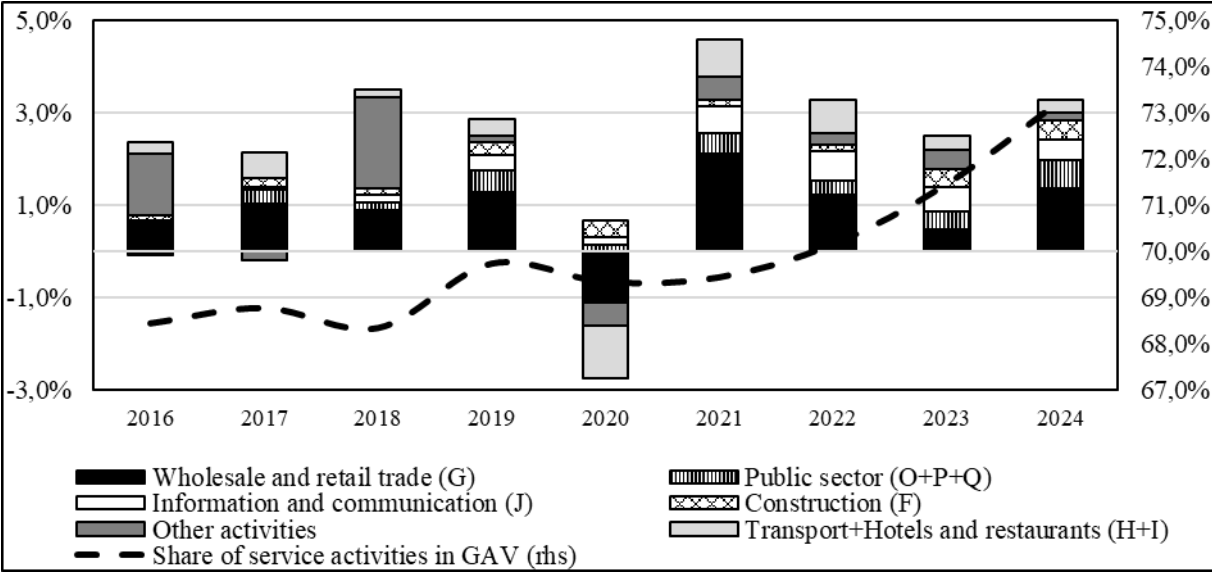
Source: BHAS, CBBH

Note: Service activities include: Construction; Wholesale and retail trade; Transportation and storage; Hotel and hospitality industry; Information and communications; Real estate business; Professional, scientific and technical activities; Administrative and auxiliary service activities; Public administration and defence, compulsory social insurance; Education; Health and social protection activities; Art, entertainment and recreation and Other service activities (except financial intermediation activities).

Observed by activity, the largest contribution to real GAV growth was recorded in the activity of wholesale and retail trade (Graph 1.10), which recorded an annual growth of 7.4% in 2024, which is mostly based on domestic consumption due to positive trends in the labour market and growth in net wages, but also various forms of transfers from abroad (employee compensation,

direct transfers and pensions)<sup>35</sup>. The significant contribution of other service activities (information and communication activities, transport and hotels and restaurants) is based to a significant extent on foreign demand, i.e. the export of various types of services<sup>36</sup>. The information and communications activity (annual growth of 6.9%) is the one that in the last four years has recorded extremely high annual growth rates of gross added value, which can mostly be linked to significant demand from abroad for this type of service, so that, according to balance of payments data, the export of this type of service in the first three quarters of 2024 recorded an annual nominal growth of 6.7%. The good results of this activity reflect the gradual digital transformation in BH, the increase in investment in IT infrastructure and the growing demand for digital services. The public sector<sup>37</sup> has a significant contribution to economic activity in Bosnia and Herzegovina, considering that it accounts for about a quarter of the total number of employees, while the contribution to real GDP growth was 60 bp. Also, transport activities, as well as hotels and restaurants, i.e. activities that are directly related to the arrival and consumption of foreign tourists, recorded a contribution to the growth of real GDP of 30 bp.

Graph 1.10: Contributions to Growth of Real GAV, Selected Activities



Source: BHAS, CBBH

<sup>35</sup> For more details, see Chapter 1.2.4 External sector, Balance of Payments  
<sup>36</sup> For more details, see Chapter 1.2.4 External sector, Balance of Payments  
<sup>37</sup> The public sector includes activities: O (Public administration and defence; mandatory social insurance), P (Education) and Q (Health and social protection activities).

The construction sector recorded significant growth in 2024 (7.4%), which is slightly below the level of 2023. These indicators in the construction sector are largely the result of demand still being higher than supply. This is supported by the weaker transmission mechanism of high interest rates from the euro area to the domestic market, as well as the lack of alternative investment opportunities. In 2024, a significant increase in the volume of production in the construction sector (6.0%) was recorded<sup>38</sup>, which is in line with the strong growth of gross investments recorded in the first three quarters of 2024. The mentioned increase in the volume of works refers to both main segments of construction, both high-rise construction (residential construction) and low-rise construction (civil engineering). Housing construction increased by 17.6% in the number of completed apartments, and 16.1% in the built area. In civil engineering, in 2024, a significant increase in the volume of production was also recorded (7.0%), primarily due to the intensity of works such as those on sections of the Corridor Vc motorway. At the same time, the prices of contractor works in civil engineering recorded a growth of 5.3%, compared to the year 2023 (growth was recorded for all types of buildings: main roads, motorways, bridges and tunnels). The rise in the prices of contractor works shows that there have been cost pressures as well. It is worth noting that the construction sector in BH has been facing a shortage of skilled labour for years, which can further contribute to increased labour costs during periods of more intensive construction.

### III. Prices

The slowdown in inflation, which began in the last quarter of 2023, continued in 2024. In 2024, inflation was 1.7%. In the previous periods, inflationary pressure differed significantly in BH from that in the euro area, both in the contributions of individual sections and in the strength of the inflationary pressure itself. However, in 2024, a harmonisation of price growth is observed, with annual inflation in the euro area amounting to 2.4%<sup>39</sup>. According to the latest medium-term projections of the CBBH, we expect the growth of average consumer prices to remain at the level of up to 2%<sup>40</sup>.

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<sup>38</sup> Source: BH Statistics Agency, 25 February 2025. year; Production index in construction.

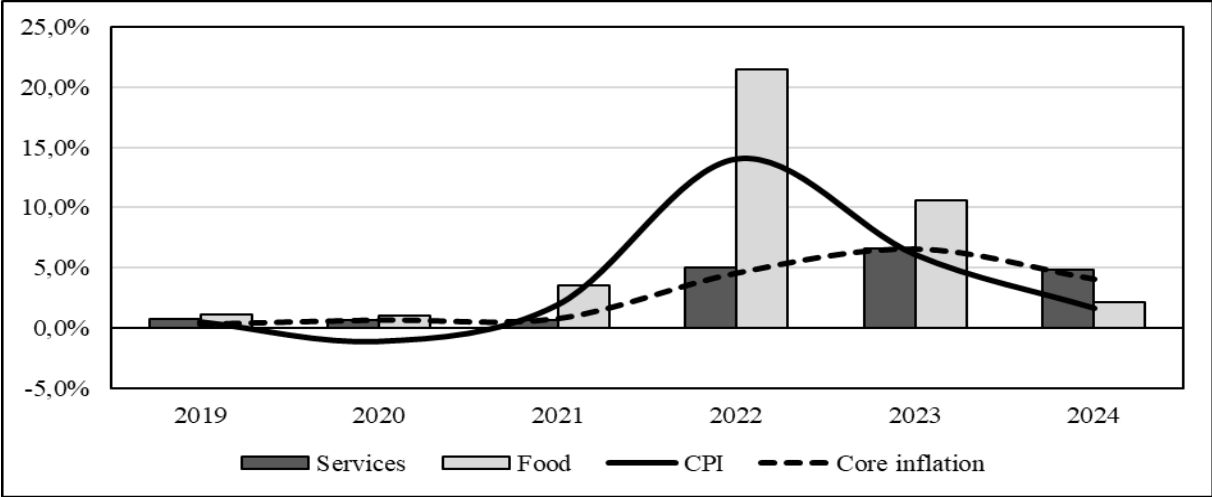
<sup>39</sup> In the euro area, HICP is used to calculate inflation, and since the harmonised index is not yet officially available for BH, only CPI data are used. The key methodological difference is based on the fact that HICP includes consumption by non-residents, while CPI includes consumption by domestic private households only, which results in different shares of individual components in the consumer basket for the calculation of CPI and HICP.

<sup>40</sup> CBBH autumn medium-term macroeconomic projections, November 2024.

Core inflation<sup>41</sup> for 2024 is estimated at 4.0% (Graph 1.11). The rate of estimated core inflation was twice as high as the headline inflation, which shows that price growth in 2024 was not only influenced by the growth of exogenous prices, but it was also under increasing pressure from domestic prices. The persistently high rates of core inflation, which have already been above the rates of headline inflation since the end of the first half of 2023, could cause further union pressure to align real income with the growth of living costs. Core inflation is already under the influence of a significant increase in real wages, which recorded a growth of 7.7% in 2024 (for more details see the section Employment and wages).

The trends of core inflation was very much in line with the movement of services inflation in 2024, which in fact also suggests that domestic inflationary pressures are on the rise. The growth of domestic inflationary pressures can have a negative impact on the competitiveness of domestic industry, in the medium and long term, as well as an impact on the volume of industrial production. Inflation in the service sector<sup>42</sup> has been continuously high for the last three years, and we estimate it at 4.8% in 2024. Among the services that recorded the most pronounced price increases are restaurant and hotel services<sup>43</sup>, rental prices, and apartment repair and renovation services. All of the foregoing indicates that price increases were not only recorded in categories that are traditionally affected by strong fluctuations in international markets, such as food and energy.

Graph 1.11: Annual Changes of Average Consumer Prices in BH



Source: BHAS

<sup>41</sup> Core inflation is the estimate of the CBBH.  
<sup>42</sup> Inflation of services is an estimate of the CBBH.  
<sup>43</sup> The total wage bill increased by 10.5% in 2024, compared to 2023, in the hospitality and catering sector.

Note: The calculation of core inflation according to the EUROSTAT methodology in relation to the CBBH methodology additionally excludes the section of alcoholic beverages and tobacco and excludes the prices of electricity within energy sources. As the domestic prices for these sections are formed administratively, and as they are not so dependent on exogenous prices, the calculation of the domestic core inflation differs on the abovementioned grounds, which is a very common practice in certain countries that create the methodology based on the economic specificities of the country.

Observing the growth of average consumer prices by category, the highest price growth in 2024 was recorded for the categories of restaurant and hotel services (7.2%), and for other products and services (5.3%), among which the prices of financial services stand out. The category of food and non-alcoholic beverages, in 2024, recorded a price increase of 2.1%. The prices of overhead expenses remained at the level of the previous year, despite the increase in the price of electricity for households in FBH<sup>44</sup>. We expect that in the coming period the prices of overhead costs will create additional inflationary pressure, considering that in RS since the beginning of 2025, the prices of electricity for citizens have increased by 7.7%. According to official data, the electrical energy subsection recorded an annual growth of 1.8% in 2024, at the level of BH. Bearing in mind the aforementioned increases in electricity prices, further inflationary pressure is expected not only in this section, but also in all other sections, due to the fact that the increase in electricity prices has an impact on other sections as well.

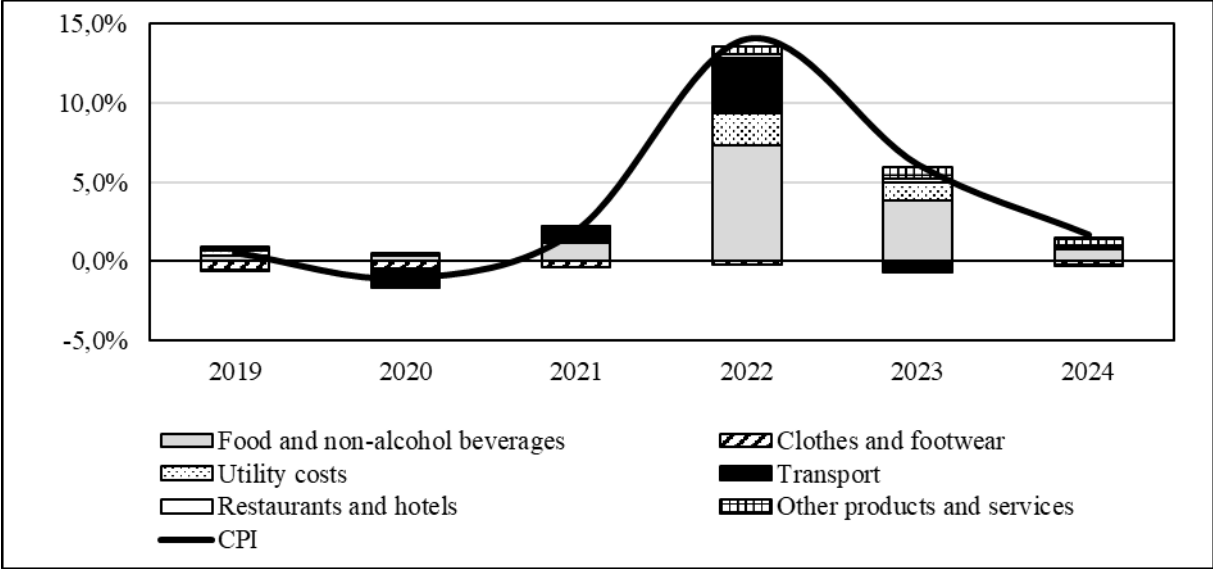
The transport category recorded a slight annual decrease (0.1%) in 2024. Other categories recorded annual growth, with the exception of the clothing and footwear category, which continuously has a deflationary effect on the total average consumer prices, over a fifteen-year period. This trend of price growth, which was recorded in most categories in 2024, and especially in the service sector, will probably be under additional pressure caused by the growth of overhead costs in the coming period. The largest contribution to the overall increase in prices in 2024 was made by the section of food and non-alcoholic beverages, followed by other products and services, and restaurant and hotel services (Graph 1.12).

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<sup>44</sup> Electricity prices for households in the FBH increased by 10%, and by about 8% for small businesses, which materialised from 1 August 2024.



Graph 1.12: Contributions to Annual Rates of Change of Consumer Prices in BH



Source: BHAS

**Text box 1: Change in the level of average consumer prices of the main sections, in relation to the periods before the inflationary shocks**

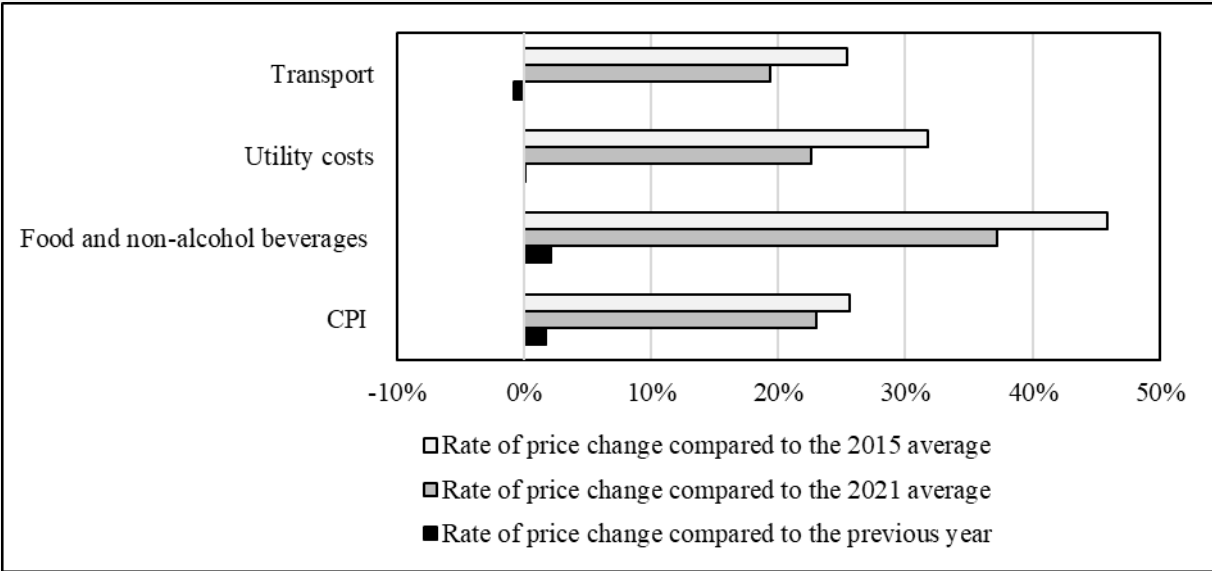
After strong inflationary shocks, from the second half of 2023, a rapid slowdown in the growth of domestic consumer prices began. Nevertheless, the index of average consumer prices has recorded high levels since the official collection of price data in BH, whereby at the end of December an average price increase of 24.4% was recorded, compared to the average of 2021, i.e. before the period of strong inflationary shocks.

It is important to keep this in mind from the perspective of disposable income, because, although inflation is slowing down, average consumer prices are still higher than in previous periods. In this context, it is also important to emphasise that developing countries are particularly sensitive to inflation, especially to increases in the prices of basic necessities such as food, fuel and utilities. In developed countries, the increase in food prices is not as dramatic as in countries with lower average per capita income, where even small changes in food prices have a large impact on the quality of life of the population. The increase in average consumer prices has the greatest impact on households with lower incomes, because such households tend to spend the largest part of their income on food products and other basic foodstuffs. Due to lower disposable income, it is precisely the weight for the category Food and Non-alcoholic

Beverages that is by far the most significant from the aspect of measuring inflation in the case of BH<sup>45</sup>.

Graph 1.13 shows the annual price changes for the food and non-alcoholic beverages, overhead costs, and transportation sections, compared to 2021 and 2015. Looking at the three main sections in total household consumption, which account for 64.6% of the total structure by consumption share, significant price growth rates are clearly visible compared to the 2021 average, and especially compared to the 2015 average. The most significant price growth, compared to the 2021 average, was recorded for the food and non-alcoholic beverages category (of 37.2%), and compared to 2015, as much as 45.9%. Also, although overhead costs stagnated in 2024, and transportation prices even recorded a decline, prices in the above sections increased by 22.6% and 19.4%, respectively, compared to the 2021 average<sup>46</sup>.

Graph 1.13: Changes of Average Consumer Prices of the Main Categories



Source: BHAS

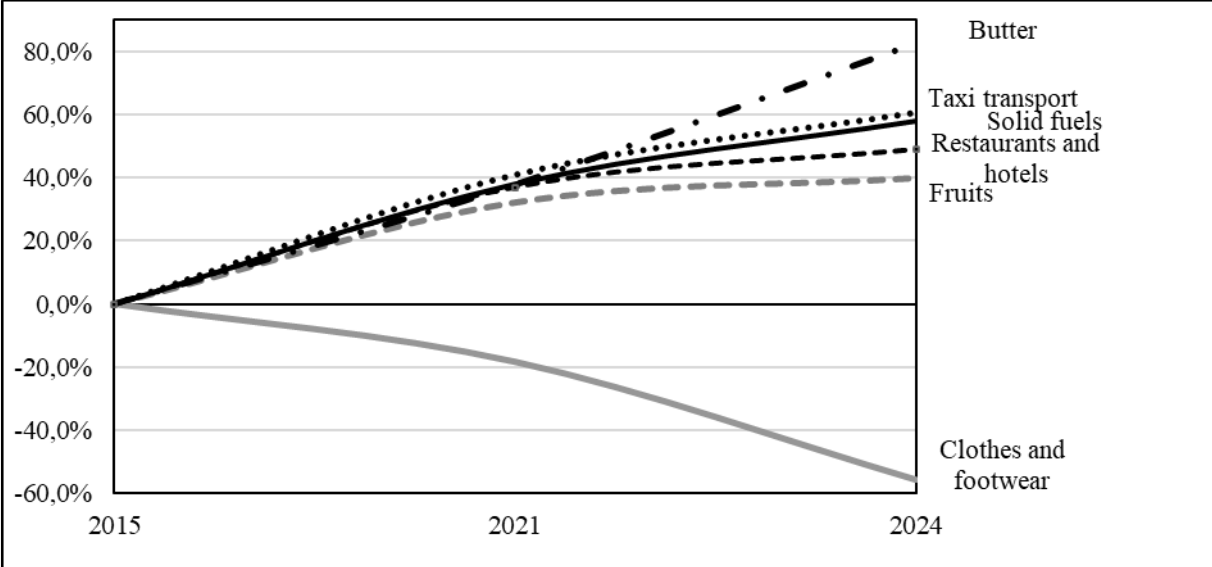
Observed on a more detailed level, although some subsections recorded a much slower price growth in 2024, and some a price decrease, compared to 2023, their price level is considerably higher compared to the average of 2015 (Graph 1.14). For example, the Fruit subsection recorded a price increase of 4.3% compared to 2023, but also a 39.7% increase compared to

<sup>45</sup> The weighting for the Food and non-alcoholic beverages category for 2024 was 36.9% in BH, and 16.9% in the EU.

<sup>46</sup> In 2024, the average net salary in BH increased by 38.5%, compared to the average in 2021. According to the latest data from the Labour Force Survey, the share of the active population in the total working-age population is 49.5%, while in 2021 it was 48.0%.

2015<sup>47</sup>. Within the aforementioned subsection, pear prices stagnated in 2024, but recorded an increase of as much as 112.1%, compared to the average in 2015. Also, the Solid Fuels subsection (within overhead costs) recorded a price decrease of 4.7% in 2024, however, compared to the average in 2015, it recorded an increase of 58.0%. Some of the other subsections that recorded a significant increase in price levels are oils and fats, bakery products, taxis and road transport, maintenance and repair of carpentry, and services in restaurants and hotels. On the other hand, the clothing and footwear section has continuously recorded a price decline over a period of fifteen years, with a price decline of 55.7% recorded in 2024, compared to the average in 2015.

Graph 1.14: Change in the Price Level for the Selected Sub-categories, Compared to 2015 Average



Source: BHAS

According to the latest Eurostat data, per capita GDP, according to purchasing power parity, in BH in 2023 was only 36% of that of the EU. In other words, when differences in price levels are also taken into account, in 2023, 36% of the value generated in the EU was generated per inhabitant in BH. At the same time, according to the same source, real individual consumption (as an indicator of the material well-being of households) in BH in the same year per inhabitant amounted to 42% of the EU average. In 2023, the population of BH consumed food and

<sup>47</sup> The amount of imported fruit in 2024 decreased by 3.3%, while the value of fruit imports increased by 8.0%, which indicates a price effect, i.e. an increase in fruit prices on the international market.

non-alcoholic beverages in the amount of 23.9% of GDP, while in the EU this percentage was significantly lower (6.8%). If we ignore the different inflation rates in the referenced sections, as well as the fact that the price indices in BH and the EU are not directly comparable, it is clear that inflationary pressures on basic necessities of life have a much stronger effect on disposable income in countries at a lower level of economic development. Although, during 2024 in BH, the temporary measures to lock the prices of basic necessities of life have been extended, such temporary interventions on the prices of goods and services cannot have too strong an effect, and can only momentarily ease the pressure on household budgets<sup>48</sup>.

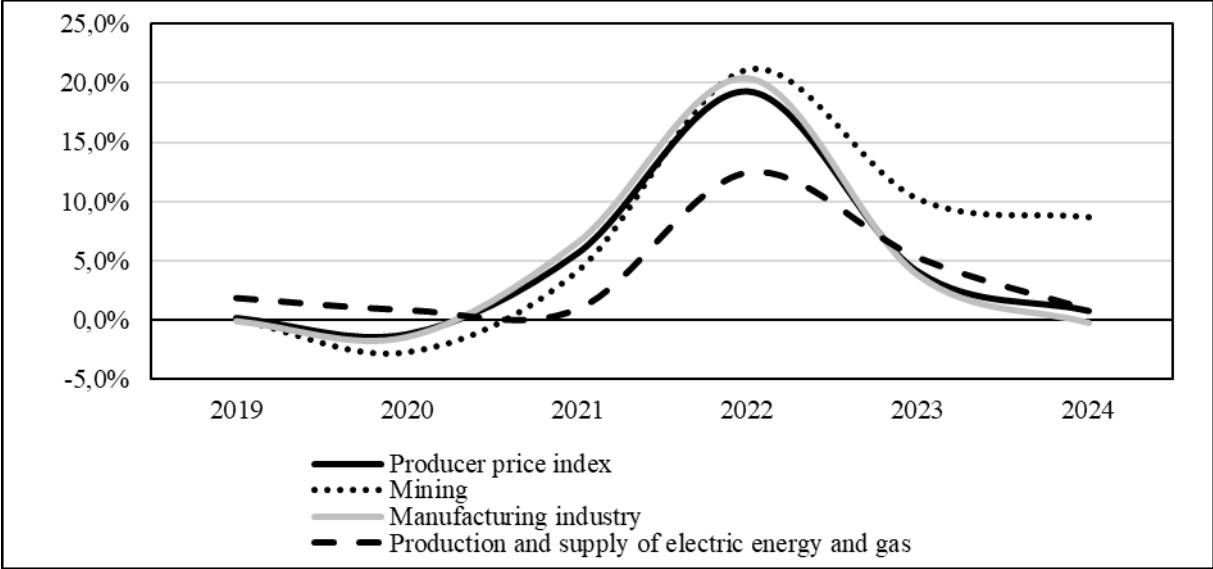
In 2024, prices of industrial producers in BH also recorded a slowdown in growth (Graph 1.15), compared to the previous year (0.7% in 2024, compared to 4.0% in 2023). Although producer prices in Mining and Production and supply of electricity and gas recorded growth (by 8.7% and 0.8%, respectively), the Manufacturing Industry recorded a slight price decrease (0.3%), which may indicate weak demand for industrial products (see subsection Industrial production and construction). Observed by main groups, all groups recorded an increase in producer prices, except for intermediate products, which recorded a decrease of 1.2%. Further division by market indicates that producer prices for the domestic market recorded a growth of 2.3%, while for the non-domestic market they recorded a slight decrease of 0.8%. This information suggests that domestic producers are constrained in raising prices to remain competitive in the international market, while rising costs, such as wages and electricity, put pressure on prices for the domestic market. The producer prices of services increased the most for architectural and engineering activities, and for the activities of road transport of goods, which is the dominant form of transport in Bosnia and Herzegovina<sup>49</sup>.

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<sup>48</sup> At the proposal of the FBiH Ministry of Trade, the Government of the Federation of BH adopted the launch of the Project "We lock in prices" at the end of 2023, for a duration of three months for 40 products, which include food and hygiene items. From 1 October 2024, the FBiH Ministry of Commerce announced the fourth wave of the voluntary project, which lasted until the end of 2024, where the list of products with a reduced and locked price was expanded to 56 products. From 1 August, the Ministry of Trade and Tourism of Republika Srpska continued the voluntary price locking action as part of the "Socially Responsible" campaign, which was launched during 2023. The CBBH's analysis of the effects of the previous measures did not indicate a reduction in headline inflation.

<sup>49</sup> According to the latest available data, an increase in prices for architectural and engineering activities of 8.1% was recorded, and for road transport of goods, an increase of 4.3%, compared to 2023..

Graph 1.15: Annual Changes of Producer Prices in BH, by Activities



Source: BHAS

IV. Employment and wages

The basic structural characteristics of the labour market in BH, in 2024, are relatively unchanged compared to previous years<sup>50</sup>: low activity of the working-age population, high long-term unemployment, and youth unemployment. According to the latest data from the Labour Force Survey<sup>51</sup>, the unemployment rate in the third quarter of 2024 was 12.2% (in 2023 it was 13.2%). The employment rate (persons aged 15-89) was only 43.6%, with a significant gender gap. Despite the downward trend in recent years, the unemployment rate is still higher compared to EU countries, especially among young people. According to the latest available data, the share of young people who are not in Education, Employment, or Training (the so-called NEET rate<sup>52</sup>) in BH was 15.7%, while in the EU this share was 10.9%. The long-term unemployment rate<sup>53</sup> is also significantly higher in BH compared to EU countries (8.6% in BH,

<sup>50</sup> There is no progress in improving labour market statistics and social statistics, and in creating regulations that are a prerequisite for the next population census. It is necessary to improve administrative data, which do not provide a comprehensive representation of the dynamics of the labour market. At the same time, methodological changes in the production of the Labor Force Survey, which is conducted on a quarterly and annual basis by BHAS, make it difficult to compare historical series of survey data.

<sup>51</sup> Labour Force Survey, third quarter of 2024, December 2024.

<sup>52</sup> The NEET rate is the share of people aged 15 to 24 who are not in employment, education, or training in the total population of that age.

<sup>53</sup> The long-term unemployment rate is the share of unemployed persons for one year or longer in the active population.

compared to 1.9% in the EU), which further indicates structural problems in the labour market, such as the mismatch of knowledge and skills with the real needs of the labour market. According to data from the Labour Force Survey for the third quarter of 2024, 70.8% of the unemployed have been looking for a job for more than a year.

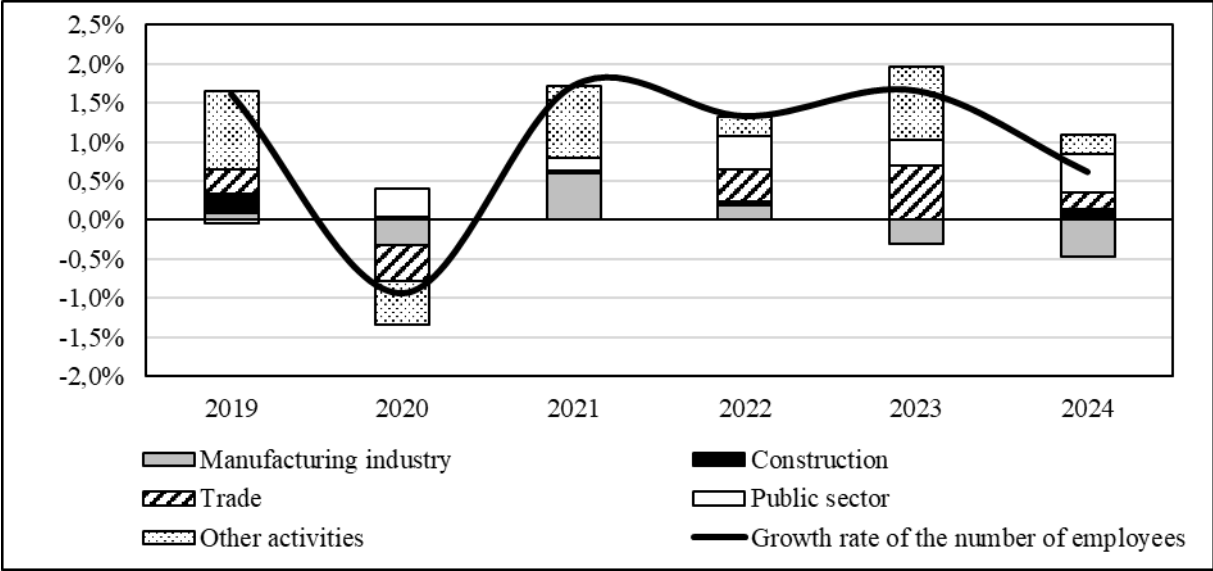
In the structure of the labour force, the largest share is held by people with secondary school and specialisation (69.1% in the third quarter of 2024). Persons with secondary school and specialisation have difficulty integrating into the labour market, and make up as much as 44.5% of the inactive population. Although official data record an increase in the activity rate of the working-age population compared to 2023, in 2024 it is still below 50% (49.6% in the third quarter of 2024). The age group 25-49 years old makes up 65.2% of the active population, although a significant part of the total number of unemployed persons (62.7%) also belongs to this age group. Official data also indicate a decrease in the number of people outside the labour force (1.45 million registered persons outside the labour force at the end of the third quarter of 2024), with over 60% of the inactive population in the age group over 50 years old.

According to administrative data<sup>54</sup>, a continuous decline in the number of unemployed persons was recorded, and at the end of December the number of unemployed persons was 320,969 (a decrease of 6.6% on an annual basis). In December 2024, there was an increase in the number of employed persons, on a cumulative basis, i.e. 5,230 newly employed persons. The largest share in the total number of employed persons, in December 2024 (over 60%), concerned employees in the public sector, manufacturing industry, and wholesale and retail trade (Graph 1.16). The number of employees in the public sector (public administration and defence, mandatory social insurance, education, and health care and social assistance activities) accounted for almost one quarter of the total number of employees, where the highest cumulative increase in the number of employees was recorded, compared to the same month of the previous year (4,089 new employees). Significant growth in the number of employees was also achieved in the activities of wholesale and retail trade, education, and construction. On the other hand, the largest decrease in the number of employed persons was recorded in the Manufacturing industry.

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<sup>54</sup> Data source: Agency for Labour and Employment of Bosnia and Herzegovina. Administrative data are based on the records of the unemployed registered at the employment offices. Any person who fulfills the conditions prescribed by law and is registered in one of the Employment Offices is considered an unemployed person. Bearing in mind the negative demographic trends and the continuous outflow of the workforce, due to the migration of qualified workers, the available administrative data should be interpreted with care.

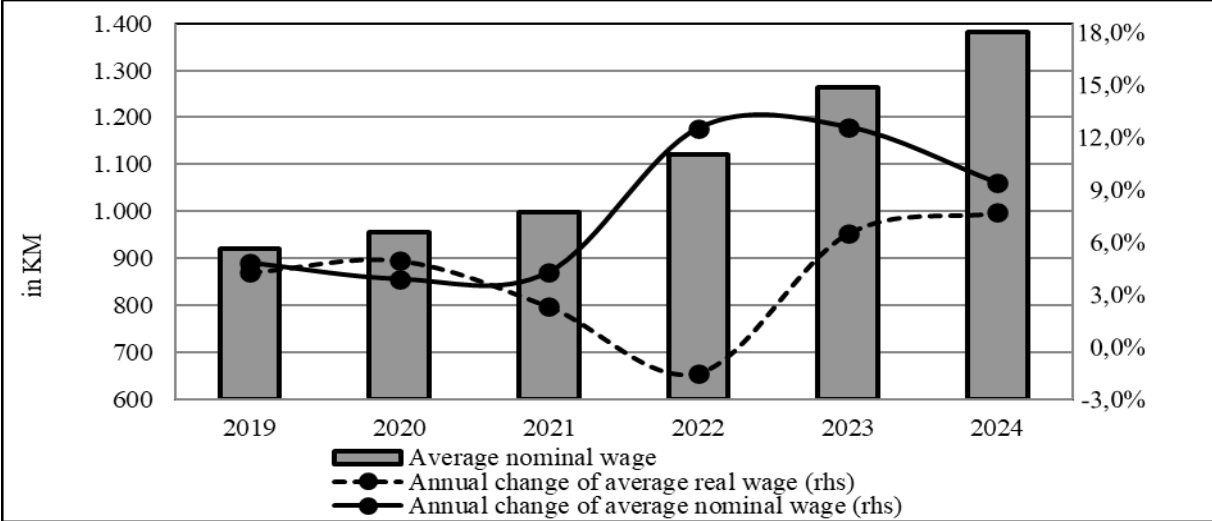
Graph 1.16: Contributions to Annual Changes of the Number of Employees by Areas, at Year End



Source: BHAS

In 2024, average nominal wages continued to grow, and an average annual growth rate of 9.4% was recorded, which is a lower rate compared to 2023 (12.6%). The slowdown in the growth of inflation, along with the growth of nominal wages, resulted in a significant growth of real wages in 2024, of 7.7% on an annual basis (Graph 1.17). At the beginning of 2024, the minimum wage increased in the FBH by 3.9% and in RS by as much as 28.6%. In the coming period, it is expected that real wages will continue to grow, especially bearing in mind that in 2025 the minimum wage was additionally increased in both entities, and the growth of which was particularly pronounced in the FBH (61.6%). Average consumer prices are not growing at the same rate as expected due to such changes in production costs. It is possible that the initial effect has been absorbed by profit margins, and that the full effect on economic activity and prices will only be reflected in the coming period. We also expect the trend of decreasing unemployment to continue in the coming period, which could have a positive impact on personal consumption, with the already present increase in average nominal wages. However, this effect refers to the case where the decrease in unemployment is not the result of an increase in the number of inactive working-age population.

Graph 1.17: Average Annual Net Wages

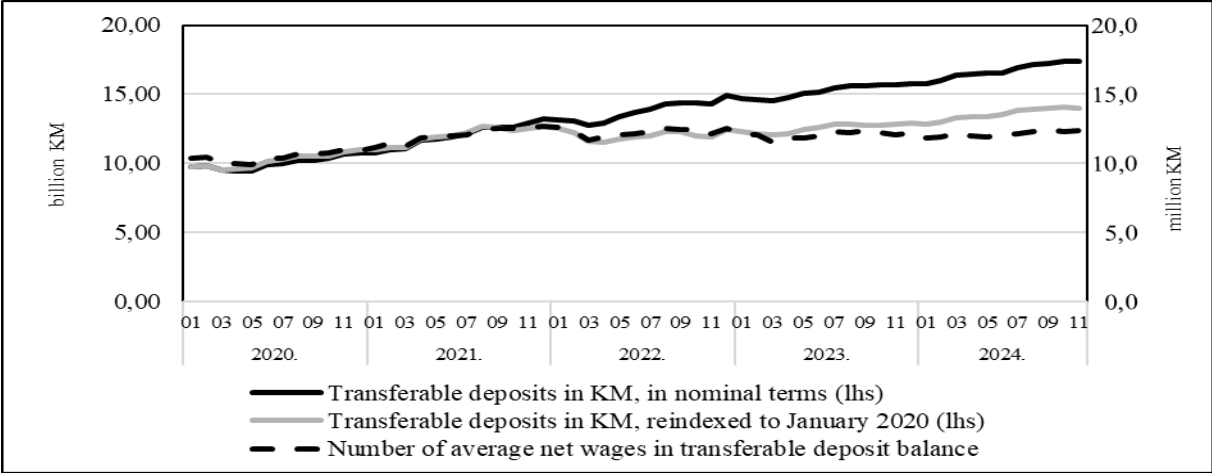


Source: BHAS

Note: Real wage is adjusted with average consumer prices. Average annual wage is arithmetic mean of average wages per months.

As a result of adjustment of wages, demand deposits and transaction accounts in KM grew<sup>55</sup> (Graph 1.18). It is noticeable that in the last period, since more intensive adjustment of wages to inflation began, the number of average wages in the form of transferable deposits in KM has not increased significantly. In other words, the most important category of deposits is growing, primarily due to the adjustment of wages, probably also pensions, to inflation, along with the slowdown in the number of employees.

Graph 1.18: Transferable Deposits in KM and Wages



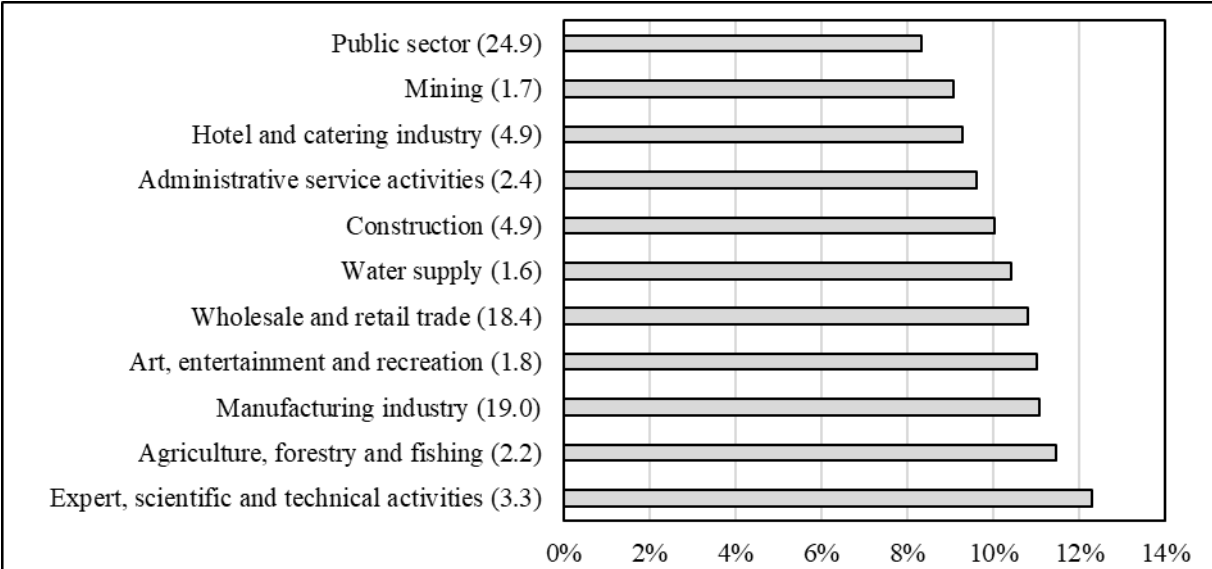
Source: CBBH, BHAS

<sup>55</sup> Total transferable deposits in KM, at the end of 2024, had a share of about 53% in total deposits in the system.



The nominal growth of average net wages was recorded in all activities in 2024, with the most pronounced growth recorded for Professional, Scientific and Technical activities (12.3%), Agriculture, Forestry and Fishing (11.5%), and for the Manufacturing industry (11.1%) (Graph 1.19). It should be borne in mind that the average net wage in the Manufacturing industry, which, according to official statistics, employed almost a fifth of all employees in BH in December 2024, is still significantly below the average net wage in BH (81.0% in December 2024). The continuous departure of young and qualified workers, along with the demographic challenge of an aging population, can in theory result in wage growth in the short term. However, the reduction of the working-age population and productivity may result in a slowdown in wage growth in the long term.

Graph 1.19: Average Annual Growth of Nominal Net Wages, by Activities



Source: BHAS

Note: Within the brackets next to the name of series, the share in the total number of employees, in percentages, at the end of 2024 is shown.

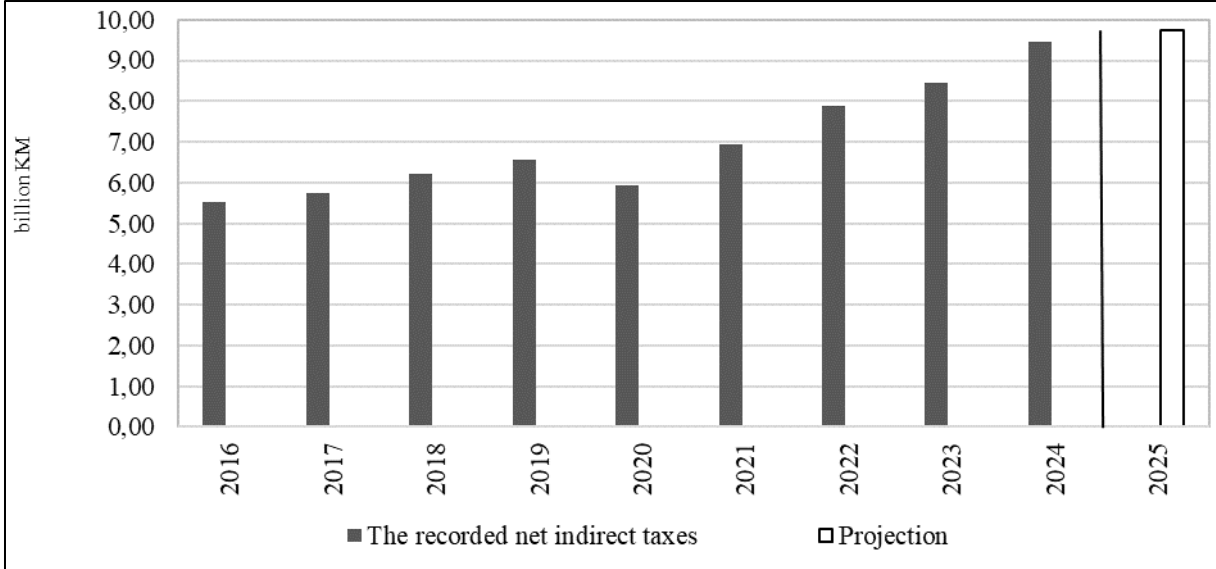
1.2.2. Fiscal sector

Fiscal indicators in 2024 indicate a strong growth of revenues and expenditures, with a somewhat stronger intensity of growth in public expenditure. The higher intensity of expenditure growth can be explained by the increase in current consumption of the government sector, which represented a fiscal response to mitigating the consequences of high prices for vulnerable categories of the population. Government spending was focused on higher nominal allocations for pensions, wages in the public sector, as well as one-time cash payments to

vulnerable categories. Given that the emphasis of the government was on preserving the standard of living of vulnerable categories of the population, there were no significant investments as well as withdrawals of funds from foreign creditors under concessional conditions, so that the public debt of the general government according to the Maastricht criteria slightly increased in 2024.

In 2024, net revenues from indirect taxes recorded strong annual growth (Graph 1.20). The amount of collected net revenues in 2024 (KM 9.45 billion) is the highest since the establishment of the indirect taxation system. Compared to the previous year alone, this amount increased by KM 1.01 billion or 11.9%. The main contribution to the stated revenue growth comes from significant household consumption, maintaining prices at a high level, increasing the specific excise tax on cigarettes by 15%, increasing the growth of nominal wages, as well as increasing prices in the service sector.

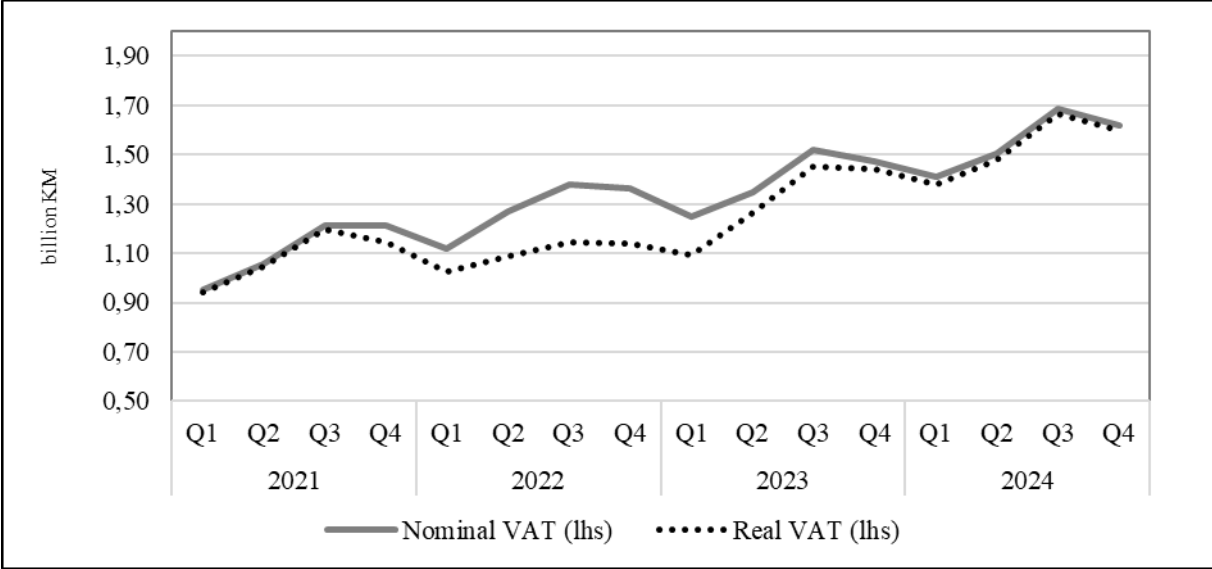
Graph 1.20: Indirect Tax Revenues



Source: Global Framework of Fiscal Balance and Policies in BiH (GFFBP- BIH ) for the period 2025-2027 (adopted in March 2025).

The record high growth of total revenues is the result of the growth of VAT (value added tax), as the largest item in the revenue structure. The net revenues from VAT amounted to KM 6.22 billion in 2024, which is by 11.3% more than the previous year. The main factor of the stated income growth on this basis is the maintenance of the general level of prices at a high level, the increase in wages and employment through private consumption, but also the increase in the prices of services related to the tourism sector (Graph 1.21).

Graph 1.21: Inflation Impact on the Growth of VAT Revenues



Source: BH Statistics Agency, Indirect Taxation Authority, CBBH

In 2024, there were several changes in the field of tax policy. In response to inflationary pressures, the government of the Federation of BH increased the minimum wage to the amount of KM 1,000 in the Federation of Bosnia and Herzegovina, effective from 31 January 2025. This change, as announced, is part of a wider package of social policies aimed at improving the standard of living for workers and contributing to the reduction of poverty, with direct implications for the collection of tax revenues, especially personal income tax. Revenues from personal income tax make up a smaller part of total tax revenues, and in the Federation of BH they currently make about 8.5% of total tax revenues. Also, one of the changes in the tax policy is the increase of the specific excise tax on cigarettes by 15%. This change led to higher retail prices, which, despite a slight decrease in consumption, contributed to an approximate annual increase in revenues from excise duties in the amount of KM 101 to KM 131 million.

The total revenue collection from excise taxes in 2024 recorded a strong annual growth of 15.5% and the said growth mainly comes from excise taxes on tobacco. Revenues on this basis recorded a significant increase, especially due to the increase in consumption and the rise in the prices of products subject to the aforementioned excise duties. Net revenues based on tolls recorded annual growth (8.0%), which can be explained by the higher number of trips. Also, every year, the Indirect Taxation Authority issues a Decision on the amount of diesel fuel on

which tolls are not paid<sup>56</sup>. Revenues from customs duties are closely related to imports, so the growth of imports influenced the growth of customs revenues in the amount of KM 73.5 million (14.5%) compared to 2023. The growth of revenues on this basis is related to the growth of prices of energy, raw materials, food and other imported goods.

According to the Global Framework of Fiscal Balance and Policies in Bosnia and Herzegovina (GFFBP- BIH) for the period 2025-2027<sup>57</sup>, which was adopted in March 2025, a growth of indirect taxes of 3.9% on an annual level or 18.1% of the projected value of nominal GDP is projected. The risks to the realisation of these projections are significant, primarily due to the uncertainty regarding the global situation related to the war activities in Ukraine, then possible changes to the indirect taxation policy (differentiated VAT rate, temporary abolition of excise duties on derivatives, requests for exemption or payment of refunds for traffic in the country)<sup>58</sup>. Despite the record high revenues, a deficit was planned in the entity budgets for 2024, because of a significant increase in expenditures due to the allocation of funds for pay growth in the public sector, as well as the adjustment of pensions in accordance with the growth of GDP and the consumer price index. The Government of Republika Srpska performed a budget rebalance for 2024, which increased the budget by KM 75 million or 1.3% compared to the original budget for 2024, which was KM 5.73 billion. The Government of Republika Srpska allocated about KM 28 million for pensioners, about KM 20 million for investments, and the rest for other consumption and material expenses from the aforementioned rebalancing. The rebalancing is planned based on the increase in revenues of this entity (increase in revenues amounted to KM 350 million in this year). On the other hand, the FBH Government, although in July 2024 it launched an urgent initiative to adopt the rebalance, it was withdrawn from the agenda of the House of Representatives of the Parliament of the Federation of BH. However, the FBH Government passed the Decree on one-time assistance to pensioners, in order to mitigate the negative consequences of the lack of budget rebalancing for this category of population.

Although the Public Investment Strategies in both entities were aimed at intensifying investments in infrastructure projects and the energy sector, in the first nine months of 2024 only a slight increase in the realisation of capital investments was recorded. Accordingly, public

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<sup>56</sup> <https://www.uino.gov.ba/portal/bs/akciza-i-putarina/putarina/>

<sup>57</sup> <https://www.mft.gov.ba>

<sup>58</sup> [http://www.oma.uino.gov.ba/bilteni/Oma\\_Bilten\\_bos\\_233\\_234.pdf](http://www.oma.uino.gov.ba/bilteni/Oma_Bilten_bos_233_234.pdf)

investments in the first nine months of the current year are KM 28.9 million higher than in the same period of the previous year. In the mentioned period, KM 239.3 million of public investments were realised through the budgets. The Entities' budgets for 2025 were adopted on time.

In December 2024, the National Assembly of RS adopted the RS Budget for 2025 in the amount of KM 6.07 billion<sup>59</sup>, which is an increase of KM 260 million (4.5%) compared to the amount provided for in the Budget Rebalancing from November 2024. A budget deficit of KM 98.4 million is foreseen for 2025. In January 2025, the House of Representatives of the FBH Parliament adopted the FBH Budget in the amount of KM 8.25 billion. The budget provides funds in the amount of KM 100 million to business entities for the purpose of overcoming the transitional period from fiscal interventions to fiscal reforms. Also, KM 50 million will be allocated from the budget for areas flooded in October 2024. Furthermore, KM 332 million are planned from the budget for the Pension and Disability Fund in 2025.

In December 2024, the Government of the Federation of BH passed a Decision according to which the minimum wage will be KM 1,000 in the FBH (see Graph 1.17 in the Employment and wages chapter), which will apply from 1 January to 31 December 2025<sup>60</sup>. This means that in FBH the minimum wage will increase by KM 381. Also, in order to overcome potential problems for craftsmen and small businesses, the Government of the Federation of BH has announced a subsidy programme from the budget of the Federation of BH (subsidies make up about 5% of total expenditures). Namely, to craftsmen and small businesses, the FBH Government will pay subsidies for contributions, and in order to preserve jobs that are possibly threatened due to the increase in the minimum wage and income.

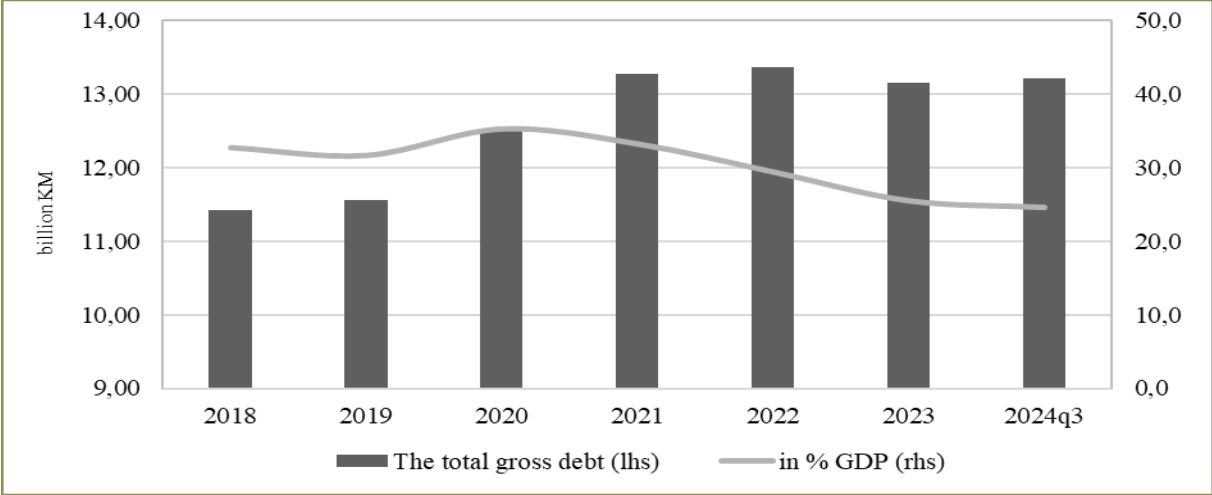
The level of public debt of the general government sector at the end of the third quarter of 2024 compared to the end of 2023 has increased in nominal amount by KM 61.5 million. In 2024, there was no significant borrowing by the Government of the Entities with international financial institutions, while borrowing on the domestic capital market was somewhat more intense. The total public debt of the general government sector at the end of the third quarter of 2024 was 24.5% expressed as a percentage of GDP. (Graph 1.22).

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<sup>59</sup><https://www.narodnaskupstinars.net/?q=la/vijesti/narodna-skup%C5%A1tina-usvojila-bud%C5%BEet-republike-srpske-za-2025-godinu-i-program-ekonomskih-reformi-republike-srpske-za-period-2025-2027>

<sup>60</sup> <https://fbhvlada.gov.ba/bs/vlada-fbh-radnicima-vise-plate-poslodavcima-subvencije>

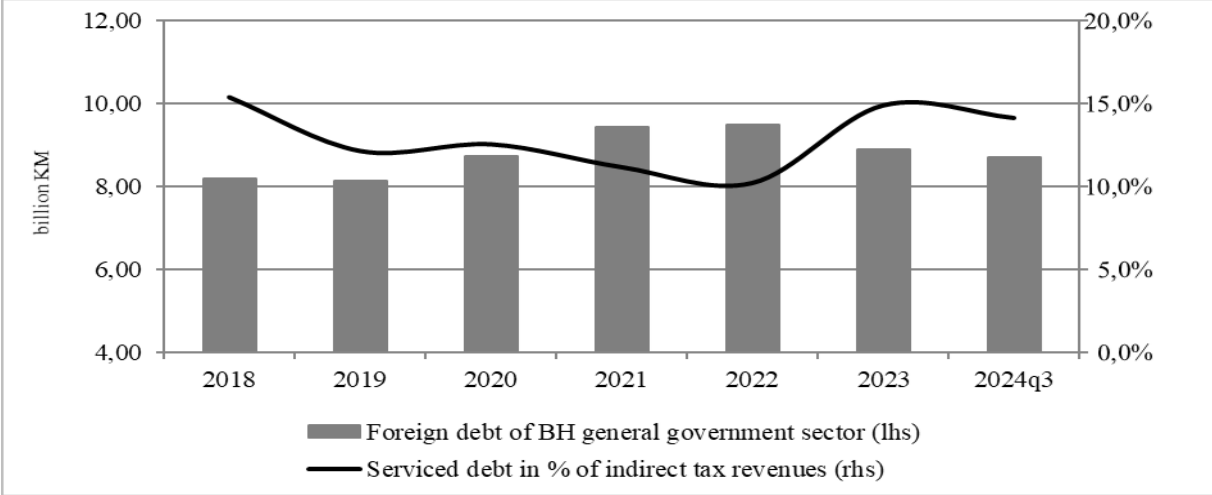
Graph 1.22: The Total Public Debt of General Government Sector



Source: CBBH, GDP for 2024, CBBH's projection

At the level of consolidated BH, in 2025, the withdrawal of foreign loans in the amount of KM 1.81 billion is planned<sup>61</sup>, while on the domestic market, borrowing of KM 928 million is planned. At the same time, bearing in mind that at the level of consolidated BH in 2025, the total budget financing needs amount to KM 858.1 million, it is certain to expect a further increase in government obligations in 2025. The external debt of the general government sector recorded a further annual decline in 2024 (KM 179.4 million or 2.0%) and at the end of the third quarter of 2024 it amounted to KM 8.69 billion (Graph 1.23).

Graph 1.23: Foreign Debt of General Government Sector



Source: CBBH, Indirect Taxation Authority and Ministry of Finance and Treasury of BiH

<sup>61</sup> <https://www.mft.gov.ba/> Global framework of the fiscal balance and policies in BH for the period 2025-2027.

In 2024, the total amount of funds withdrawn from international financial institutions amounted to KM 798.6 million, although the planned withdrawal of funds amounted to KM 2.00 billion<sup>62</sup>. In 2024, there was no significant withdrawal of funds from foreign creditors. The largest withdrawal was recorded in the first quarter of 2024 (KM 332.2 million), of which the largest individual amount related to the financing of corridor Vc (about KM 118 million).

The repayment of the external debt of the general government sector was significantly higher than the amount of new withdrawn funds in 2024. From the total serviced funds to foreign creditors (KM 1.33 billion), according to the International Monetary Fund - IMF and the World Bank - IDA, the largest amounts of KM 434.2 million and KM 223.4 million were serviced, respectively. For servicing the external debt of the general government sector in 2025, funds in the amount of KM 1.23 billion are planned, which is 12.6% of projected revenues from indirect taxes for 2025<sup>63</sup> (in 2024, this percentage was higher and amounted to 14.1%).

The debt of the government sector to commercial banks recorded a significant annual growth based on securities (KM 274.4 million), as well as on the basis of loans (KM 182.4 million) (Graph 1.24). In the second half of 2024, entity governments made significant new debts on the capital market. In November 2024, the Government of Republika Srpska accepted a debt of 100 million euros with a ten-year repayment period, including a one-year grace period, and with an interest rate of 5%. The RS Government used these funds to finance the budget deficit and refinance part of the existing debt<sup>64</sup>. In December 2024, the FBH Government issued seven-year bonds in the amount of KM 150 million, with an average interest rate of 3.76%. FBH borrowed about KM 700 million on the capital market in 2024, while it set aside KM 443.9 million for repayment in the same period. These debts also enabled the Government of the Federation of BH to finance the budget deficit and refinance part of the existing debt. The exposure of the banking sector to the government sector has not changed significantly and at the end of 2024 it was 8.9% of the total assets of the banking sector. In 2025, on the basis of

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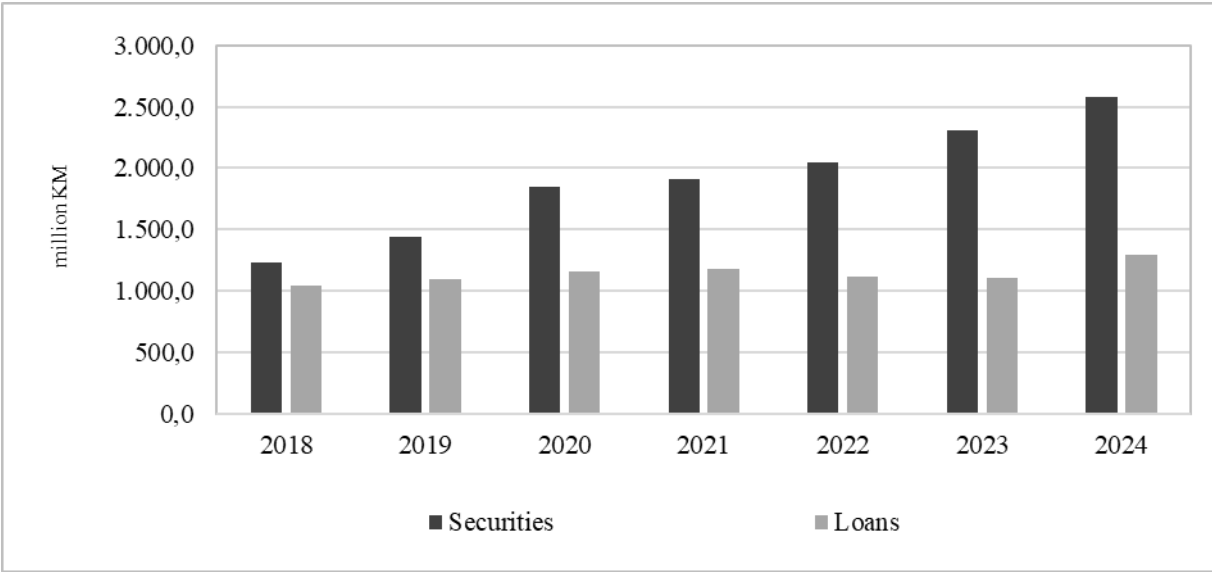
<sup>62</sup> Global framework of the fiscal balance and policies in BH for the period 2024-2026, January 2024.

<sup>63</sup> Source: Ministry of Finance and Treasury of Bosnia and Herzegovina (External Debt Servicing Plan in 2025) and Department for Macroeconomic Analysis of the Management Board of the Indirect Taxation Authority (OMA Bulletin No. 233/234, November-December 2024).

<sup>64</sup>Source: <https://www.sglasnik.org/cyr/aktuelno/obavjestenja/objavljben-je-sluzhbeni-glasnik-republike-srpske-broj-10024>

internal debt repayment, the FBH and RS should allocate a total of KM 1.05 billion (Federation of BH KM 454.0 million and Republika Srpska KM 590.5 million)<sup>65</sup>.

Graph 1.24: General Government Debt with Commercial Banks



Source: CBBH

**Text box 2: Fiscal measures of entity governments and their impact on public revenues and expenditures**

In 2024, the Governments of the Federation of Bosnia and Herzegovina and Republika Srpska adopted a series of fiscal measures aimed at improving the economic conditions of the population and increasing public revenues. One of the key measures implemented by the entity governments included an increase in wages in the public sector, in order to improve the living standards of civil servants. These measures had a significant impact on the increase in expenditures in the budgets of the Federation of Bosnia and Herzegovina and RS. The total cost resulting from the pay increase in the public sector in 2024 in RS is estimated at around KM 221 million. Furthermore, support was provided to small and medium-sized enterprises through the reduction of certain tax burdens and incentives for investments in sectors such as IT, agriculture and production, with the aim of stimulating the growth and competitiveness of the economy. In its document on the framework budget for the period 2024-2026, the Government of FBH stressed the priority of creating a better business environment through reducing the

<sup>65</sup> <https://www.mft.gov.ba/> Global framework of the fiscal balance and policies in BH for the period 2025-2027.



workload and suppressing the informal economy, which directly affects small and medium-sized enterprises. Also, increases in social transfers, such as pensions and cash benefits, were introduced with the aim of reducing poverty and helping socially vulnerable categories of the population. At the end of 2024, the Government of the Federation of BH passed a Decision on the minimum wage in the Federation of Bosnia and Herzegovina in the amount of KM 1,000. The FBH Government is in the process of passing a set of fiscal laws with the aim of facilitating business operations for companies in the Federation of BH, after the increase in the minimum wage.

During 2024, the Government of Republika Srpska adopted several fiscal measures that had a significant impact on public revenues and expenditures. One of these measures is the introduction of fiscalisation for additional taxpayers. Namely, the Tax Administration of Republika Srpska announced a public call for the initiation of the initial fiscalisation procedure for another group of taxpayers, including wholesale, craft activities and postal services. Taxpayers are obliged to complete fiscalisation by 31 March 2025. This measure was aimed at increasing revenue through better traffic control and reducing the grey economy. Also, the RS Government adopted a decree on the awarding of incentives for increasing workers' wages, refunding 70% of overpaid contributions, a maximum of KM 1,000 per worker. These incentives were calculated for two half-year periods, with the application deadline 1 March 2025, for the period from 1 July to 31 December 2024. This measure increased budget expenditures due to the payment of incentives, but had a positive impact on public revenues through an increase in gross salaries and contributions. The aforementioned measures in both entities were aimed at increasing revenues through better fiscal control and stimulating the economy, while increases in expenditures through wage incentives were aimed at improving the living standards of workers and increasing contributions to social funds.

The turnover on the domestic markets of Bosnia and Herzegovina in 2024 was extremely high. In almost all years since the entity's public debt issue began, the total turnover on the stock exchanges was dominated by the entity's primary debt securities market, and unlike last year, this year was dominated by the issues of the Federation of Bosnia and Herzegovina.

The total value of traded financial instruments amounted to KM 1.52 billion and is higher than the previous year by only 3%. Despite the high and growing market capitalisation of joint-stock companies on the SASE, in the total structure of turnover, equity securities accounted for about 13%. During 2024, public debt issues were made in a total of nine maturity segments (last year in ten maturity segments). Like last year, in addition to five-year bond issues, there were mostly

issues of six-month treasury bills. In 2024, there were no issues of two-month treasury bills and two-year and six-year bonds, but three-month treasury bills and eight-year bonds were therefore issued. The average issue coverage ratio of Republika Srpska (the ratio between received and accepted offers) was almost at the level of last year, 1.1, while in the Federation of Bosnia and Herzegovina, as in the last few years, it was much higher at 1.8 (2 last year). In the previous two years, Republika Srpska led the way in terms of the number and value of issues (Table 1.2), and this year the value of public debt issues of the Federation of Bosnia and Herzegovina is about a third higher.

Table 1.2: The Entities' Public Debt Issues in 2024

Maturity, in months	3	6	9	12	36	60	84	96	120	Total
Republika Srpska		10				8				18
Federation of Bosnia and Herzegovina	1	2	2	2	3	3	2	2	2	19
Total	1	12	2	2	3	11	2	2	2	37

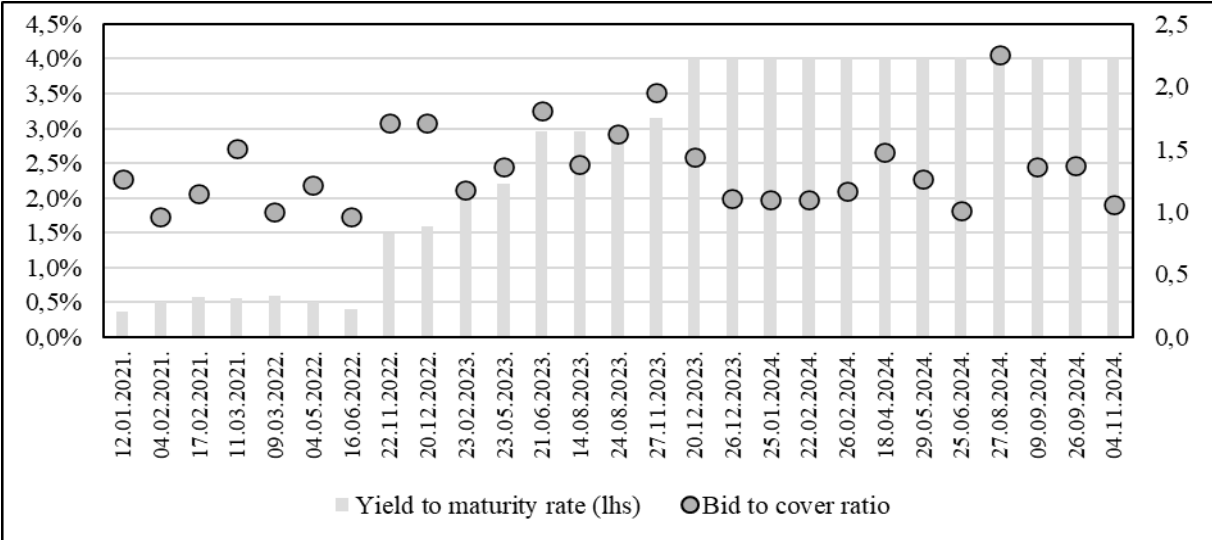
  

Value of issues (million KM)	29,2	342,8	58,3	29,0	119,9	470,9	90,0	48,0	44,4	1.232,4
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Source: BLSE and SASE

The financing of the Republika Srpska budget in 2024, like last year, took place in an environment of high and stable yield rates on the financial markets, which is particularly noticeable on the market of six-month treasury bills (Graph 1.25) and on the market of five-year bonds of Republika Srpska. In almost all issues, the yield to maturity rate on six-month treasury bills and five-year bonds was 4% and 6%, respectively.

Graph 1.25: Yield to Maturity Rate in the Primary Market of Six Month Treasury Bills of Republika Srpska



Source: BLSE

Note: The success of the issue is the ratio between the realized and planned amount of the issue.

The amount of public debt by entity has especially this year influenced the lower borrowing costs of the Federation of Bosnia and Herzegovina compared to Republika Srpska (Table 1.3). All comparable yields to maturity on the primary market of six-month treasury bills and bonds were significantly lower in 2024 in the Federation of Bosnia and Herzegovina. However, this difference decreased in the market of six-month treasury bills (70 bp), and increased in the market of five-year bonds. As in previous years, towards the end of 2023, Republika Srpska adopted a decision on the maximum interest rate on certain categories of public debt in 2024 from the aspect of the type of creditors, which it again tied to the amount of the six-month or twelve-month Euribor<sup>66</sup>. Maximum interest rate on long-term debt with BH creditor, foreign creditor and on the international financial market, is determined as a reference the interest rate to which a fixed margin of 400 bp, 550 bp and 750 bp is added respectively.

Table 1.3: Average Yield to Maturity Rate in the Primary Market of Entities' Public Debt in 2024

Maturity, per month	3	6	9	12	24	36	60	84	96	120
Republika Srpska		4,00					5,97			
Federation of Bosnia and Herzeg	3,84	3,29	3,86	3,66		4,00	3,77	3,85	4,89	4,90

Source: SASE and BLSE

After three years of consecutive growth, the value of BIRS decreased by 5.3%. The decline of the stock market indices took place under the influence of the change in the dividend policy in the telecommunications sector, the lost court cases in the electric power sector and the suspension of work in thermal power plants. On the other hand, after growing by 10% in the previous year, the SASX-30 grew by 15% in 2024.

### 1.2.3. Banking sector

Throughout 2024, the banking sector was stable, historically the most profitable, without a significant increase in credit risk<sup>67</sup>. Above-average profitability was achieved with continued high liquidity, a reduction in the value of non-performing loans, and in conditions of high growth in bank assets. Most indicators of financial health have improved compared to the previous year<sup>68</sup>. The share of banks with majority domestic ownership in share capital in total

<sup>66</sup> Decision on the long-term borrowing of Republika Srpska for 2024. OGRS 112/23, December 2023.

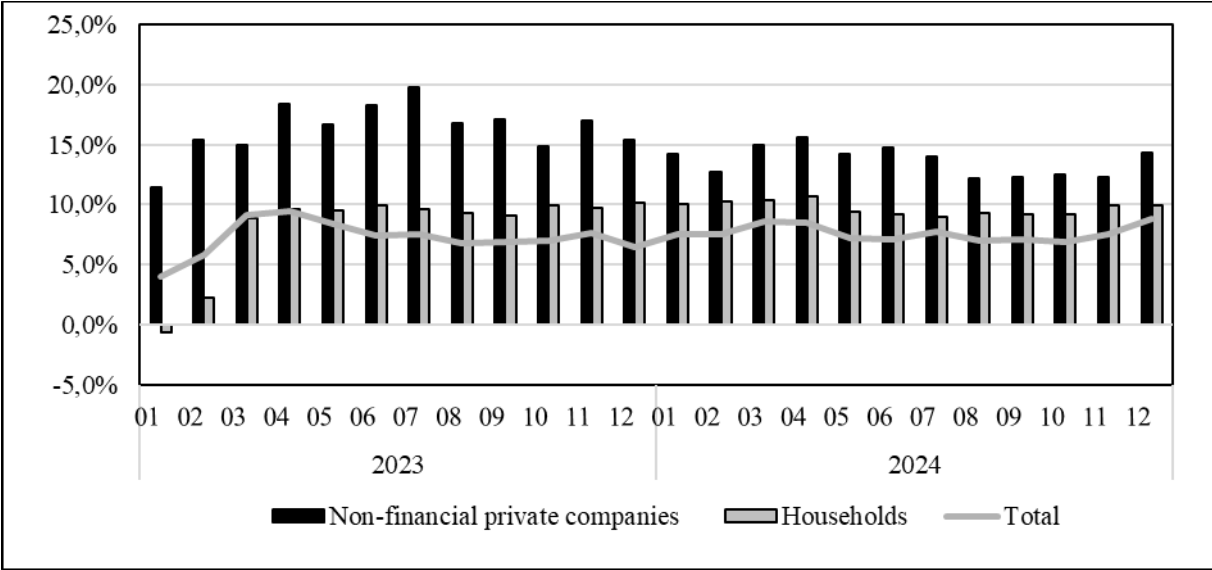
<sup>67</sup> In the first half of the year, the return on assets was 2.5%, non-performing loans are at the historically lowest level since 2009, and indexed loans are only 33.3% of total loans (Q3 2024).

<sup>68</sup> For more details about the numerical indicators of the financial health of the banking sector of Bosnia and Herzegovina see the portal of the Central Bank of Bosnia and Herzegovina, [www.cbbh.ba](http://www.cbbh.ba)

banking sector assets increased slightly compared to the previous year and at the end of 2024 it amounted to 28.25%.

The growth of deposits in 2024 (Graph 1.26) took place in conditions of weakening inflationary pressures and intensive lending activities of banks. The largest contribution to the growth of deposits in 2024 was made by the household sector, partly due to the increase in wages (for more details see the Employment and Wages chapter) and the sector of non-financial private companies, which almost entirely participated in the annual growth of deposits of 8.9%.

Graph 1.26: Annual Deposit Growth Rate



Source: CBBH

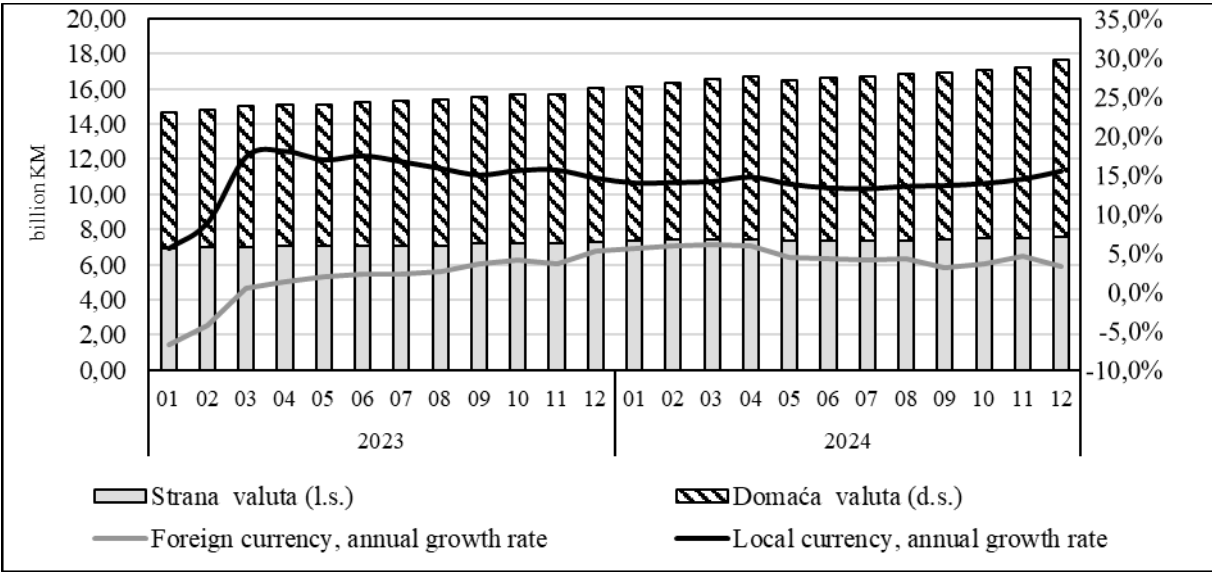
In addition to the sector of non-financial private companies, which is characterised by an extremely high and multi-year growth rate of deposits, a double-digit growth rate of deposits was also registered in the sector of non-profit organisations and other sectors, but which, due to their size, did not have a significant impact on the growth rate of total deposits<sup>69</sup>.

One of the main positive characteristics in the movement of deposits, from the currency aspect, is the increasingly favourable structure of household deposits, as there are no indications of a strengthening of euroisation (Graph 1.27). The much faster growth of deposits in domestic currency further reduced the share of deposits in foreign currency in total household deposits

<sup>69</sup> These deposits make up 2.6% of total deposits, and their contribution to the annual growth of deposits in 2024 was 0.5 pp.

to below 43% in 2024<sup>70</sup>. If deposits in KM with a currency clause were excluded from foreign currency deposits, this share would be even lower<sup>71</sup>. The currency structure of deposits of non-financial companies also shows an improvement compared to the previous year, but in the longer term the changes in the currency structure are not as pronounced as in the household sector. On the other hand, the term structure of household deposits indicates that during 2024, the multi-year trend of a decrease in the share of household term deposits in total household deposits continued.

Graph 1.27: Household Deposits, Currency Structure



Source: CBBH

Note: Foreign currency, in addition to deposits in foreign currency, also includes deposits indexed in foreign currencies.

In contrast to the term structure of deposits of households, the term structure of deposits of non-financial companies has improved and is at the level of 2020<sup>72</sup>, indicating the increased sensitivity of this sector to the growth of passive interest rates of banks and, on average, better management of funds in the sector of non-financial companies.

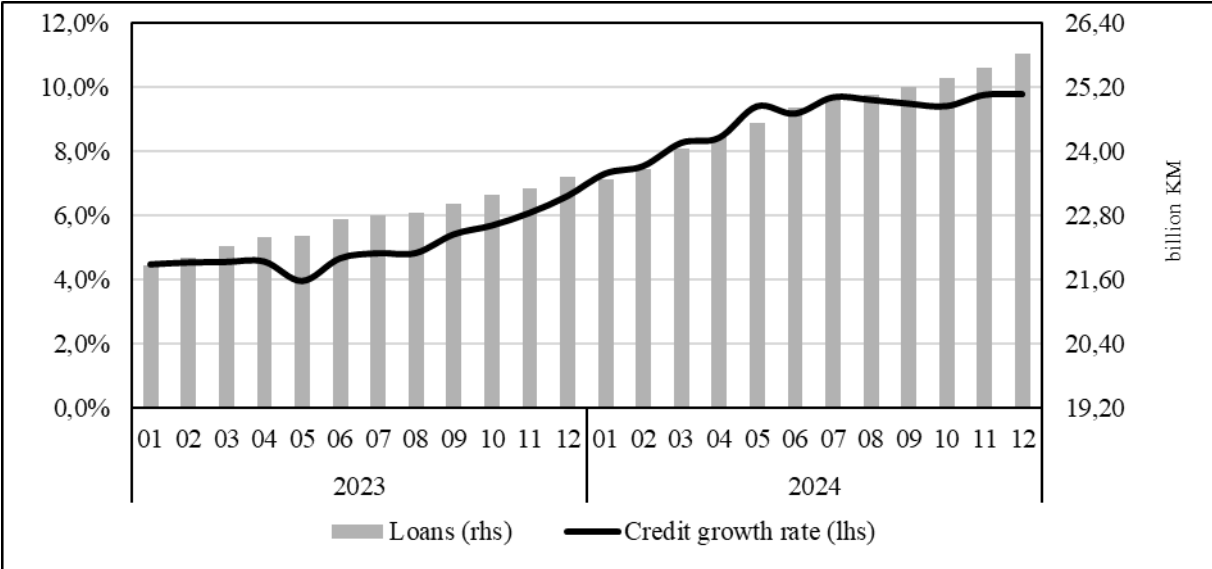
<sup>70</sup> Before the corona pandemic, deposits in foreign currency accounted for 57% of total household deposits (12/2019).

<sup>71</sup> In Q4 2024, the average foreign exchange base in KM with a currency clause for calculating the required reserve at the level of the banking system was 28%.

<sup>72</sup> The share of time deposits of non-financial companies in the total deposits of non-financial companies is again 23.5%.

A very moderate growth of active interest rates with, on average, satisfactory loan granting conditions and high demand for loans, as well as constant growth of domestic sources of financing, were some of the main determinants of credit growth (Graph 1.28). Surveys conducted by the CBBH among banks<sup>73</sup> indicated that the perception of risk in banks was increasing and that the willingness to take risks was decreasing. However, despite this fact, as well as in addition to the tightening of credit standards for non-financial companies<sup>74</sup>, and in conditions of a slight increase in the cost of bank financing sources, credit growth in BH in 2024 was very high<sup>75</sup> primarily due to the maintenance of high demand for loans. Considering the moderate economic growth in Bosnia and Herzegovina, an extremely high credit growth of 9.8% was achieved, which was realised almost entirely in the sector of private non-financial companies and the household sector. Within loans to households, the highest growth was recorded in housing loans for the purchase of new housing units (see more on loans to households at the end of this chapter). The structure of loans to households has not changed significantly compared to the previous year, and the trend of credit growth has continued.

Graph 1.28: Annual Credit Growth Rate



Source: CBBH

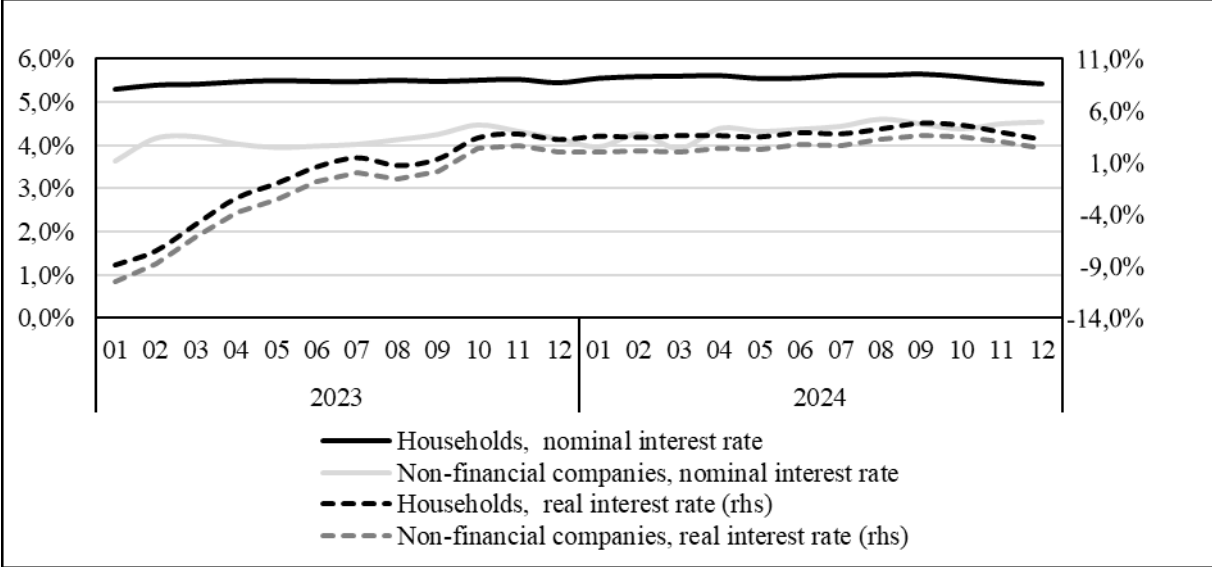
<sup>73</sup> Surveys on credit activity of banks in Bosnia and Herzegovina for the first, second and third quarters of 2024.

<sup>74</sup> The last survey on banks' credit activity refers to the third quarter of 2024.

<sup>75</sup> Credit growth in 2024 is the highest since the end of the global financial crisis (2007 - 2009).

Compared to last year, the average nominal active interest rate in the household sector is almost unchanged in 2024. On the other hand, interest rates in the sector of non-financial companies grew, but not significantly. With the continuation of the decrease in inflation, real interest rates continued to rise throughout the year and their difference in relation to nominal interest rates reached the level from the period before the start of inflation (Graph 1.29). The tightening of credit standards in the sector of non-financial companies only partially affected the growth of interest rates in this market. Some of the causes of the limited transmission of the ECB's monetary policy to bank interest rates are the dominance of domestic short-term sources of financing in bank liabilities and the bank-centricity of the BH financial system, which does not contain enough investment alternatives for bank deposits on the BH financial market. At the end of 2024, the average interest rate on housing loans, loans to non-financial companies and non-purpose consumer loans to the population was 3.97%, 4.54% and 5.76% respectively.

Graph 1.29: Interest Rates on Newly Approved Loans

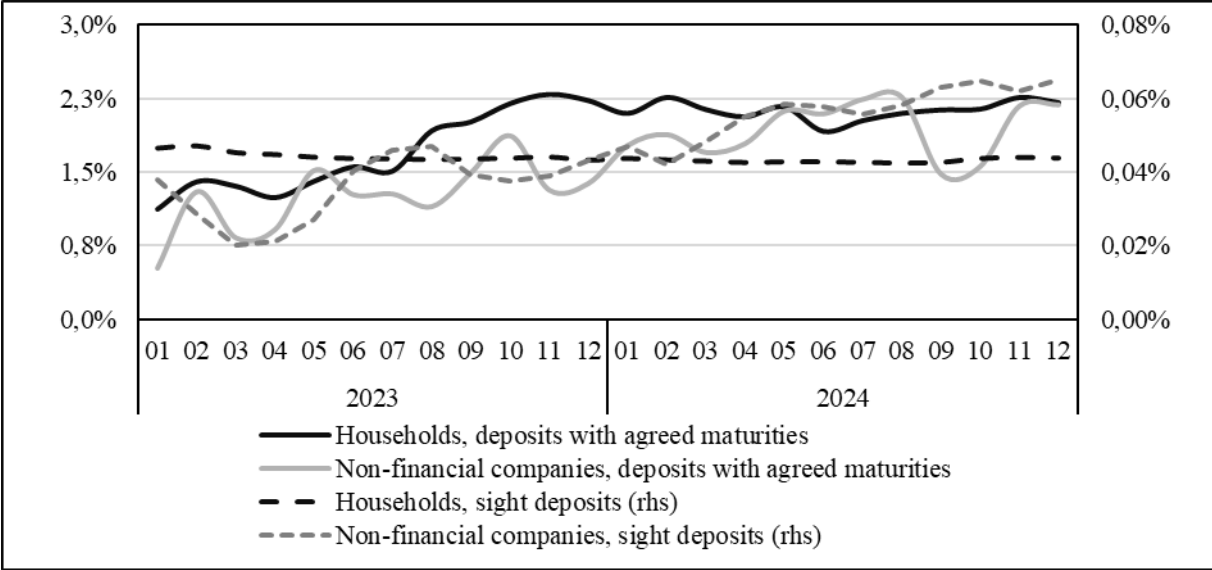


Source: CBBH

The change in interest rates on newly approved loans is slightly smaller than the changes in interest rates on deposits with an agreed maturity. It is crucial for understanding the impact of passive interest rates at the level of active interest rates that interest rates on demand deposits of households and non-financial companies (which make up 58% of total deposits) are still extremely low (Graph 1.30). In October 2022, the CBBH began publishing information on bank funding costs (Reference rate for average weighted banks' funding cost in BH - RRFC) which banks can use as a reference rate instead of Euribor in contracts with a variable interest rate.

These statistics, as well as data on the interest rate on demand deposits of non-financial companies, show that there have been changes in bank financing costs, not only in the lowest period of observation (up to 3 months), but also in periods of 6 and 12 months<sup>76</sup>. However, this growth was only marginally transferred to the active interest rates of banks and exclusively on the market of loans to non-financial companies.

Graph 1.30: Interest Rates on Deposits



Source: CBBH

On average, the interest rate on total newly contracted retail deposits has not changed and remained at the level of 2.2%. During 2024, the interest rate on newly contracted deposits of non-financial companies increased by 80 bp and equalled the interest rate on newly contracted household deposits.

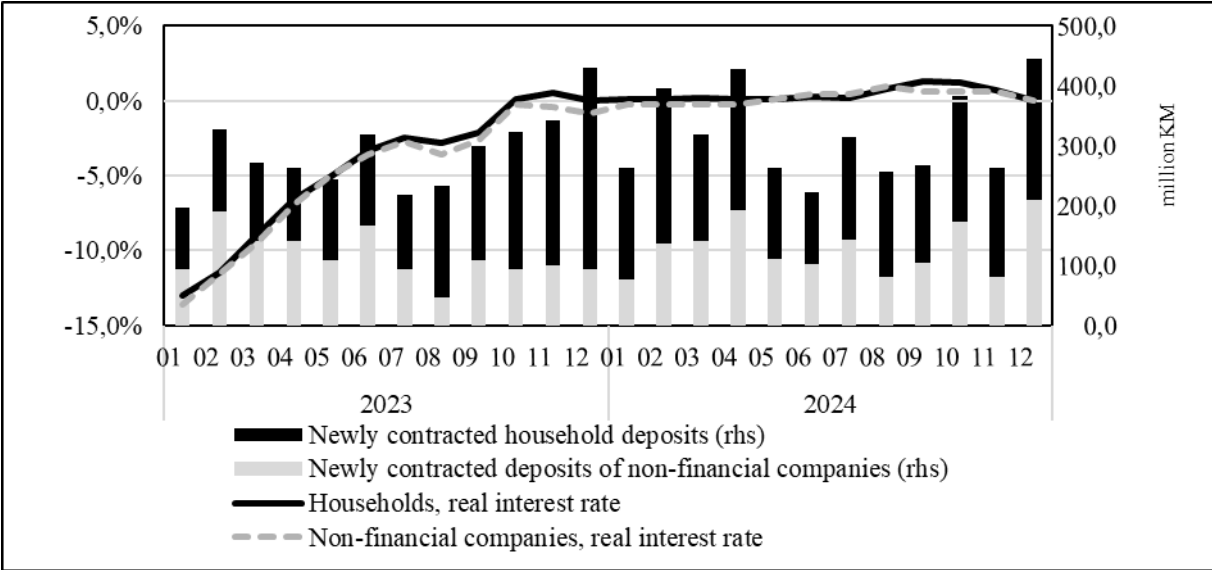
The difference in the foreign (euro area) and domestic average interest rate on household deposits and deposits of non-financial companies has significantly decreased compared to 2023. After passive interest rates in the euro area reached their peak at the end of 2023, they began to fall, especially after the change in the direction of the ECB's monetary policy (6/2024). At its peak, in October 2023, it reached 90 bp, and at the end of 2024, on the market of household deposits and deposits of non-financial companies, it was 25 bp and 60 bp respectively.

<sup>76</sup> RRF increased the most for financing sources in euros for a period of up to 3 months, 46 bp (Q4 2023 – Q3 2024).



Considering that the lowest level of real interest rates was reached in 2022 in a strong inflationary environment, due to the decrease in inflation, they had a steady growth trend in 2023, only to increase slightly in the second half of 2024 (Graph 1.31). During the year 2024, an 8.7% higher value of total new household deposits was contracted compared to the previous year<sup>77</sup>, and the balance of total deposits at the end of the year (KM 33.9 billion) is a historical maximum.

Graph 1.31: Real Interest Rates on Newly Contracted Deposits



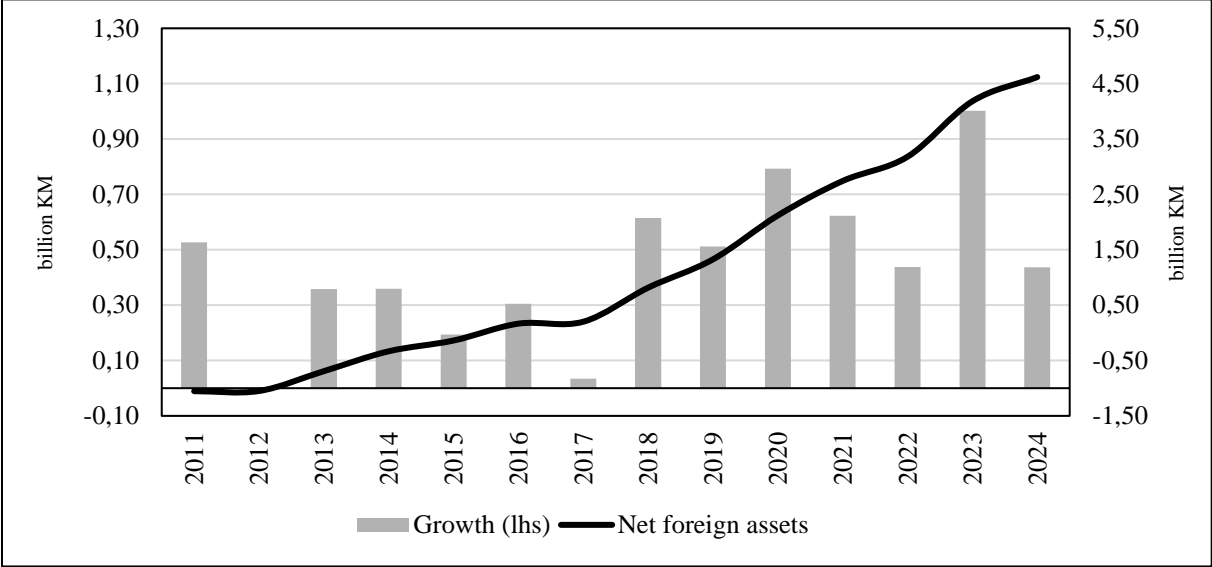
Source: CBBH

As in 2024, the increase in net foreign assets in 2024 (Graph 1.32) is the result of still high and growing foreign assets, and still relatively low foreign liabilities, which also increased. During 2024, in November, the historically highest amount of net foreign assets was recorded (KM 4.79 billion), and foreign liabilities increased for the first time since 2019. The biggest contribution to the growth of banks' foreign assets was again made by other deposits held by banks in the form of time deposits with non-residents, whose participation in foreign assets increased significantly due to the still high level of interest rates in the euro area. The annual growth of securities, in the structure of banks' foreign assets, was not so pronounced, because it was partially limited by the new banking regulations<sup>78</sup>.

<sup>77</sup> In 2023, the annual growth of newly contracted deposits was 49.4%.

<sup>78</sup> Both Entity Agencies made a decision to limit banks' exposure to foreign central banks and foreign central governments up to 100% of eligible capital.

Graph 1.32: Net Foreign Assets



Source: CBBH

At the end of 2024, foreign assets with specified maturity<sup>79</sup> comprised the largest amount of foreign assets so far, 78%. By increasing interest-bearing assets in the structure of foreign assets, banks were able to increase profitability, while not exposing themselves to the risk of foreign currency liquidity due to the still high share of currency and transferable deposits with non-residents in foreign assets. At the end of the previous year, the balance of foreign currency and transferable deposits with non-residents was greater than the balance of foreign liabilities, and at the end of 2024 it was less by about 30%, however, this did not impair the liquidity of this part of the foreign exchange sub-balance.

The annual growth of foreign liabilities, the first in the last five years, still does not represent a sign of a turnaround in capital flows. The largest individual contribution to the growth of foreign liabilities came from the position of other loans from non-residents. They increased by 51%, and their share in foreign liabilities is 63%. An additional quality to the growth of foreign liabilities is given by the high share of fixed-term funds<sup>80</sup>, which at the end of 2024 were 77% of foreign liabilities, which makes this source of funding banking operations very stable.

<sup>79</sup> Other deposits with non-residents, securities of non-residents (except shares), other loans to non-residents and other receivables.

<sup>80</sup> In addition to loans to non-residents, this group of assets includes others, i.e. term deposits of non-residents.

### **Text box 3: Trends in non-purpose consumer and housing loans**

Personal consumption plays a significant role in shaping economic trends in Bosnia and Herzegovina, which makes loans to the population an important instrument of economic growth. Through the generation of consumption, these loans directly affect the rate of economic growth, as well as the direction and intensity of economic dynamics.

In the structure of consumer loans, until the corona virus pandemic, there was a constant increase in the share of non-purpose consumer loans, which amounted to three quarters of these loans, and at their peak, during 2019, they amounted to 76% of total loans. The dominance of these loans is the main characteristic of the structure of loans to households. Due to the increase in credit risk, growth of debt, impact on financial stability and growth in consumption, this phenomenon motivated Entity Banking Agencies to limit both the amount and maturity of these loans. Limiting non-purpose loans to 50 thousand KM and for a term of 10 years did not significantly affect their dynamics, and their share is still above 70%.

The second characteristic concerns the completely different behaviour of housing and non-purpose loans in a crisis environment such as that of the first year of the pandemic. The resistance shown by housing loans to the large drop in economic activity caused by the closure of BH and the world economy is a consequence of the extremely high collateralisation of these loans and, on that basis, the lower credit risk that allows banks to continue with the expansion of these loans. The next reason for the extremely high resilience of housing loans is the constantly high demand for these loans because they do not represent luxury spending but the existential need to provide basic conditions for family life. Regardless of the relatively quick recovery of this market after the big drop in the first year of the pandemic (growth in 2019 and 2020 was 7.9% and -0.8% respectively), it took three years for the growth of housing loans to return to the pre-pandemic level. As a consequence of the multi-year increase in real estate prices, the share of housing loans and their contribution to the growth of this credit segment rose sharply in 2024. On the other hand, we cannot ignore the still favourable lending conditions. Although interest rates on loans were on a slight rise in the previous period, they still remained relatively affordable compared to the historical average and their movement in the international environment.

The current term structure of household deposits, in which demand funds prevail (70%), exposes banks to an increased risk of maturity transformation, because more than 90% of the banks' credit portfolio related to households is of a long-term nature. Long-term household

deposits have been continuously falling since 2013, when they reached their peak (52% of household deposits) until the beginning of 2024. Growth in long-term deposits occurred only in the second quarter of 2024<sup>81</sup>. Given that the change in the maturity structure of household deposits did not continue in the second half of the year, we cannot yet treat this event as a significant change in the relationship of the household sector to deposit yields that would stimulate a significant growth in long-term household deposits. The existing maturity structure of household deposits, due to the low price of this part of banking liabilities, has the effect of maintaining a high difference between active and passive interest rates.

Annual changes in credit activity of the population, observed through the prism of purpose and term structure, have implications for the banking sector, as well as for reactions to economic crises and imbalances in the economic system. In this context, trends in non-purpose consumer and housing loans are particularly significant, which, depending on economic circumstances, showed different dynamics and resistance to crisis periods.

#### 1.2.4. External sector

##### I. Balance of payments

The modest volume of economic activity in the countries that are main trading partners of BH influenced the decline in the value of exports of goods in 2024, while, on the other hand, relatively strong domestic consumption, both investment and final, influenced the growth in the value of goods imports. Observed in absolute terms, in 2024, a current account deficit of KM 2.13 billion was recorded<sup>82</sup> (Graph 1.33), which represents a growth of 84.0% compared to 2023. As in previous years, the deficit on the current account was mostly the result of a significant deficit on the goods account, while services and inflows based on transfers from abroad had a positive impact. Due to the significantly higher nominal growth of the current account deficit compared to the nominal GDP growth in 2024<sup>83</sup>, the current account deficit as a percentage of GDP increased by 1.7 percentage points to 4.0%.

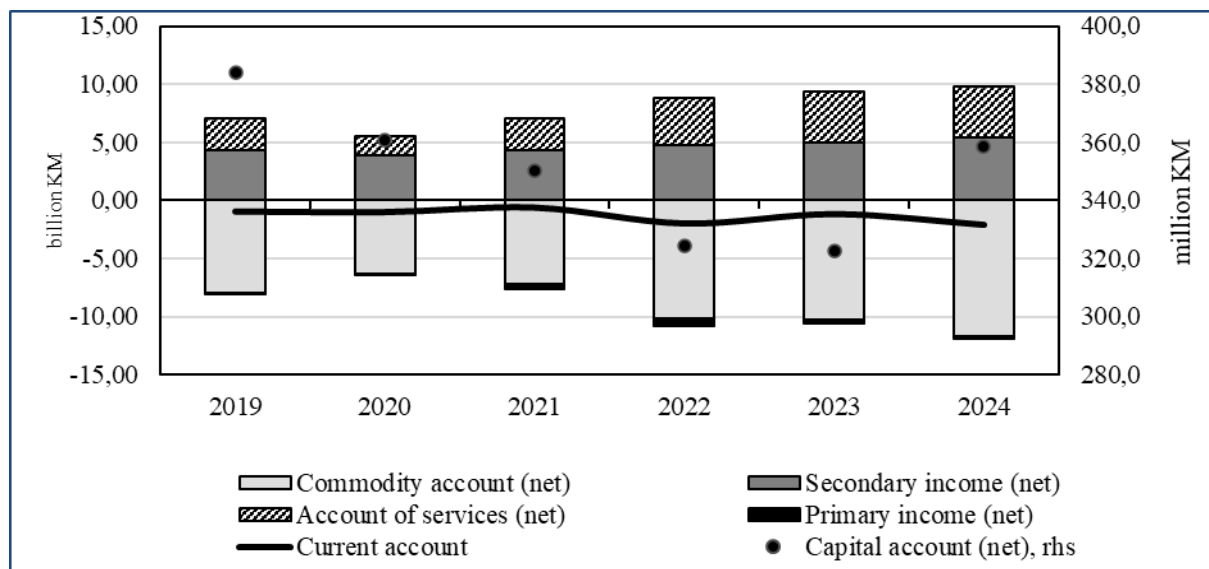
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<sup>81</sup> About KM 400 million demand deposits in foreign currency were converted into long-term deposits in foreign currency.

<sup>82</sup> Balance of payments statistics, preliminary data

<sup>83</sup> Nominal GDP for 2024 is the CBBH projection from November 2024

Graph 1.33: Current and Capital Accounts



Source: CBBH

In 2024, a decline in the value of exports of goods from BH was recorded, accompanied by an increase in the value of imports, which, together with BH's position as a net importer in the international goods market, resulted in a record goods trade deficit. Despite the decline in industrial production, relatively strong domestic consumption, accompanied by a nominal increase in wages and remittances from abroad, resulted in an increase of goods imports into BH<sup>84</sup>.

According to balance of payments data, the value of imported goods amounted to KM 26.93 billion, which represents an annual growth of 4.5%. On the other hand, a decline in foreign demand for the most important export product groups resulted in a decline in the value of exports of 2.1%. Exports of goods were realized in the value of KM 15.19 billion, and over 73.0% of the value of exports of goods was realized on the market of the EU countries (Table 1.4)<sup>85</sup>.

<sup>84</sup> According to foreign trade statistics, both total and regular imports of goods (imports after excluding the value of goods imported for internal processing) recorded positive growth rates, which indicates that LOHN jobs had a significant, but not dominant, contribution to the growth of import values.

<sup>85</sup> Despite the interruption of rail traffic to the port of Ploče in the fourth quarter of 2024 due to floods, the data of foreign trade statistics do not indicate a significant impact on the volume of foreign trade, given that both imports and exports recorded an annual increase in value in the fourth quarter of 2024

Table 1.4: BH Commodity Foreign Trade, by the Most Significant Trade Partners, in billion KM

	Exports			Imports		
	2022	2023	2024	2022	2023	2024
EU	13,23	12,19	11,75	16,30	16,37	16,95
CEFTA	3,30	3,12	2,78	3,52	3,24	3,45
Other countries	1,44	1,39	1,54	8,82	8,15	8,26
<b>TOTAL</b>	<b>17,97</b>	<b>16,70</b>	<b>16,07</b>	<b>28,64</b>	<b>27,77</b>	<b>28,65</b>

Source: BHAS

Note: the data in the table represent foreign trade statistical data by the BH Agency for Statistics

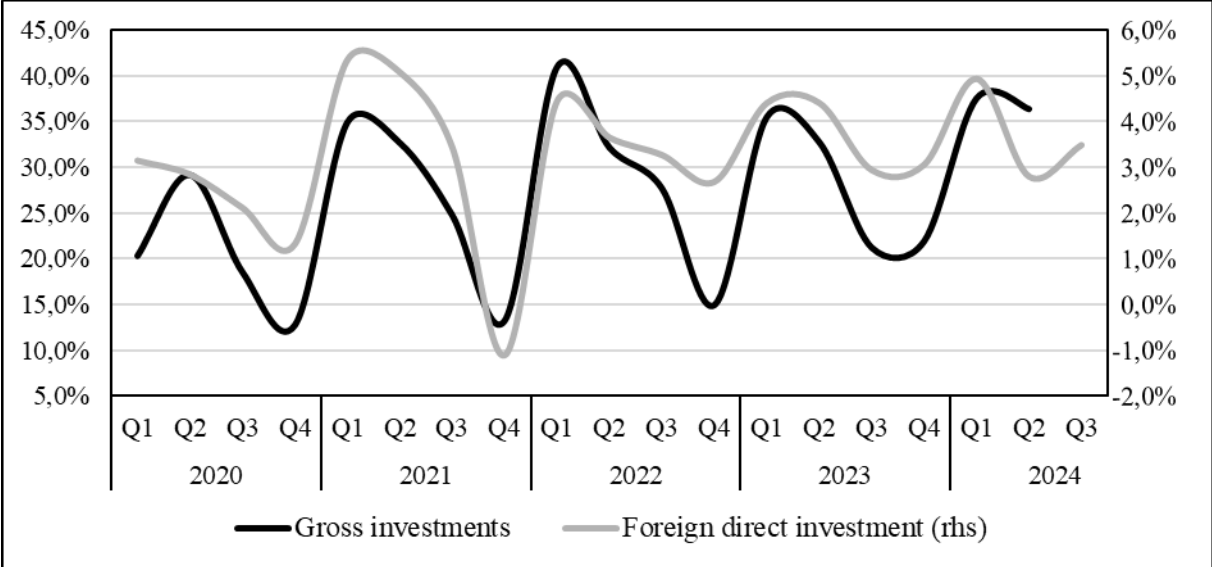
Observed by product groups, BH is a net importer of the four most important product groups from the aspect of foreign trade: base metals, machinery and apparatus, mineral origin products and chemical industry products. Unfavorable trends on the international market have led to a continuous increase in the trade deficit of the above product groups. On the other hand, BH is a net exporter of wood industry products and furniture, with a relatively stable trade surplus in the last few years.

#### **Text box 4: The impact of foreign direct investment on domestic investment activity**

Foreign direct investment (FDI) is one of the key drivers of economic growth in BH, providing the necessary capital, new jobs and technology transfer that together increase the country's economic resilience. The key mechanism by which foreign investment contributes to GDP growth through gross investment growth is done through the growth of physical capital by financing new investment projects (manufacturing industry), improving the efficiency of capital-intensive sectors by applying advanced technologies and innovations, as well as long-term economic sustainability by investing in renewable energy sources, infrastructure and industrial zones. Of the total inflows from foreign direct investment in BH, more than half is in the form of retained earnings from the previous period, while a smaller part is in the form of equity and debt instruments. The largest share of foreign direct investment in the form of retained earnings relates to investments in the financial sector, which attracted the most significant amount of total foreign direct investment in BH. Assuming that there is a certain time lag between the moment of FDI inflow and the moment of the implementation of a particular investment, historical data on FDI and gross investment in the country indicate a clear correlation (Graph 1.34).

In 2024, FDI in BH amounted to KM 2.04 billion, representing an annual growth of 8.8%. Although 61.5% of this amount is in the form of reinvested earnings, this type of investment can be seen through the expansion of existing capacities (part of the investment related to the manufacturing industry) and the confidence of the present foreign investors.

Graph 1.34: Foreign Direct Investment and Gross Investments, in % of GDP, Current Prices



Source: CBBH, BHAS

Note: Data on gross investments are shifted one quarter backwards with purpose of easier interpretation and assumed time gap in the investment realization

Observing the balances<sup>86</sup>, foreign direct investment in BH is concentrated in a few key sectors, directly correlating with the country's main export sectors (Graph.1.35).

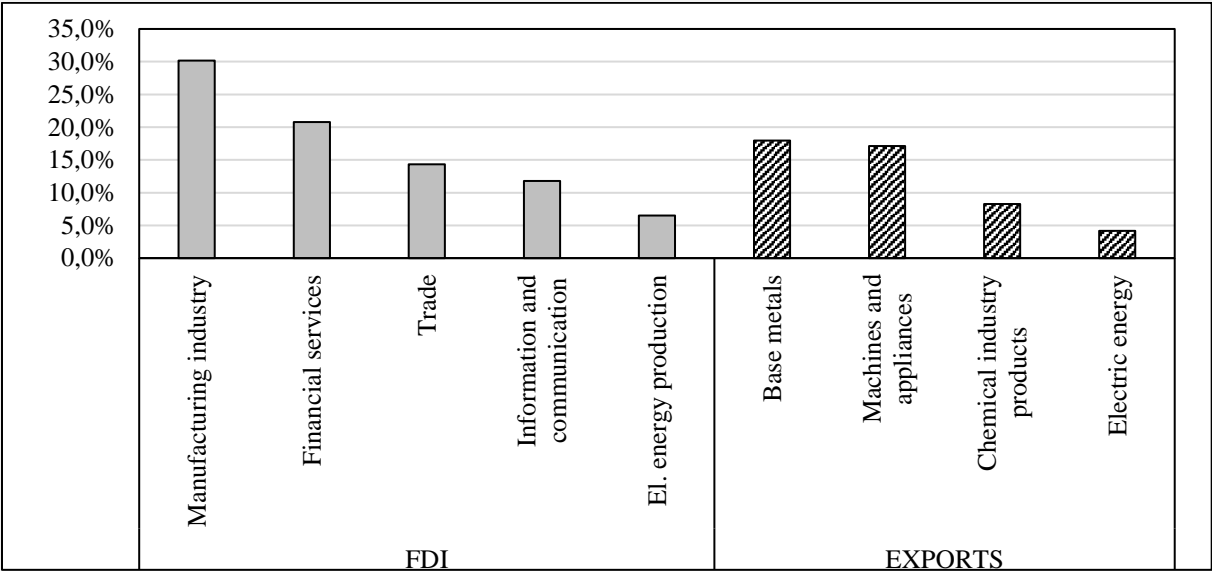
As of December 2023 <sup>87</sup>, the manufacturing industry attracted the largest share of foreign investment (KM 5.85 billion), contributing to the increase in industrial and export capacities. At the same time, the products of the manufacturing industry represent the most important export product groups: base metals and their products, machinery and equipment, chemical industry products, as well as parts for the automotive industry and electricity, which make up the largest share of total goods exports of BH. Electricity generation is a strategic sector in BH, and foreign investments in this sector (1.26 billion) play a key role in the modernization of infrastructure and the expansion of renewable energy sources. The electricity generation and

<sup>86</sup> The latest available data on the balance of foreign direct investments, by activity, refer to 2023, while the data on the export of certain product groups refer to 2024.

<sup>87</sup> The latest available data

distribution sector is experiencing an increasing inflow of foreign investment, especially in wind and solar power plant projects. Within the service sector, the most significant inflow of foreign investment was recorded in financial intermediation (KM 4.04 billion), wholesale and retail trade (KM 2.78 billion) and information and communication activities (KM 2.29 billion). The financial sector in BH has recorded the second most significant inflow of foreign investment with significant investments in the banking, insurance and capital market sectors increasing liquidity in the banking sector and improving access to credit for businesses and consumers. The information and communication sector is one of the fastest growing sectors, and foreign investment in this sector has significantly contributed to the digital transformation in BH and made it one of the most significant exporters of services.

Graph 1.35: The Share of Individual Activities/Groups of Products in the Total FDI/Exports



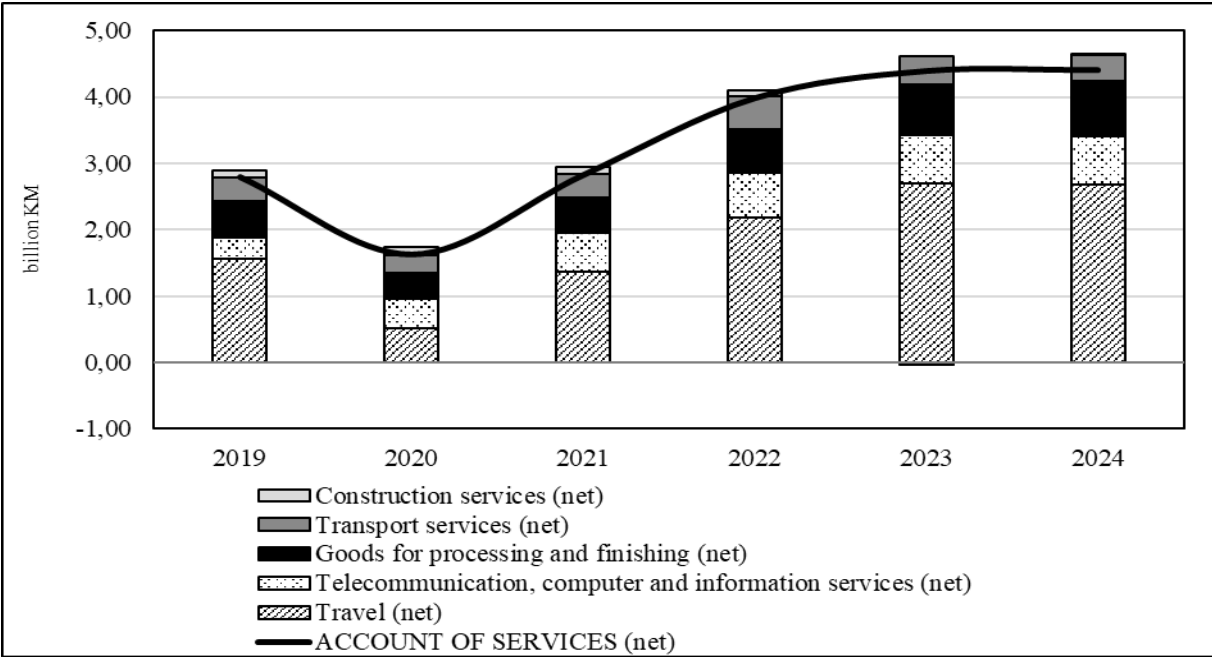
Source: CBBH, BHAS

The largest part of the deficit in the goods account was covered by net inflows in the services account, which in 2024 were recorded in the value of KM 4.40 billion, which is slightly above the level in 2023 (0.3%). In more detail, the most significant net inflow in the services account was achieved based on the arrivals and consumption of foreign tourists (KM 2.67 billion) and is slightly lower compared to 2023 (Graph 1.36). It should be noted that net inflows on this basis were significantly reduced by the consumption of domestic tourists abroad, which recorded a growth of 26.0% in 2024. Despite the decline in the volume of industrial production and the decrease in the number of orders in developed countries, net inflows based on the processing and finishing of goods recorded a growth of 8.0% in the reporting year, while



telecommunications, computer and information services, which have been recording continuous growth in recent years, were recorded in the value of KM 739.9 million. Transport services, caused by a contraction in exports of goods from BH, as well as the interruption of one of the most important railway communications due to floods, recorded a decline of 9.1% compared to 2023 values.

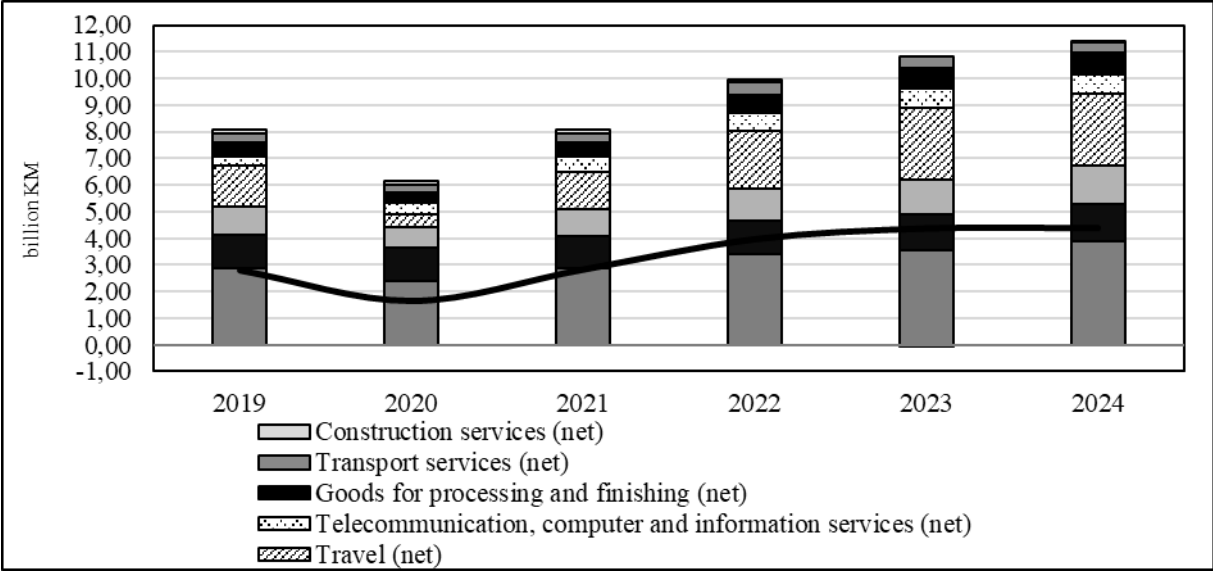
Graph 1.36: Account of Services in Balance of Payments



Source: CBBH

In addition to the surplus in the services account, the second most significant net inflow that significantly contributed to the reduction of the current account deficit was realized in the secondary income account, primarily based on workers' remittances from abroad (Graph 1.37). Nominal wage growth in developed countries significantly compensated for the modest level of economic activity, so that net inflows based on workers' remittances in 2024 were recorded in the value of KM 3.89 billion, which represents a growth of 9.2%. In addition to workers' remittances, pensions from abroad, as the second most significant category of secondary income, also achieved a growth of 2.1% compared to 2023. In addition to the above, a significant contribution to the reduction of the current account deficit was also made by net inflows based on salaries of residents abroad, which were realized in the value of KM 1.46 billion.

Graph 1.37: Remunerations to Employees in Foreign Countries, Remittances and Pensions from Foreign Countries



Source: CBBH

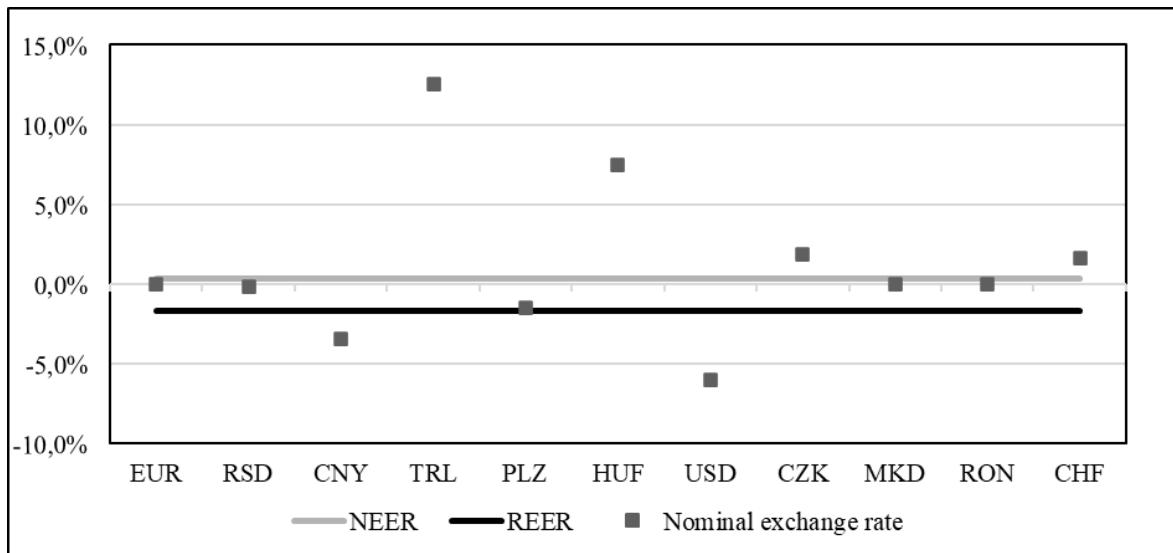
In 2024, the current account deficit was largely financed by net inflows from foreign direct investment, as well as by borrowing by the private and government sectors from international creditors. Net inflows from foreign direct investment were recorded at KM 1.89 billion, which represents the second largest net inflow on this basis since 2007. It should be noted that 62.4% of this value refers to reinvested earnings, while the rest represents investments in debt instruments. Within the framework of portfolio investments, in 2024, the trend of investments in debt securities of foreign issuers in the amount of KM 378.1 million continued, mostly realized by commercial banks and other financial institutions.

Within other investments, in the reporting year, a net inflow of KM 1.12 billion was recorded, mostly as a result of borrowing by domestic entities through loans and trade credits and advances. In 2024, the general government sector reduced its debt to the IMF by KM 368.4 million, with new long-term debt to other international creditors of KM 671.3 million, while other sectors also increased their debt based on loans. Despite the decline in exports of goods from BH, significant import activity resulted in net inflows from trade credits and advances of KM 599.9 million, which is 1.4% more than in 2023. In terms of currencies and deposits, significant activity was recorded in 2024 in the form of an increase or decrease in foreign assets of banks and non-financial companies, which ultimately resulted in net inflows of KM 71.0 million.

## II. Nominal and real effective exchange rates

The NEER appreciated in 2024, continuing the trend of previous years, with significantly lower annual growth rates in the second half of the year. At the end of 2024, the NEER recorded an annual appreciation of 0.3%. The NEER appreciation is a consequence of the nominal appreciation of the euro, our anchor currency, against the Turkish lira (12.5%), the Hungarian forint (7.5%), the Czech koruna (1.9%) and the Swiss franc (1.6%) (Graph 1.38). On the other hand, the real effective exchange rate, where the consumer price index was used as a deflator (REER-CPI), had a depreciation trend throughout 2024, thus reflecting significantly lower inflation rates in BH (1.7%) compared to its main trading partner countries: Serbia (4.8%), Croatia (4.0%), Austria (2.9%) and Germany (2.5%). At the end of the reporting year, the REER-CPI recorded an annual depreciation of 1.7%.

Graph 1.38: Annual Changes of KM Foreign Exchange Rate, December 2024



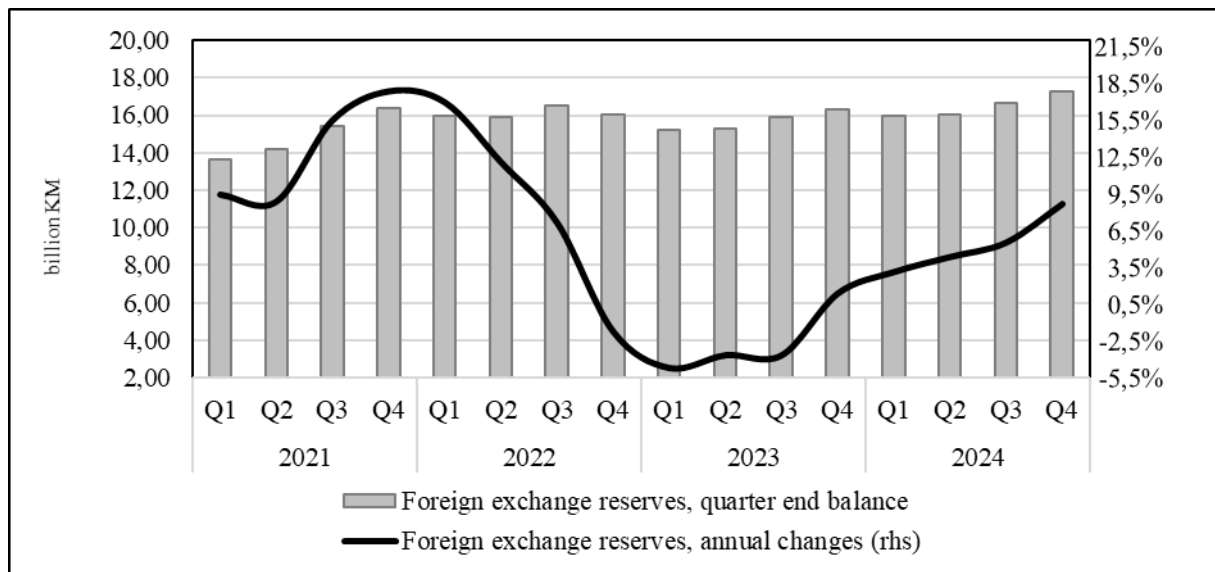
Source: CBBH

Note: Currencies are listed by the country's significance in trade exchange in 2024

## 2. Report on the CBBH activities in 2024

At the end of December 2024, net foreign exchange reserves amounted to KM 17.64 billion and are higher by KM 1.35 billion (8.30%) compared to the same period of the previous year (Graph 2.1). A positive annual growth rate of foreign exchange reserves characterized the entire 2024. The movements of foreign exchange reserves in 2024 were influenced by external debt servicing, the absence of foreign borrowing, inflows from remittances, and inflows of direct foreign investments. The slight decrease in foreign exchange reserves recorded in the first quarter is not unusual, and to a significant extent it is the result of the realized negative cumulative balance of purchases and sales with commercial banks and internal depositors. In the third and fourth quarters, the growth of foreign exchange reserves was recorded, to the greatest extent caused by the positive balance of the purchase and sale of KM, due to the influence of the tourist season. In the last three months of 2024, a significant increase in foreign exchange reserves was recorded (see Chapter 1.2.4).

Graph 2.1: Foreign exchange reserves



Source: CBBH

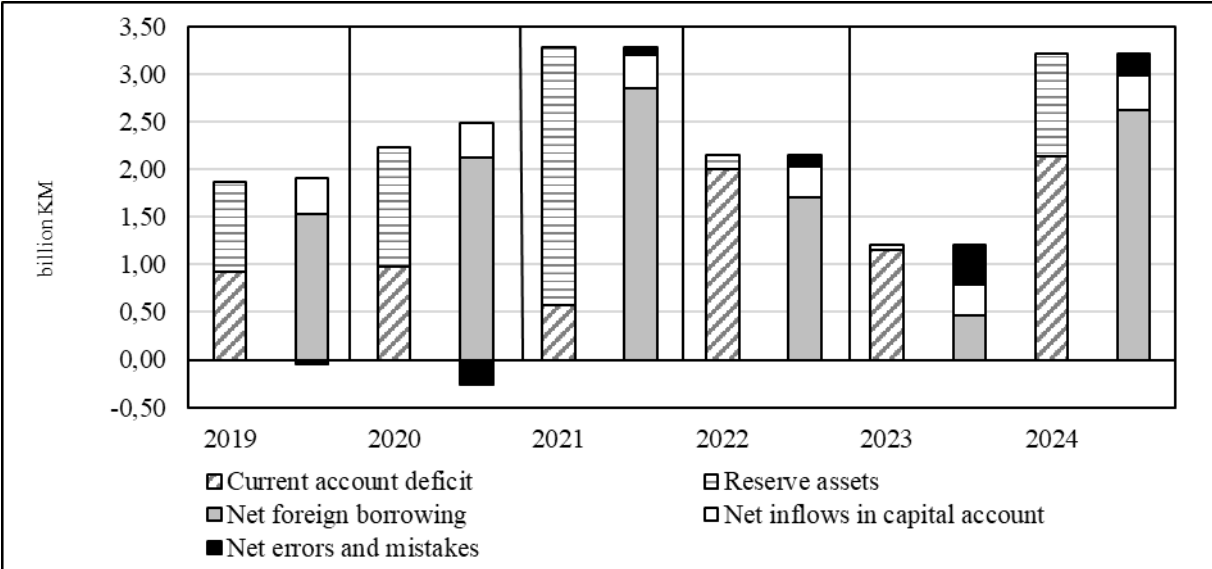
All transactions that affect the level of foreign exchange reserves are reflected, at the aggregate level, through the movement of KM purchases and sales with the CBBH, which forms the basis for their formation. The contribution to the growth or decline of foreign exchange reserves is most pronounced through the purchases and sales of commercial banks and depositors with the CBBH, while other changes, such as the effects of investing foreign exchange reserves, usually have a smaller impact. During 2024, the CBBH achieved a positive cumulative balance of KM purchases and sales with commercial banks and internal depositors in the amount of KM 323.18

million. Repayment of external debt in 2024 amounted to KM 1.33 billion. Changes in the value of the CBBH portfolio due to favorable market conditions had a positive impact on foreign exchange reserves in 2024 (see Chapter 2.3).

Graph 2.2 shows changes in the CBBH foreign exchange reserves in terms of balance of payments. The left column shows reserve assets and the current account deficit, which represent cash flows towards abroad, while the right column shows inflows from abroad: net foreign borrowing, net capital account inflows, and net errors and omissions.

A part of the current account deficit not covered by net capital account inflows is financed by net borrowing from non-residents, which can be in form of FDI, being, from a macroeconomic perspective, a preferred way of borrowing, or in form of external borrowing by the government sector, the financial sector, or a non-financial company. In 2024, net foreign borrowing from non-residents was above the current account deficit, which, together with net capital account inflows and net errors and omissions, which from a balance of payments perspective compensate for part of the current account deficit, led to an increase in reserve assets by KM 1.09 billion.

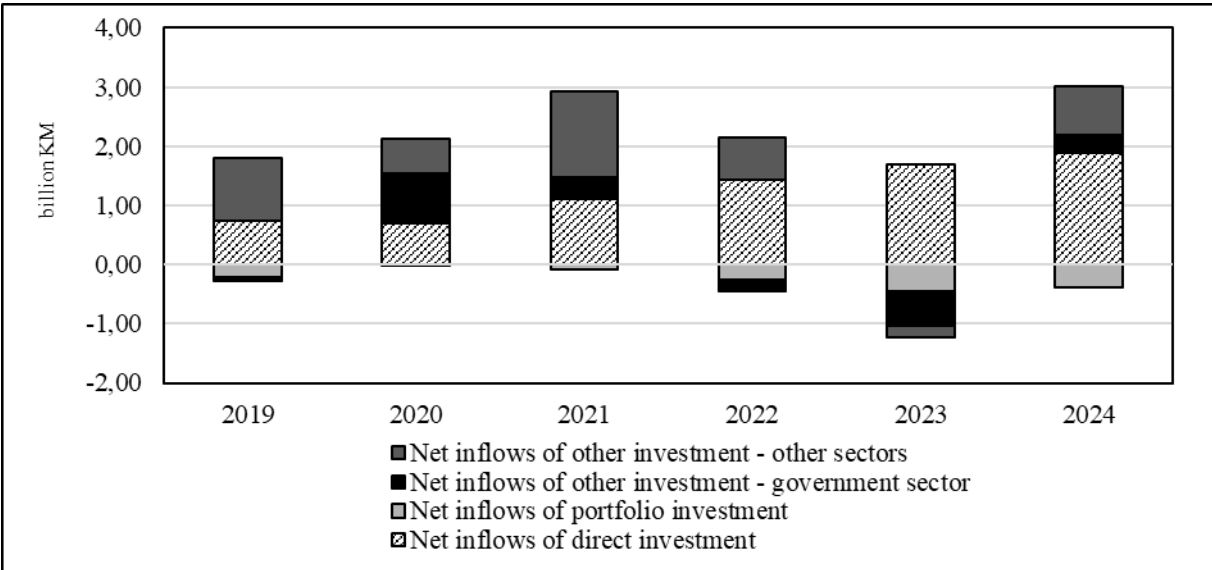
Graph 2.2: Uticaj platnobilansnih stavki na rast deviznih rezervi



Source: CBBH

Net foreign borrowing in 2024 was significantly higher than in 2023 (an increase of KM 2.15 billion), and the structure of borrowing itself was significantly different (Graph 2.3). The most significant impact on the growth of net foreign borrowing was recorded by net inflows from foreign direct investments, which recorded an increase of KM 204.2 million in 2024, most of which related to reinvested earnings. Despite a significant decrease in debt to the IMF, the Government sector increased net foreign borrowing in 2024 thanks to new long-term loans from international financial creditors<sup>88</sup>. Within other investments, net inflows from the private sector had a positive effect on the growth of reserve assets, mostly in the form of trade credits and advances, and to a lesser extent in the form of loans to non-financial companies. On the other hand, a net outflow of funds in the observed period was recorded on the basis of portfolio investments, as a result of investments by companies from the financial sector in debt securities of non-residents.

Graph 2.3: Structure of Net Foreign Borrowing



Source: CBBH

<sup>88</sup> In 2024, the BH Government sector had new borrowings, the most significant of which are those with the International Bank for Reconstruction and Development, the European Investment Bank, as well as other public creditors (Government and government agencies)

## 2.1. Monetary policy

In 2024 too, the CBBH also met the objective defined by the Law, namely the issuance of domestic currency under a currency board arrangement. In accordance with Article 31 of the Law on the CBBH, the CBBH is obliged to ensure that the total amount of its monetary liabilities never exceeds the equivalent amount of its net foreign exchange reserves, which has been fully met.

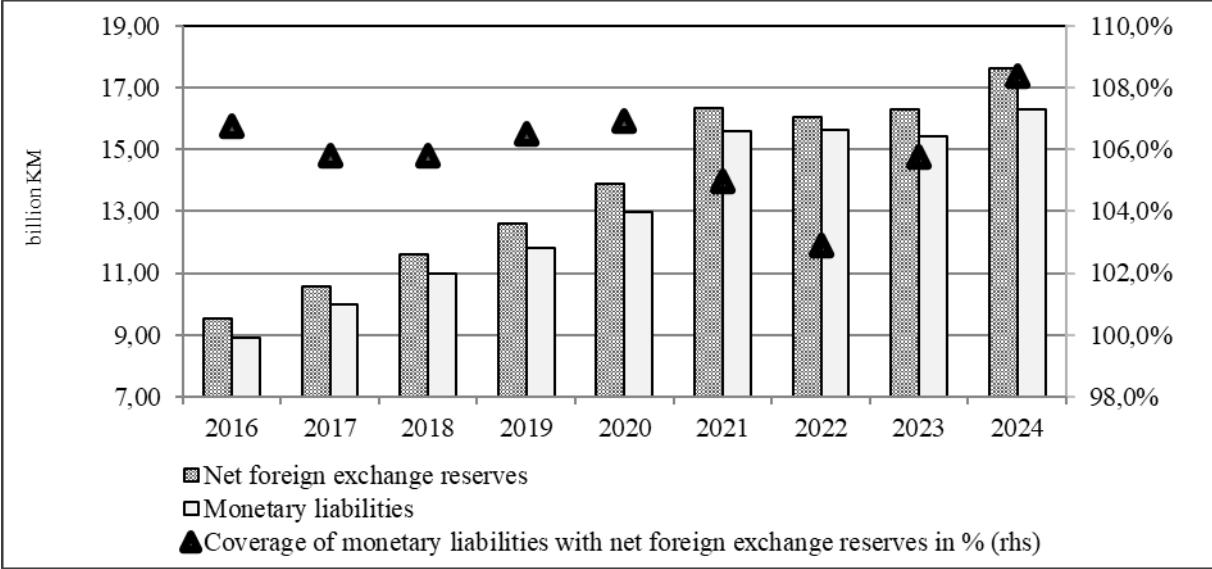
In accordance with the Law, the total amount of the monetary liabilities of the Central Bank is always the sum of:

- (A) all banknotes and coins put into circulation by the Head Office, Main Units and Branches of the Central Bank, and
- (B) credit balances of all accounts held in the books of the Central Bank and its organizational units by resident account holders.

At the end of 2024, net foreign assets amounted to KM 1.36 billion, which is KM 478.9 million more than at the end of 2023. The CBBH's net foreign assets provide protection against market shocks that may have a negative impact on the fair value of financial instruments in which foreign exchange reserves are invested. Net foreign exchange reserves, at the end of 2024, amounted to KM 17.64 billion and increased by KM 1.35 billion compared to the same period of the previous year. Monetary liabilities recorded an increase of KM 873.5 million in the same period, due to a significant increase in the total holdings of banks in reserve accounts with the CBBH.

The coverage ratio of monetary liabilities by foreign exchange reserves at the end of 2024 was significantly higher compared to the end of the previous year and amounted to 108.4% (Graph 2.4). The growth in the coverage ratio is a consequence of the adequate positioning of the foreign exchange reserve portfolio for the expected increase in the ECB's reference rates and yields on debt securities of euro area governments (see Chapter 2.3).

Graph 2.4: Coverage of Monetary Liabilities with Net Foreign Exchange Reserves



Source: CBBH

2.2. Reserve accounts with the CBBH

The only monetary policy instrument of the CBBH is the required reserve. During 2024, the CBBH did not change the required reserve rate or the coverage of the required reserve base. The required reserve rate was maintained at 10%, and is applied to all domestic and foreign liabilities of banks. On the required reserve funds with the KM domestic currency base, the commercial banks are paid the remuneration at the rate of 50 basis points (0.50%), on reserve requirement funds with the foreign currencies base and with the domestic currency with a currency clause base - a remuneration is paid at a rate of 30 basis points (0.30%). On the excess required reserves, no remuneration is calculated (Graph 2.3).

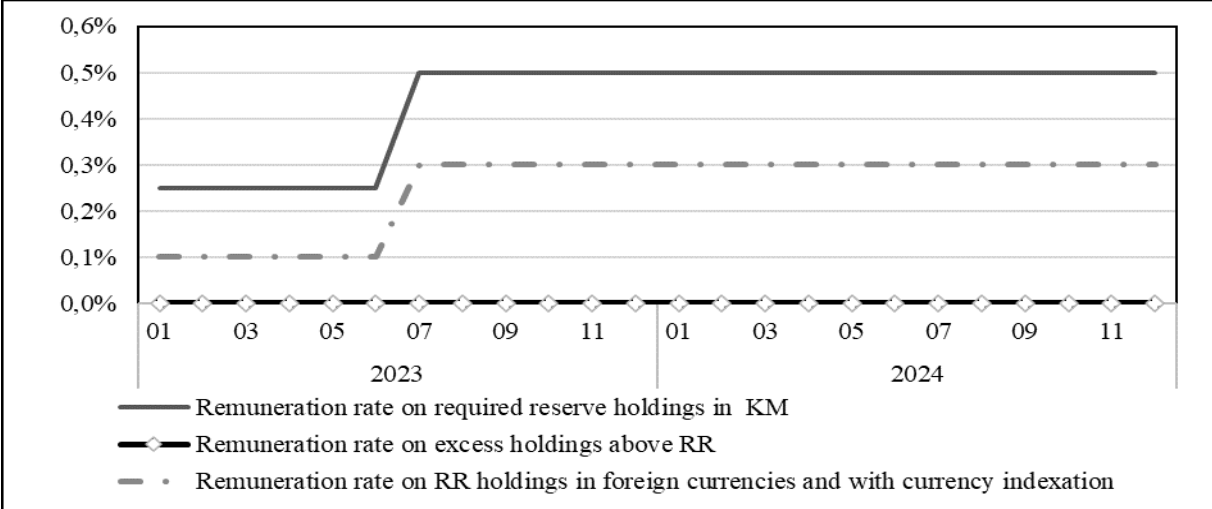
Since the beginning of 2024, the CBBH has introduced changes to the required reserve policy, which imply greater flexibility in the calibration of monetary policy. The key change relates to the obligation to allocate the required reserve from the base for calculating the required reserve in foreign currency. With the aim of an easier transition, especially from the aspect of managing the net open position of banks, but also taking into account the effects on the investment policy of CBBH, it was decided to proceed with the implementation in phases. This Decision defines that during the transition period, banks maintain the calculated required reserve in EUR by keeping 5% of the calculated required reserve in EUR at the EUR reserve account, while the rest will be maintained in KM. During 2024, a part of the required reserve from the foreign currency base was allocated in foreign currency in the amount of 5%. This way of maintaining and allocating required reserve has been additionally extended until June 30, 2025. The Central



Bank of Bosnia and Herzegovina did not change its remuneration policy during 2024, so the required reserve rate applied by the Central Bank was 10% for all currency and maturity categories (Graph 2.5).

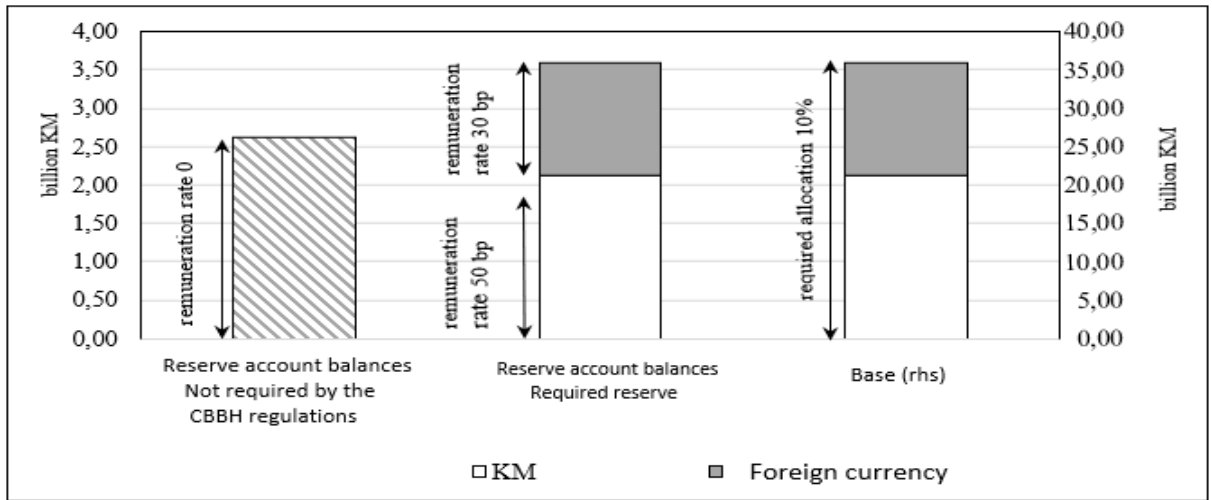
Throughout 2024, the commercial banks were remunerated at a rate of 50 basis points (0.50%) on required reserve funds with the KM domestic currency base, but the remuneration was paid at the rate of 30 basis points on required reserve funds with the foreign currencies base and with the domestic currency with a currency clause base, a (0.30%). No remuneration was paid out for excess required reserve (Graph 2.6).

Graph 2.5: Required Reserve Policy in Respect of Remuneration Changes



Source: CBBH

Graph 2.6: Required Reserve Policy with Regard to Positions in the Last Calculation Period in 2024



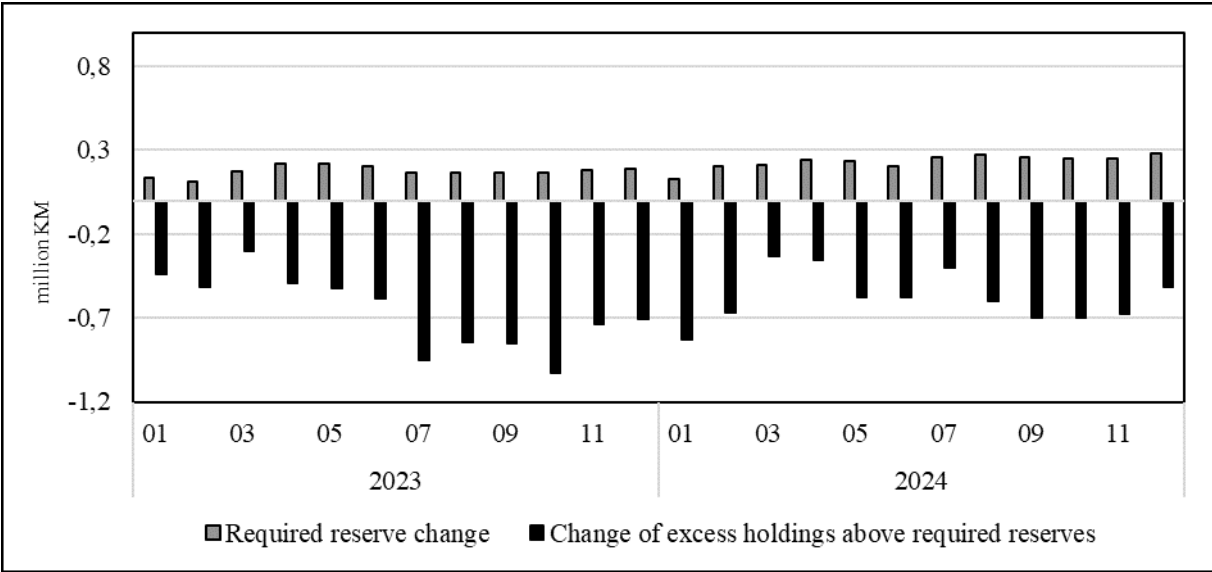
Source: CBBH

Note: Reserve account balances (excess above RR), not required by the CBBH regulations imply all currencies

The required reserve system included 22 banks in 2024. All banks fulfilled the obligation to allocate to the required reserve account. The strong growth of domestic sector deposits continues to be the dominant factor in the growth of the required reserve calculation base. The required reserve calculation base, at the end of the reporting period, amounted to KM 35.71 billion, and compared to the same period last year, it is higher by KM 2.8 billion. The base structure is dominated by the KM base with a share of over 59% at the end of the last calculation period in 2024. The share of the KM base in the total required reserve calculation base is higher by 0.5% compared to the same period last year. This modest growth in the KM base did not significantly change the percentage share of the base in foreign currencies.

During 2024, the required reserve base recorded continuous monthly growth (Graph 2.7). The growth trend in foreign assets of banks (KM 420.12 million in 2024) was reflected in the excess required reserve, where a continuous monthly decline was recorded during 2024 (Graph 2.7).

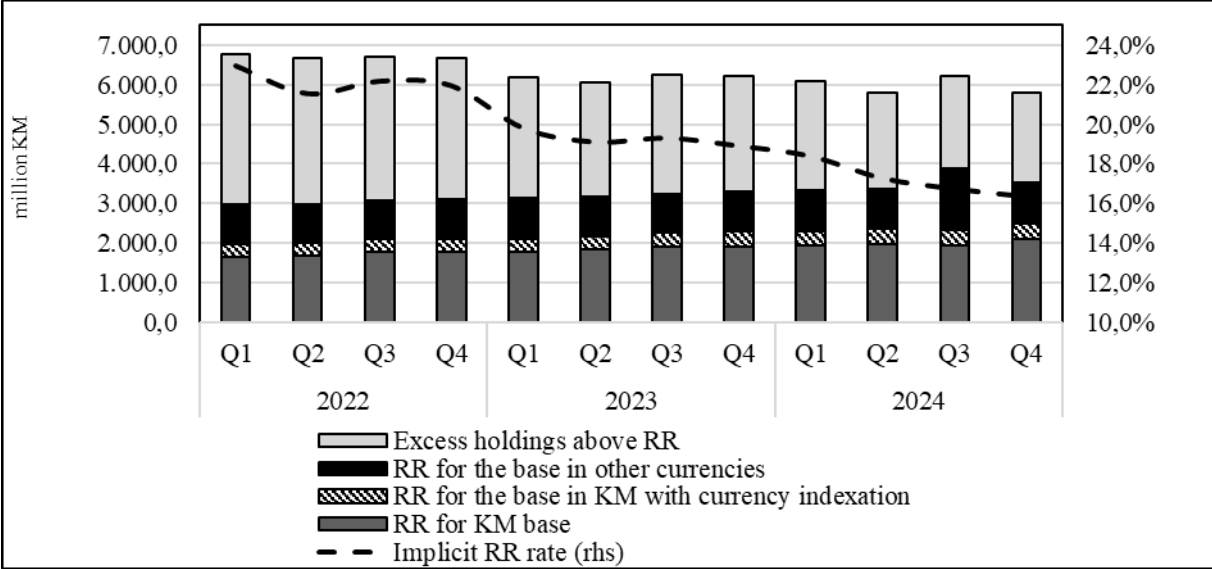
Graph 2.7: Monthly Changes of Required Reserves and Excess Holdings above Required Reserve



Source: CBBH

Total funds in reserve accounts with the CBBH at the end of December 2024 amounted to KM 6.20 billion and are only KM 8.4 million lower compared to the last calculation period in 2023. Consequently, the implicit required reserve rate is lower by 1.1% and at the end of the last calculation period in 2024, it amounted to 17.3% (Graph 2.8). At the end of December, the average excess required reserve amounted to KM 2.62 billion.

Graph 2.8: Balance of Reserve Accounts with the CBBH and RR Implicit Rate



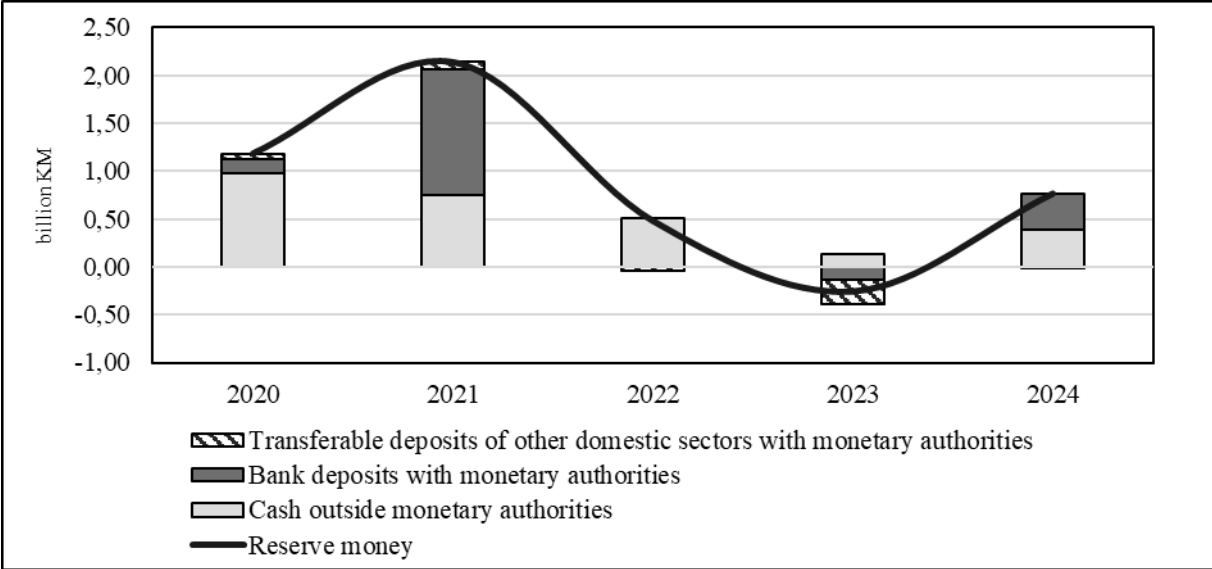
Source: CBBH

The decrease of the excess RR that began in the fourth quarter of 2022 and lasted throughout 2023, also continued throughout 2024 with a somewhat milder intensity. Thus, the decrease of the excess required reserve during 2024 amounted to KM 514.46 million, which is still less than the decrease recorded in the previous year (KM 709.86 million). The decrease of the excess required reserve recorded in the previous two years is noticeable in most banks, not just a few, and we can conclude that this is a systemic phenomenon, and not just the business policy of individual banks. The causes of these changes are numerous, but the changes in the financial markets of the euro area, as well as the significant changes in the ECB's monetary policy, that occurred in the previous year, stand out in particular.

Excess required reserve represent only one component of the highly liquid assets of the banking system, and it was precisely during 2024 that high liquidity of the banking sector was recorded. Reserve money at the end of 2024 amounted to approximately KM 15.43 billion, representing an annual growth of KM 764.7 million or 5.21% in relative terms (Graph 2.9). About 96% of the growth of this indicator on an annual basis occurred in the second half of 2024. On an annual basis, the item of banks' deposits with monetary authorities recorded an increase of KM 372.2 million. On the other hand, cash outside monetary authorities, as the most significant component of reserve money, recorded an annual growth of KM 394.1 million. Most of the growth of this component of reserve money occurred during the summer months and the tourist season when the seasonal impact of the increase in cash outside monetary authorities is most pronounced.

Transferable deposits of other domestic sectors with monetary authorities, as traditionally the smallest item of reserve money, recorded an annual decline of 9.43% (KM 1.6 million in absolute terms). Since the other two items recorded significantly higher annual growth, the decline in this item had a negligible impact on the final annual change in total reserve money.

Graph 2.9: Annual Changes in Reserve Money Components

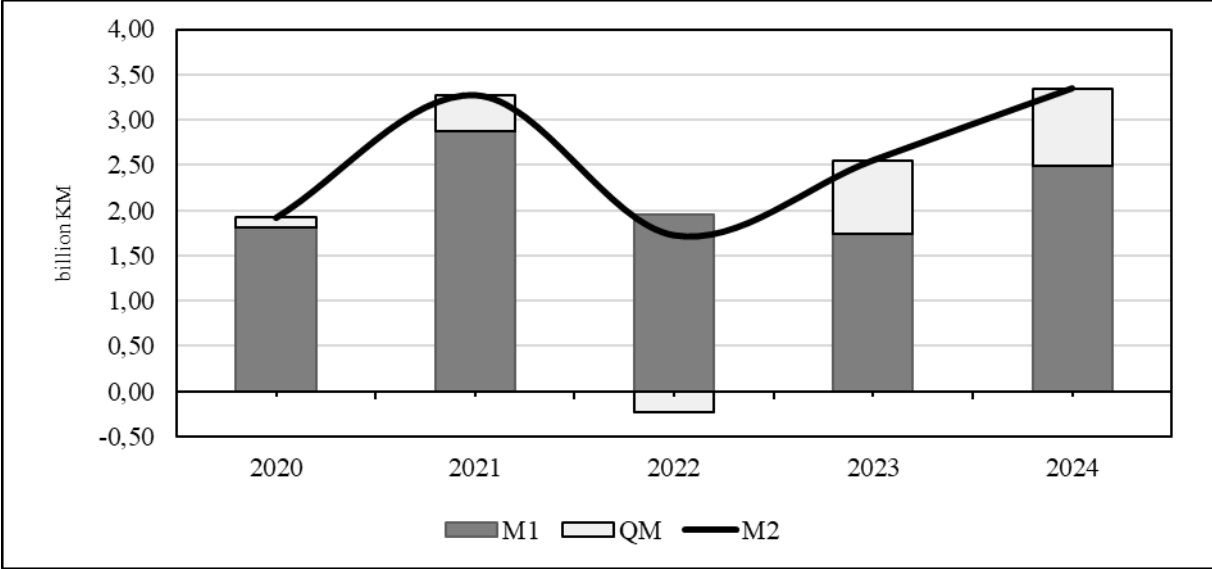


Source:CBBH

During 2024, the M2 monetary aggregate grew by KM 3.34 billion (9.34%), which is, historically, moderate growth (Graph 2.10). On the other hand, the M1 monetary aggregate, as the dominant component of the M2 aggregate, recorded an annual growth of KM 2.5 billion, which represents an annual growth rate of 11.55%. The increase in transferable deposits in domestic currency of KM 2.17 billion was the main cause of the growth of monetary aggregates, and is responsible for 87.1% and 65% of the growth of M1 and M2 monetary aggregates, respectively. Such developments reflect a multi-year trend of strong growth in transferable deposits of households and corporates in the BH banking sector.

Cash outside banks, as the second component of the M1 monetary aggregate, recorded an annual growth of KM 322.7 million. Quasi-money (QM) recorded an annual growth of KM 846.1 million, mainly due to the growth of other foreign currency deposits in the amount of KM 458.5 million.

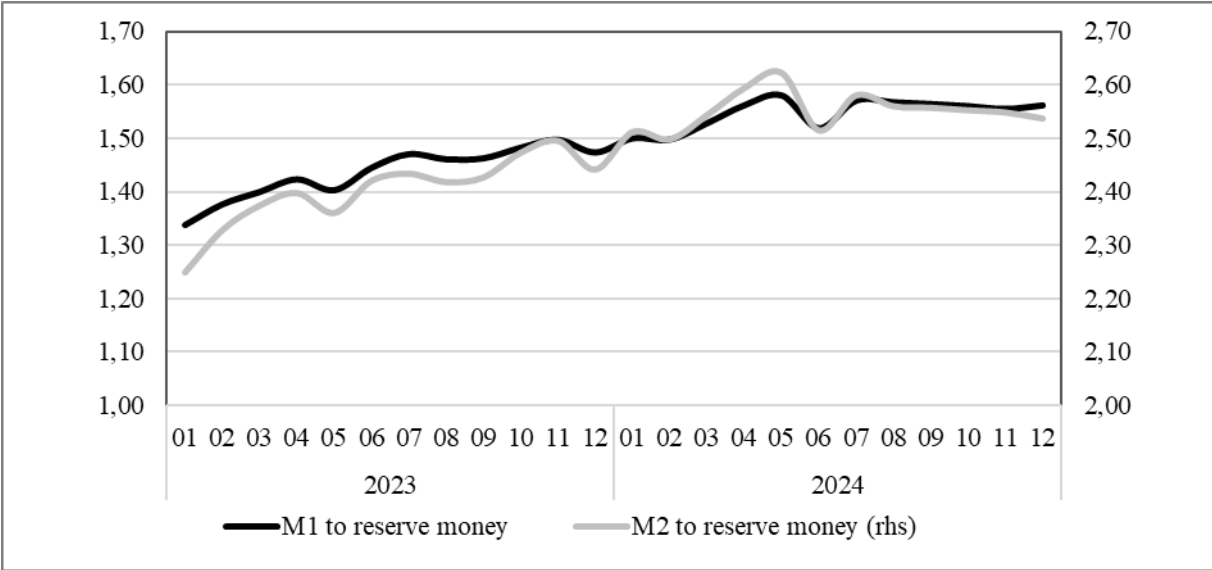
Graph 2.10: Annual Changes of Monetary Aggregates



Source: CBBH

Changes in the trends of the components of the money supply, as well as changes in reserve money recorded during 2024, were also reflected in the monetary multiplication. Due to the faster growth of monetary aggregates compared to the growth of reserve money, monetary multipliers recorded growth in 2024, with the most pronounced growth in the first half of the year (Graph 2.11). The monetary multiplier for the M1 aggregate recorded more intensive growth compared to the multiplier for the M2 aggregate, which was due to the strong growth of transferable deposits in domestic currency.

Graph 2.11: Monetary Multiplication



Source: CBBH

Regulatory data from the commercial banking sector also indicate the importance of short-term liabilities in the banking sector's liabilities (Table 2.1). The data also suggest that the growth in transferable deposits in the banking sector has increased the amount of liquid assets by approximately the same amount, as is evident from the fact that the ratio of liquid assets to short-term financial liabilities of the banking sector has remained relatively stable with very little change since the end of 2023. The percentage of short-term to total financial liabilities of banks, which is still at a high level, indicates an unfavorable maturity structure of sources that is not conducive to stronger growth in long-term credit placements. Furthermore, strong demand for loans and consequently stronger growth in credit placements compared to deposit growth has led to a slight decline in the deposit-to-loan ratio.

According to the latest available data, Liquidity Coverage Ratio (LCR)<sup>89</sup> at the end of the third quarter of 2024 at the level of the banking system was 234.1%, and almost all banks in the system recorded significantly higher values of the indicator than the minimal requirement.

In line with the valuable regulatory requirements, the banks were obliged to report to the Agencies about Net stable funding ratio (NSFR)<sup>90</sup>, by the end of Q4 2021, and to meet the requirements related to the NSFR by the end of 2022. The minimum required level of the Net stable funding ratio according to the Basel Committee is 100% on a daily basis. This indicator was 159% at the end of the third quarter of 2024, which represents a slight decrease compared to the end of 2023, when this ratio was 159.9%. In addition to the adequate amount of this indicator at the banking system level, all banks individually record significantly higher indicator values than the minimal requirement.

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<sup>89</sup> The Liquidity Coverage Ratio (LCR) measures the ability of banks to withstand a 30-day liquidity stress scenario and is calculated as the ratio between the liquidity buffer, which are the assets that would be liquid in times of stress, and the net liquidity outflows calculated in accordance with the established scenario parameters over the next 30 calendar days. Banks are required to maintain a LCR of at least 100%.

<sup>90</sup>The Net Stable Funding Ratio (NSFR) is a new FSI that measures the ability of banks to withstand market disruptions over a period of one year. This FSI is calculated as the ratio of available stable funding to required stable funding.

Table 2.1: Liquidity Indicators of BH Banking Sector

		Liquid assets to total assets	Liquid assets to short term financial liabilities	Deposits to credits	Short term financial liabilities to total financial liabilities
2020	Q1	27,7%	57,5%	113,2%	56,3%
	Q2	26,9%	52,7%	114,9%	59,7%
	Q3	27,6%	49,8%	117,8%	64,9%
	Q4	28,6%	51,3%	120,7%	65,4%
2021	Q1	28,5%	51,2%	122,3%	65,5%
	Q2	27,8%	49,0%	125,4%	66,5%
	Q3	28,5%	49,9%	127,7%	67,2%
	Q4	30,7%	51,3%	130,3%	68,8%
2022	Q1	29,3%	49,2%	124,6%	68,9%
	Q2	29,6%	48,7%	126,1%	70,3%
	Q3	30,8%	49,8%	129,3%	71,5%
	Q4	30,5%	48,4%	130,8%	72,6%
2023	Q1	29,4%	48,0%	129,8%	70,9%
	Q2	28,8%	47,0%	130,0%	71,0%
	Q3	30,3%	49,5%	132,0%	71,3%
	Q4	29,0%	47,2%	131,0%	71,1%
2024	Q1	28,5%	46,5%	131,3%	71,3%
	Q2	28,2%	46,4%	128,1%	70,6%
	Q3	28,8%	47,1%	129,1%	71,2%

Source: CBBH

### 2.3.Foreign exchange management

In accordance with the Law on the CBBH and the relevant internal acts (investment guidelines, strategic assets allocation and risk rules and parameters), the CBBH manages its foreign exchange reserves based primarily on the principles of safety and liquidity. Given that, according to Article 34 of the Law on the CBBH, it is not possible to invest more than the equivalent of 50% of the total undiminished capital and reserves in currencies other than EUR, the CBBH invests more than 99% of its foreign exchange reserves in financial instruments denominated in EUR. A series of investment decisions made in the previous period, including the timely and adequate restructuring of the foreign exchange reserve portfolio in 2023 and 2024, enabled it to take advantage of the environment of high (or favourable) interest rates and yields on securities in the financial markets of the euro area. Consequently, in 2024, 40% more net interest income in foreign currency was generated, compared to the previous year.

Decisions on the management and investment of foreign exchange reserves are made at three levels within the CBBH organization: strategic – the Governing Board; tactical – the Investment Committee, and operational – the relevant departments of the Monetary Operations, Foreign

Exchange and Cash Management Sector. The Governing Board establishes investment guidelines, which define the maximum risk tolerance, optimal trade-off, strategic asset allocation, investment limits, investment period and benchmark for performance assessment. The Investment Committee operates within the framework of binding legal restrictions, foreign exchange reserve management policies and investment guidelines adopted by the Governing Board, and the rules and risk parameters related to the investment of foreign exchange reserves, adopted by the Governor. Decision-making and responsibility for the day-to-day management of foreign exchange reserves lies at the operational level, which operates in accordance with the policy, guidelines, and risk rules and parameters.

In the process of managing foreign exchange reserves, during 2024, available information from relevant money and capital markets in the euro area and the world were continuously considered, as well as available forecasts that could affect the investment of foreign exchange reserves in the current year, but also in the following period. Also, the possibilities and modalities of the investment policy and management of the CBBH foreign exchange reserves were analysed, and appropriate changes to the investment policy were initiated in order to adapt to new market conditions in the euro area. We also continuously analysed the information on ratings of foreign banks with which the CBBH has term deposits and current account funds, and countries that are issuers of securities represented in the CBBH foreign exchange reserves portfolio.

The CBBH foreign exchange reserves portfolio is primarily exposed to financial risks (interest rate, credit and liquidity risk), foreign exchange risk, and gold price risk. Interest rate risk management, i.e. the risk of a decrease in the market value of the foreign exchange reserve portfolio due to hypothetical, unfavourable movements in interest rates, includes: prescribing a target modified duration of the foreign exchange reserve portfolio, and a permitted deviation of the investment portfolio duration, as well as for the total foreign exchange reserve portfolio, and monitoring of Value at Risk.

The CBBH limits its exposure to credit risk by investing in bonds of selected euro area countries, and by placing deposits in: selected central banks in the euro area, the Bank for International Settlements (BIS), and selected commercial foreign banks, provided that they meet counterparty eligibility standards. The basic principle in credit risk management is appropriate criteria for selecting counterparties and fixed-income debt securities, and avoiding excessive concentration of credit risk exposure to a single counterparty. The aforementioned standards and limitations are reviewed and updated as necessary, taking into account official



ratings from leading global rating agencies, as well as indicators obtained through the application of internal methods for assessing credit risk.

Liquidity risk management is based on the assessment of potential liquidity needs and the identification of liquid financial instruments. Instruments used to ensure daily liquidity are overnight deposits and current account balances with counterparties that meet credit risk criteria, as well as maturing funds per all instruments.

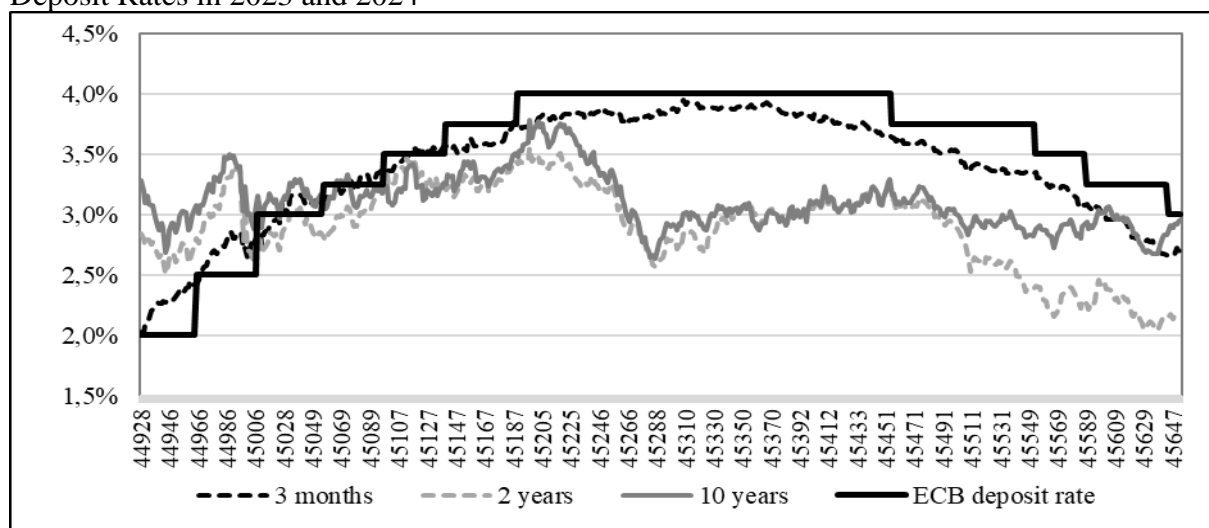
Foreign exchange risk represents the risk of changes in the value of foreign exchange assets and liabilities due to changes in the exchange rates in which foreign exchange reserves are held and transactions are made, relative to the domestic currency. Foreign exchange risk management is carried out primarily through the adjustment of the currency structure of the CBBH's assets and liabilities, as well as by setting quantitative limits for exposure to foreign exchange risk.

Leading central banks have, since mid-2024, replaced restrictive monetary policy with expansionary one (Chapter 1.1). The ECB has reduced its reference interest rates four times in total, during 2024, and the FED three times, each by a total of 100 bp. Despite the relatively weak growth of economic activity in the euro area, the inversion of the yield curve<sup>91</sup> on Eurobonds was lower compared to 2023, which was reflected in the increase in average market yields on three-month bonds of euro area countries compared to 2023. Average market yields on bonds of euro area countries with longer maturities were lower compared to 2023 (Graph 2.12). During 2024, yields on European long-term government bonds (ten-year bonds) recorded smaller oscillations, and at the end of the year, they were 17 basis points higher than at the beginning of the year. Unlike long-term bonds, market yields on European short-term government bonds followed the trend of the ECB deposit rate. Compared to the beginning of 2024, at the end of the year, yields on three-month bonds were lower by 110 bp, and in the case of two-year bonds, yields were lower by 44 bp.

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<sup>91</sup> An atypical market situation that occurs when short-term debt instruments of the same credit profile have higher yields than long-term debt instruments. An inverted yield curve typically signals that markets expect a recession in the near term.

Graph 2.12: Average Daily Market Yields on the Euro Area Sovereign Bonds, and the ECB Deposit Rates in 2023 and 2024



Source: ECB

The growth of market yields in 2023 enabled the generation of significantly higher amounts of interest income not only in that year, but also in 2024. Therefore, the weighted average net interest rates (specified as WAnIR in Table 2.1; calculated as the ratio of realized net interest income/expenses and the average balance of foreign exchange reserves in the observed period) in 2023 and 2024 were significantly higher compared to the previous 10 years. Observed by quarters in 2024, WAnIR amounted to 3.05%, 3.03%, 2.98%, and 2.75% respectively.

Table 2.2: Weighted Average Annual Net Interest Rate on the CBBH Foreign Exchange Reserves and Average Annual Interest Rates and Market Yields on the Euro Area Sovereign Bonds

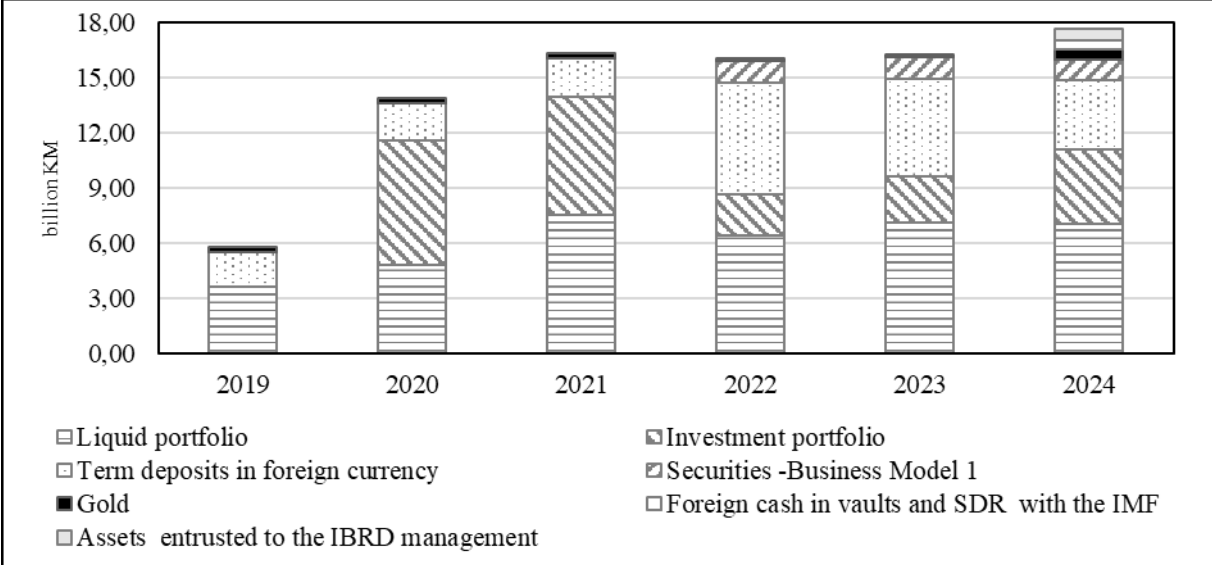
	WAnIR, %	ECB - deposit facility rate, %	ECB - main refinancing operations, %	Euribor, %		EUR bonds, %					
				1m	3m	months		years			
						3	6	1	2	5	10
2016	0,22	-0,38	0,01	-0,34	-0,27	-0,42	-0,39	-0,36	-0,32	0,01	0,77
2017	0,18	-0,40	0,00	-0,37	-0,41	-0,54	-0,52	-0,49	-0,39	0,18	1,09
2018	0,16	-0,40	0,00	-0,37	-0,32	-0,48	-0,43	-0,33	-0,13	0,46	1,14
2019	0,11	-0,43	0,00	-0,40	-0,36	-0,46	-0,42	-0,37	-0,27	-0,02	0,40
2020	0,04	-0,50	0,00	-0,50	-0,43	-0,50	-0,49	-0,47	-0,43	-0,27	0,08
2021	-0,08	-0,50	0,00	-0,56	-0,55	-0,64	-0,63	-0,62	-0,58	-0,37	0,10
2022	0,09	0,08	0,58	0,09	0,35	0,15	0,35	0,66	0,97	1,44	1,91
2023	2,14	3,30	3,80	3,25	3,43	3,28	3,33	3,27	3,08	2,99	3,24
2024	2,95	3,74	4,14	3,56	3,57	3,49	3,30	3,02	2,72	2,66	2,98
Change (in bp) in 2024, compared to:											
2023	81	44	34	32	14	21	-3	-25	-36	-33	-26
2020	291	424	414	406	400	399	379	349	315	293	290

Source: CBBH, ECB, www.global-rates.com.

Note: Average annual interest rates and market yields are calculated as the average of daily interest rates and market yields in the observed year. In 2024, the ECB's deposit rate has been reduced from an initial 4% to 3%.

The structure of foreign exchange reserves at the end of 2024 (Graph 2.13) consisted of: term deposits with a share of 21.24%; liquid portfolio with share of 39.80%; investment portfolio (securities with over one year remaining maturity) with a share of 23.09%; securities in Business Model 1<sup>92</sup> with a share of 6.40%; gold with a share of 3.14%, and a new component of foreign exchange reserves, funds entrusted to the management of the International Bank for Reconstruction and Development (IBRD), with 3.32%<sup>93</sup>. At the end of 2024, the liquid portfolio consisted of: current accounts with banks and overnight deposits (22.61% of total foreign exchange reserves), and securities with a remaining maturity of one year or less (22.47% of total foreign exchange reserves). As of 2024, foreign cash in vaults (2.98% of total foreign exchange reserves) and Special drawing rights (SDRs) with the International Monetary Fund (IMF), amounting to 0.03% of total foreign exchange reserves, are separate components of foreign exchange reserves and are not part of the liquid portfolio.

Graph 2.13: The Structure of the CBBH Foreign Exchange Reserve Investment at Year End



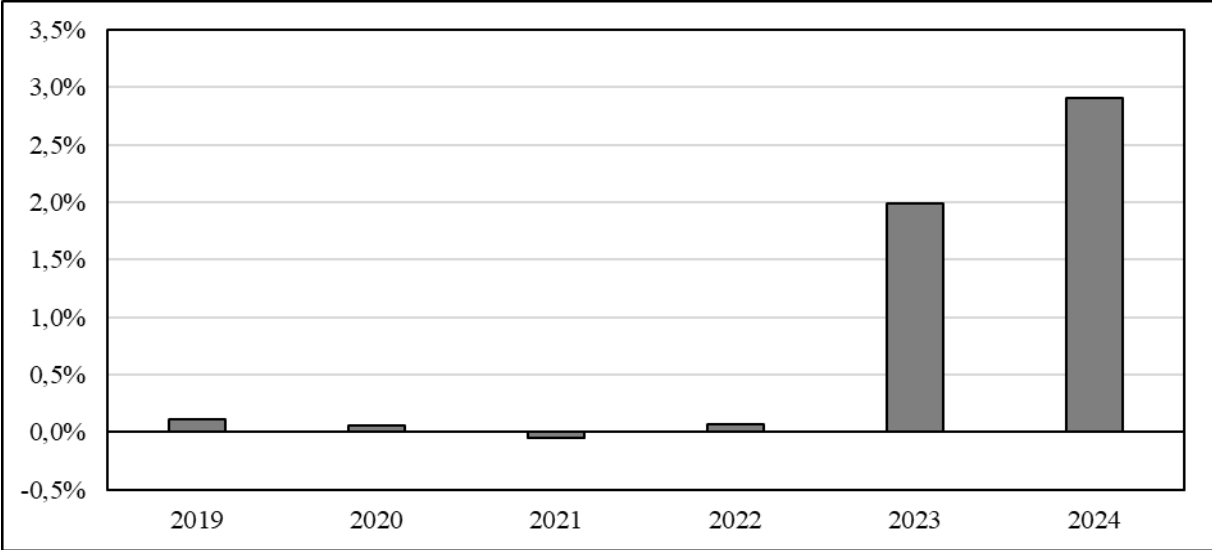
Source: CBBH

<sup>92</sup> Part of the securities portfolio classified according to the amortized cost method.  
<sup>93</sup> In 2024, the CBBH joined the World Bank Reserves and Advisory Management Program (RAMP), and within it, the CBBH entrusted a small part of its portfolio of foreign exchange reserves to the management of the IBRD. More information in Chapter 2.9.

At the end of 2024, securities with fixed income made up 55.37% of total foreign exchange reserves, which is more compared to their share in foreign exchange reserves at the end of 2023 (44.99%). In order to mitigate the credit risk, investments are made in the securities of selected European countries, with restrictions on the minimum acceptable threshold of the composite credit rating and the required average credit rating of the portfolio. Funds deposited with non-resident banks at the end of 2024 accounted for 38.48% (51.12% at the end of 2023). The share of gold at the end of 2024 (3.14%) has increased compared to the end of the previous year (1.08%), while foreign assets in vaults and SDRs with the IMF have remained at approximately the same levels.

Net effect of investment of CBBH's foreign currency funds in convertible foreign currency on the income statement for the period 1 January – 31 December 2024 is KM 455.2 million, and expressed as an effective yield rate <sup>94</sup> is 2.91% (Graph 2.14). In 2024, too, the CBBH remained consistent with its investment policy in accordance with legally defined goals and objectives, which implies that official foreign exchange reserves are managed in a safe and profitable manner.

Graph 2.14: Annual Yield Rates on the CBBH Foreign Exchange Reserves



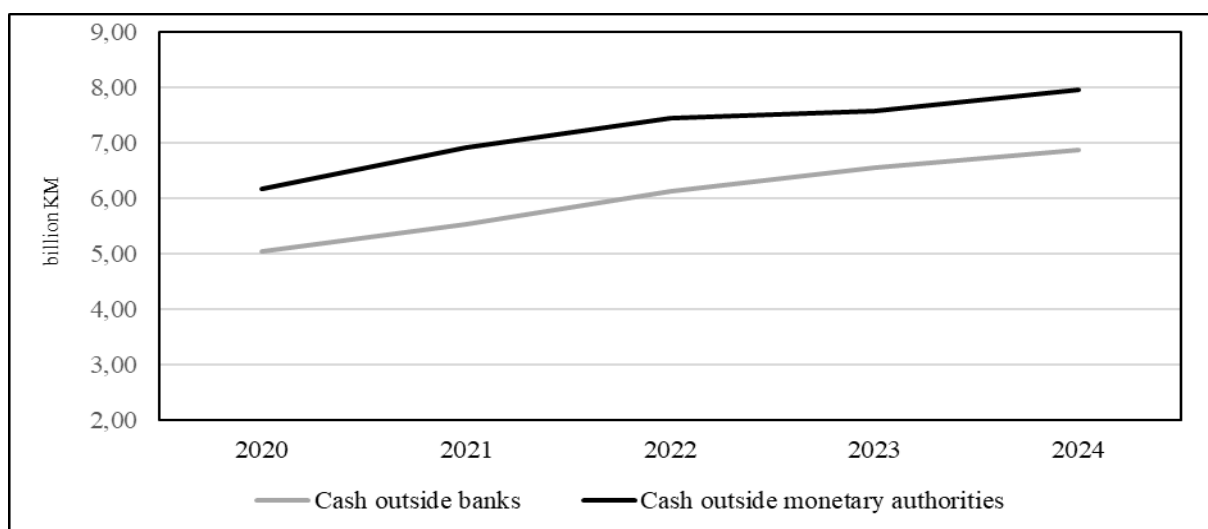
Source: CBBH

<sup>94</sup> The effective yield rate is calculated by dividing the net effect of investing foreign exchange reserves by the average balance of foreign exchange reserves in the observed period. When calculating the total net effect of investing foreign exchange reserves, we took in account all net income from interest on securities and deposits in foreign currency, as well as realized net capital gains/losses due to the sale of securities from the CBBH foreign exchange reserves portfolio.

## 2.4.Cash management

The upward trend of cash in circulation (outside banks) from previous years has continued. As of 31 December 2024, cash in circulation outside banks amounted to KM 6.87 billion (Graph 2.15), which is higher by 4.98% than in 2023. The reasons for the increased demand for KM are activities in the tourism sector and the related service activities (see Chapter 1.2.4), but also the overall economic activity growth. The strong growth trend of cash outside the CBBH continued in 2024 (Graph 2.15). The demand for cash by banks is a consequence of customers' demands for cash.

Graph 2.15: Cash outside Monetary Authorities and Banks



Source: CBBH

Unlike previous years, commercial banks reduced the cash amounts in their vaults in 2024 (Graph 2.16). Such change is certainly not concerning, because there is no shortage of cash in the system, either with banks or with their clients. This is supported by decreased cash withdrawals at POS terminals in BH and increased non-cash payments, confirming further digitalisation of payment transactions (see Chapter 2.5).

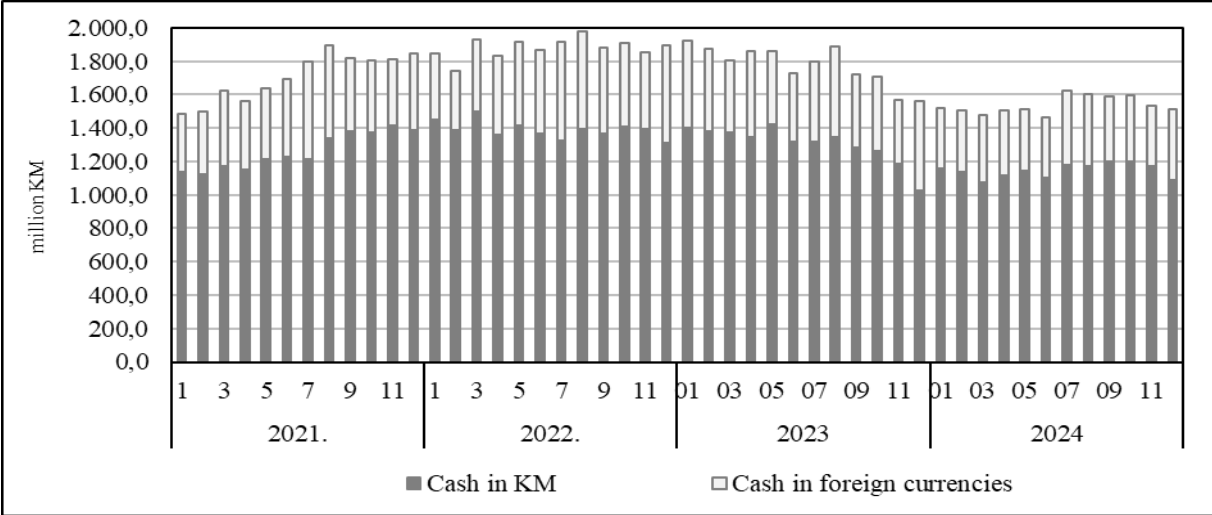
Banks' financial soundness indicators in 2024 show an improvement of the banking sector liquidity indicators.<sup>95</sup> Having in mind the significant differences between the yields on the domestic and foreign markets (see Chapter 2.3) and the remunerations paid by the CBBH to banks on their holdings in reserve accounts (see Chapter 2.2), it is certain that banks redirected a part of the cash in the vaults, as well as a part of excess reserves (Chapter 2.2), to foreign

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<sup>95</sup> See the Financial Soundness Indicators, the Financial Stability Risk Assessment, and the Financial Stability Report, all available on the CBBH website.

assets with foreign banks. With regard to the decrease of cash in foreign currencies, a part of cash in foreign currencies in bank vaults is likely to have been decreased, together with the part of the required reserve that has been allocated in the amount of 5% in EUR reserve accounts since 1 January 2024 (Chapter 2.2).

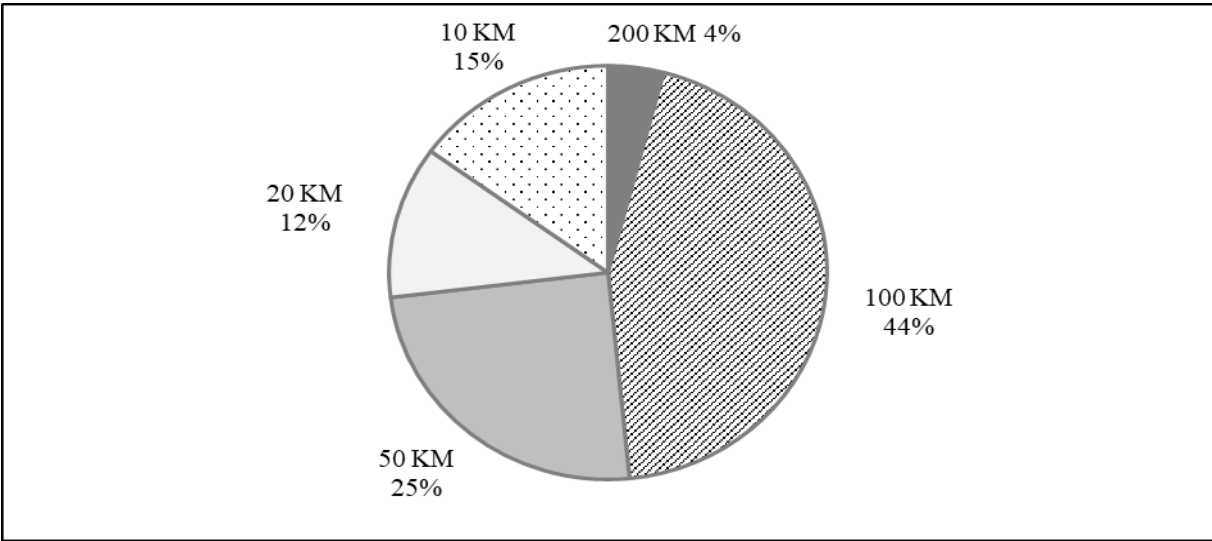
Graph 2.16: Positions of Cash in Bank Vaults



Source: CBBH

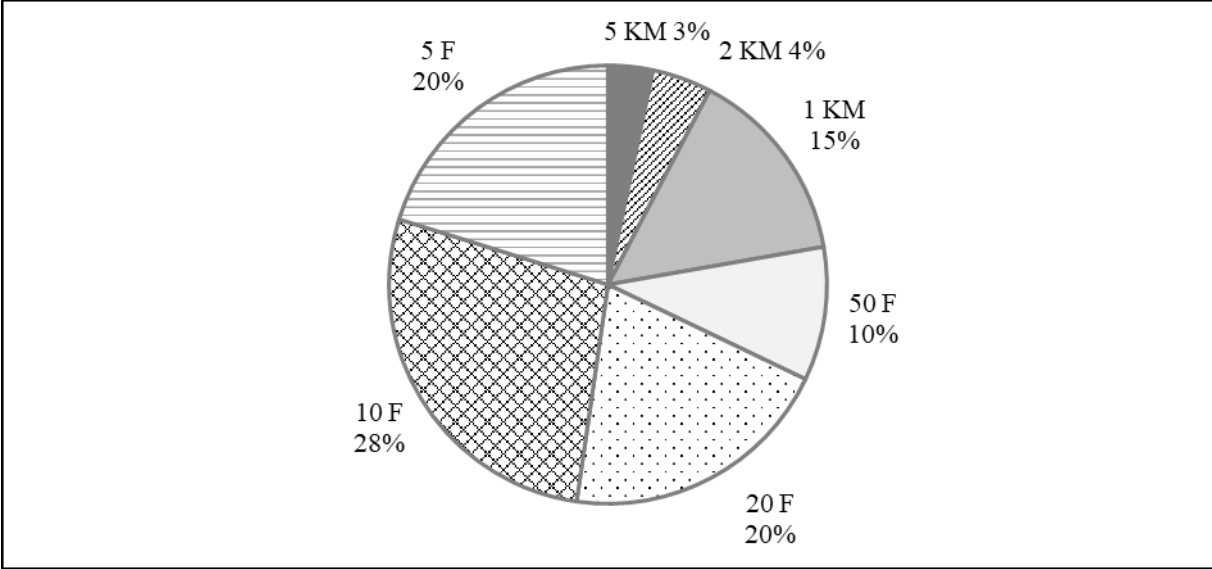
At 2024 end, there were 111.6 million KM banknotes and 544.5 million KM coins outside the CBBH, in the total value of KM 7.96 billion, which is higher by 5.2% compared to 2023. In terms of the denomination structure of currency outside the CBBH, the largest shares were taken by 100 KM and 50 KM banknotes, and 10 F denomination regarding coins (Graphs 2.17 and 2.18).

Graph 2.17: Denomination Structure of Banknotes in 2024



Source: CBBH

Graph 2.18: Denomination Structure of Coins in 2024

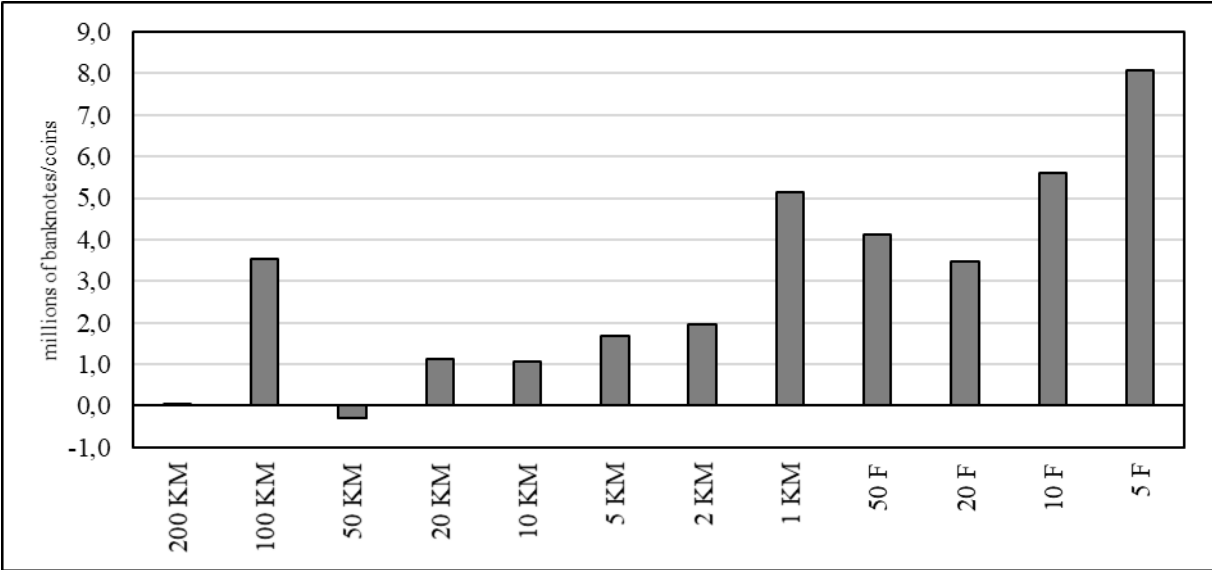


Source: CBBH

The number of banknotes in the denomination of KM 100, which were in circulation at the end of 2024, increased by 3.5 million (7.7%) compared to the end of 2023.

Compared to 2023, the quantity of banknotes outside the CBBH increased by 5.42 million pieces (5.1%), in the total value of KM 372.97 million (Graph 2.19). In the same period, the quantity of coins outside the CBBH increased by 30.06 million pieces (5.84%), in the total value of KM 21.14 million (Graph 2.20).

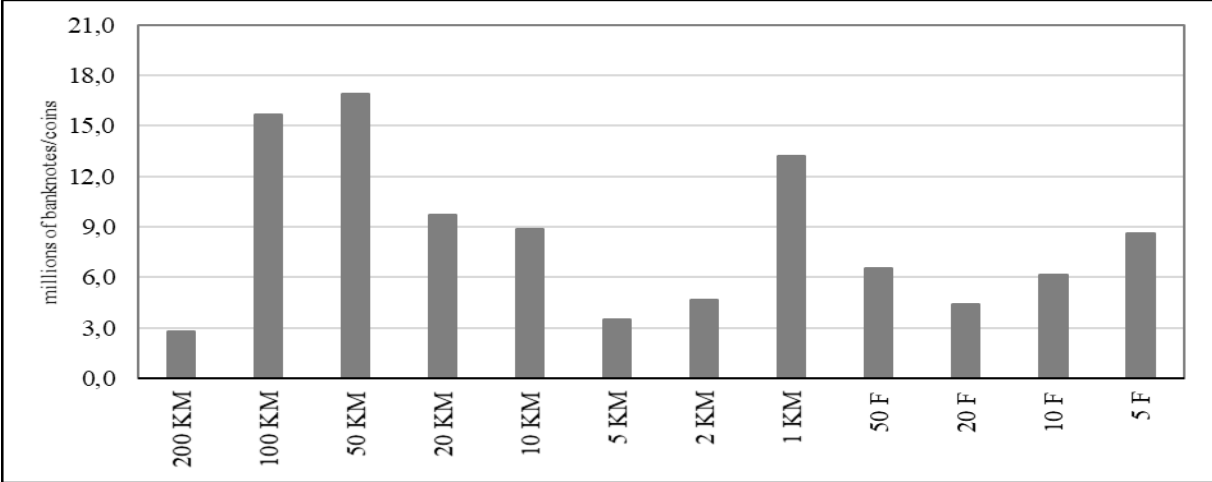
Graph 2.19: Change in the Number of Banknotes and Coins by Denominations Compared to 2023



Source: CBBH

The supply of commercial banks with cash is carried out through the vaults of the Main Units and Branches of the CBBH, located in Sarajevo, Banja Luka, Mostar and Brčko, with strict adherence to the currency board arrangement. In 2024, 53.97 million pieces of banknotes and 47.11 million pieces of coins were issued to commercial banks, in the total value of KM 3.30 billion (Graph 2.21).

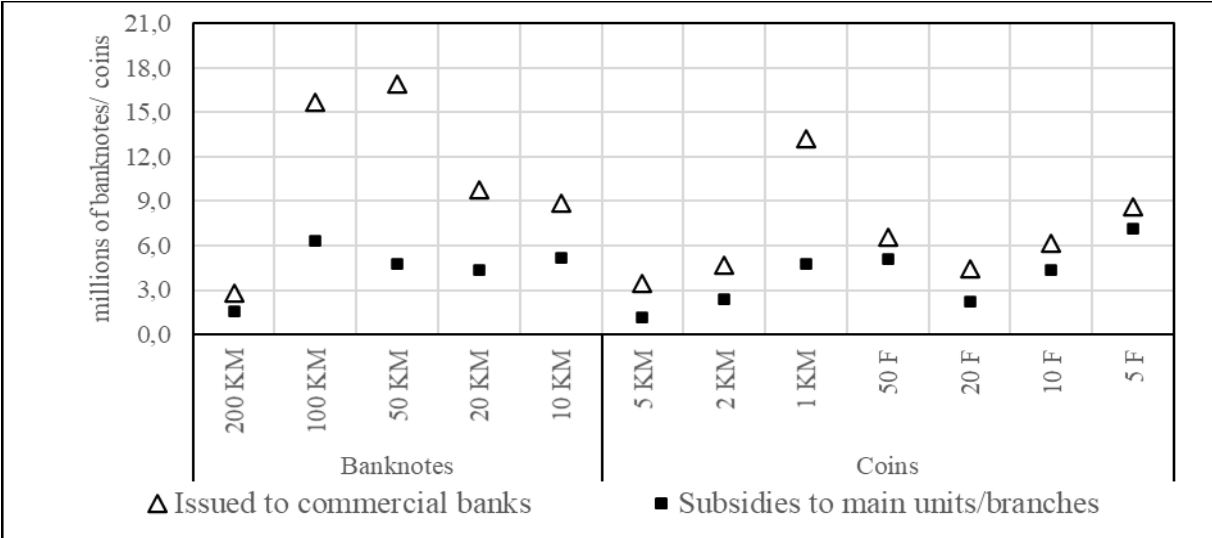
Graph 2.20: Banknotes and Coins Issued in 2024, by Denominations



Source: CBBH

In the same period, 22.18 million pieces of banknotes and 27.18 million pieces of coins, in the total value of KM 1.34 billion, were issued (subsidies) from the Cash Management Department of the Head Office to the Main Units and the Brčko Branch. Graph 2.19 below implies that the CBBH took into account the requests of commercial banks for cash in the appropriate denomination structure. Since commercial banks' returns of cash to the CBBH vaults are significant, the subsidies to the CBBH Main Units/Branches are, as a rule, significantly lower.

Graph 2.21: Cash (KM) Outflows in 2024



Source: CBBH

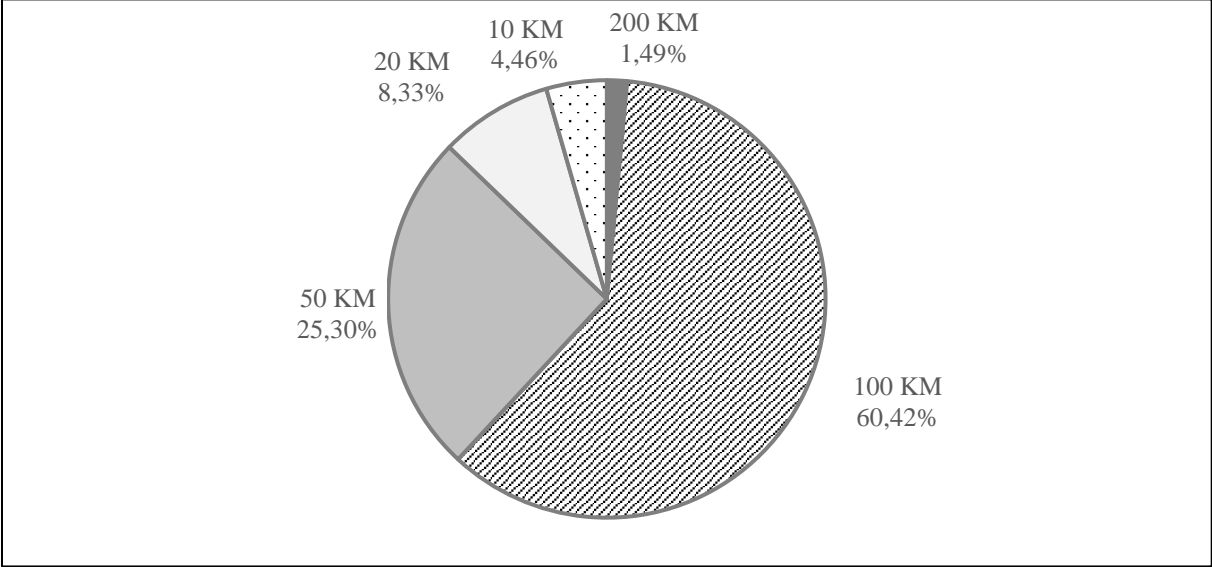


The CBBH continuously withdraws banknotes unfit for circulation, which are destroyed in accordance with the applicable regulations. By withdrawing unsuitable banknotes and putting into circulation banknotes of new series, the CBBH maintains a satisfactory quality of currency in circulation. In 2024, 12.69 million pieces of banknotes and 13,407 pieces of coins unfit for circulation were destroyed.

In 2024, the CBBH adopted the Decision on the withdrawal from circulation of the banknotes in the denominations of 10, 20, 50 and 100 convertible marks which had been put into circulation in the period from 1998 to 2009, Official Gazette of BH, No. 27/24 as of 19 April 2024. The deadlines for the use of banknotes in circulation were determined, as well as the deadlines and the manner of their exchange at commercial banks, i.e. at the CBBH. Convertible mark banknotes in the denominations of 10 KM, 20 KM, 50 KM and 100 KM put into circulation in the period from 1998 to 2009 could be used in cash transactions until 31 December 2024, ceasing to be legal tender after 1 January 2025 and being subject exclusively to the exchange procedure at commercial banks, for one year, more precisely, until 31 December 2025, and after that for 10 years in the CBBH, starting from 1 January 2026, ending on 31 December 2035. The procedure of withdrawing banknotes of older issues is very important because only banknotes that have identical and improved security features against counterfeiting will remain in circulation, which will facilitate authentication for the public, persons who perform manual processing of banknotes, as well as that on banknote receiving and processing machines. Also, an increased level of quality of banknotes in circulation will be ensured, as banknotes withdrawn from circulation will be replaced with new banknotes of high quality. In accordance with the analyses conducted by the CBBH, the quantity of banknotes of older issues being withdrawn from circulation is currently estimated at 7.3 million pieces of KM banknotes (compared to the total quantity of banknotes outside the CBBH being 111 million pieces, banknotes of older issues participate with a percentage of about 6%).

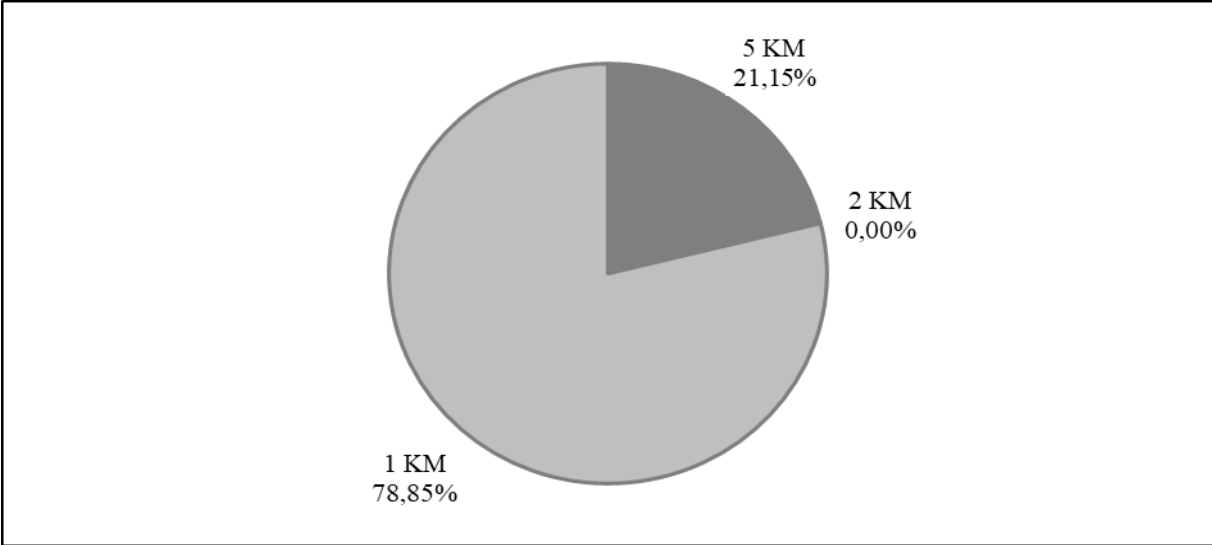
In 2024, 336 counterfeited convertible mark banknotes were registered in the CBBH, which is lower by 4% than in 2023. There were 383 registered counterfeited convertible mark coins, which is lower by 9.4% than in 2023. According to the denomination structure, most counterfeited banknotes were in the denomination of KM 100 (see Graph 2.22), and counterfeited coins in the denomination of KM 1 (Graph 2.23).

Graph 2.22: Denomination Structure of Counterfeited Banknotes in 2024



Source: CBBH

Graph 2.23: Denomination Structure of Counterfeited Coins in 2024



2.5.Payment system maintenance

The CBBH has met the legal obligation to maintain the relevant payment and clearing systems in 2024: payment transactions in the country were carried out smoothly, through giro clearing and real time gross settlement systems (RTGS); the Central Register of Credits (CRC) and the Single Register of Business Entities Accounts (SRBEA) were maintained and improved; and international clearing of payments with foreign countries was also performed. Recognizing

macroeconomic importance and the importance of safe and efficient payment systems for financial stability, the CBBH worked intensively to strengthen the capacities and to operationalise the function of the payment systems' oversight during 2024.

Data for 2024 indicate the continuing positive trends in the payment system, with a stable growth of the number and value of transactions (Table 2.3). The total number of transactions increased by 6.3%, from 113.5 million to 120.6 million. Compared to 2023, the growth was particularly strong in the number and value of transactions carried out through the real-time gross settlement system (Table 21 in the Statistical Appendix). The growth was stronger in intrabank transactions (+7.2%) than in interbank transactions (+5.1%), indicating an increased activity within individual banks and stronger digitalization of payment transactions. The value of transactions also recorded a growth of 9.2%, reaching KM 333.2 billion in 2024. Interbank transactions increased by 12.2%, while the value of intrabank transactions increased by 5.7%, indicating an increased use of banking services among clients. As in previous periods, most transactions in interbank payments were carried out in a low number of banks; 67.52% of the total value and 72.28% of the total number of payment transactions in 2024 were made through five banks.

Table 2.3: Payment Transactions via Commercial Banks

	Interbank transactions	Change compared to the previous year	Intrabank transactions	Change compared to the previous year	Total	Change compared to the previous year
Number, in millions						
2019	43,6	3,0%	56,9	-3,3%	100,5	-0,7%
2020	43,8	0,4%	53,9	-5,2%	97,7	-2,8%
2021	48,0	9,6%	56,3	4,4%	104,3	6,8%
2022	49,7	3,6%	58,7	4,3%	108,4	4,0%
2023	50,8	2,3%	62,7	6,7%	113,5	4,7%
2024	53,4	5,1%	67,2	7,2%	120,6	6,3%
Value, in billion KM						
2019	123,05	19,8%	113,37	-1,8%	236,42	8,4%
2020	105,13	-14,6%	100,43	-11,4%	205,56	-13,1%
2021	122,40	16,4%	110,47	10,0%	232,87	13,3%
2022	145,83	19,1%	128,13	16,0%	273,95	17,6%
2023	163,10	11,8%	142,03	10,8%	305,12	11,4%
2024	183,04	12,2%	150,16	5,7%	333,20	9,2%

Source: CBBH

In 2024, a far higher number of both interbank and intrabank transactions were carried out by legal entities (84% and 68% respectively). Therefore, and taking into account the average size of orders of legal entities, this type of clients accounted for over 91% of the total intrabank transactions value, and over 96% of the total interbank transactions value. Regarding the type

of transaction initiation, in 2024, paper orders were more common in intrabank payment transactions (49.97% of the total number of orders), while 50.03% of interbank transactions were initiated by electronic orders. In 2024, the trend of significant growth of the number of electronic banking clients continued, especially in the segment of natural persons (12.2%, to the number of 1.63 million users), with the largest part related to mobile banking. However, the number of active electronic banking clients was significantly lower; only 34.6% of natural persons who are registered users actively used electronic banking in 2024. In 2024, the number of legal entities, active clients of electronic banking, was significantly higher than in the case of natural persons (70.08% of the total number of registered users). In 2024, the value of electronic banking transactions reached KM 165.53 billion, of which internet banking of legal entities accounted for even 95.78% of the total value of electronic banking transactions.

Transactions at POS terminals (point of sale) continued to increase in 2024. The value of realized transactions at POS terminals in 2024 amounted to KM 5.17 billion (Table 2.3). Internet sales were slightly lower compared to the growth from the previous year, but still growing (25.13%), which was certainly affected by the new policies of retail chains in the country, the continuing active use of delivery services in the food and catering industry, but also the beginning of delivery in BH by some of the world's largest online stores. Online sales abroad accounted for 64.10% of the total online sales in 2024. Transactions on ATM devices (automated teller machines) also continued to grow strongly (11.67% compared to 2023), which was expected, given the nominal wages growth (Chapter 1.1.1, Part III), and the growth of the number of employees in 2024.

Table 2.4: Survey of ATM and POS Card Transactions

	2019	2020	2021	2022	2023	2024
POS, in billion KM	3,26	3,19	2,94	3,77	4,42	5,17
Change compared to the previous year	4,3%	-2,1%	-7,7%	28,3%	17,1%	17,1%
ATM, in billion KM	7,75	8,17	8,75	9,88	11,13	12,44
Change compared to the previous year	8,2%	5,3%	7,2%	12,9%	12,6%	11,8%
Internet, in million KM	157,4	180,6	265,0	448,2	651,7	815,5
Total, in billion KM	11,17	11,54	11,96	14,10	16,20	18,43
Change compared to the previous year	8,6%	3,3%	3,7%	17,9%	14,8%	13,8%

Source: CBBH

A strong growth in the tourism sector and the related service activities in 2024 is best reflected in the strong growth of realized values of foreign cards in BH (Table 2.4). Transactions by foreign cards in BH, for the purchase of goods and services at POS terminals, compared to 2023, increased by even 22.09%. Cash withdrawals at ATMs in the country, using cards issued abroad, also increased compared to the previous year. On the other hand, the transactions realized abroad, by cards issued in BH, increased significantly compared to the previous year.

The downward trend of cash withdrawals at POS terminals in BH and an increase of non- cash payments confirms further digitalisation of payment transactions.

Table 2.5: Realized Values in Card Transactions Based on Residence Principle

Year	Cash withdrawals		Purchase of goods and services at POS	Total
	ATMs	POS		
Realized values by foreign cards in BH, in million KM				
2019	1.648,8	59,7	833,5	2.542,0
2020	1.117,6	59,7	399,3	1.576,6
2021	1.360,7	39,3	619,3	2.019,3
2022	1.793,1	63,0	1.105,1	2.961,1
2023	1.933,3	28,7	1.396,0	3.358,0
2024	2.020,5	16,1	1.704,4	3.741,0
Realized values abroad by cards issued in BH, in million KM				
2019	165,3	3,0	426,8	595,1
2020	162,3	4,0	355,7	522,0
2021	143,4	3,4	447,0	593,8
2022	142,9	2,8	644,1	789,7
2023	153,4	3,0	594,0	750,3
2024	307,2	3,0	697,6	1.007,8

Source: CBBH

Mastercard is still by far the most present card brand in BH (Table 2.5). The reason is that banks in BH generally accept Mastercard and Visa card brands at ATMs and POS terminals. Other brands were present in a very small number of banks. During 2024, due to changes in the market of Bosnia and Herzegovina, the operations related to the issuance and acceptance of Diners cards were completely suspended. The number of contactless card transactions in BH at ATMs and POS terminals in 2024 was higher than contact transactions (134.38 vs. 68.30 million), but the value of transactions realized by contact cards was significantly higher (KM 11.92 billion, or 62.07% of the total value).

Table 2.6: Shares of Card Brands

Year	Visa	Mastercard	American	BamCard	Diners	Total
2019	757.775	1.348.275	7.304	12.280	12.970	2.138.604
2020	736.947	1.410.718	6.901	9.666	6.324	2.170.556
2021	749.874	1.452.272	6.382	10.371	30	2.218.929
2022	773.691	1.541.267	5.984	10.890	1.299	2.333.131
2023	831.883	1.601.158	5.682	13.953	1.674	2.454.350
2024	853.656	1.711.867	5.447	14.449		2.585.419

Source: CBBH

In 2023, the CBBH continued to perform international clearing of payments between BH and Serbian banks. The total of 12,779 orders (+9.64% compared to 2023) were placed through the clearing system for international payments with Serbia, the value of which was EUR 392.18 million (-77.51% compared to 2023).

## 2.6. Fiscal agent role

The Law on the CBBH (Article 52) and the Law on Debt, Borrowing and Guarantees of BH define that the CBBH provides the banking agent services, and performs transactions at the order of the Ministry of Finance and Treasury of BH (MFT BH) in relation with the BH foreign debt servicing, and acts as a fiscal agent for BH membership in international financial institutions. In accordance with the Agreement on the performance of banking and fiscal agent tasks between the CBBH and the Ministry of Finance and Treasury of BH, the Central Bank of BH also performed the tasks of banker, depositary, payment agent and fiscal agent during 2024. In 2024, this service included payment transactions in the country and abroad, management of deposit accounts and conversion of funds related to loans and donations according to contracts concluded by the Council of Ministers of Bosnia and Herzegovina with international financial institutions, tasks arising from arrangements and membership of Bosnia and Herzegovina in international financial institutions, and tasks of foreign debt servicing. During 2024, the Ministry used favourable conditions in the international financial markets, and submitted orders for the investment of a part of the available foreign exchange funds.

The CBBH provides banking services and carries out transactions at the order of the MFT BH, related to BH foreign debt servicing. The MFT BH is in charge of conducting the procedures for borrowing and managing the government debt, providing the coverage of liabilities in the domestic currency and maintaining the database on BH foreign debt. The roles of the CBBH and the MFT BH, related to BH foreign debt servicing operations, are defined, in addition to the above-mentioned laws, by the Law on the Financing of Institutions of BH, the Law on the Indirect Taxation System in BH and the Law on Payments to the Single Account and Revenue Distribution.

The duties, tasks, competences and mutual relations between the MFT BH and the CBBH have been defined by bilateral agreements specifying that the CBBH is in charge of:

- timely provision of the necessary amounts in foreign currencies for the payment of due liabilities;
- timely and accurate performance of payments based on orders/instructions of the MFT BH;
- correspondence with foreign banks and creditors regarding the payment of liabilities, and;
- reporting to the MFT BH on all the performed transactions.

The funds needed to service the foreign debt in domestic currency are provided by the MFT BH from the Indirect Taxation Authority (ITA) and/or direct payments from the end users of the loans. The Annual plan of funds needed to service the foreign debt is an integral part of the document "Budget of BH Institutions and International Obligations of BH" adopted by the Parliamentary Assembly of BH. In accordance with the concluded Agreement on the performance of banking and fiscal agent tasks between the CBBH and the ITA, and based on the Law on Payments to Single Account and Revenue Distribution, the maintaining of the single ITA account for the collection of indirect taxes revenues during 2024 was continued. According to this Arrangement, the commercial banks, on daily basis, transfer all the collected revenues to the ITA account for the revenue recording, holding and distribution with the CBBH, and then, at order of the ITA, these revenues are allocated on daily basis, to several accounts for different purposes in accordance with the legal regulation and the ITA order. Based on the Excise Law, in 2024, the process of collecting funds from the paid tolls to the ITA account with the CBBH was continued, as well as the distribution of these funds at the order of the ITA to the Entities and the Brčko District.

All liabilities based on BH foreign debt during the past year were serviced regularly and on time. In accordance with the maturities of liabilities and the programmed dynamics of debt repayment, obligations were met towards: the International Monetary Fund (IMF), the World Bank (IBRD, IDA), the Paris Club, the European Bank for Reconstruction and Development (EBRD), the London Club of creditors, the Council of Europe Development Bank (CEB), the Saudi Fund for Reconstruction and Development, the European Investment Bank (EIB), the European Commission, the German Development Bank (KfW), the Export-Import Bank of Korea, the OFID, the International Fund for Agricultural Development (IFAD), the Bank for Work and Economy and the Austrian Postal Savings Bank (B.A.W.A.G.), EUROFIMA, the Kuwait Fund for Arab Economic Development, the Government of Japan, the Government of Belgium, the Government of Spain, and other public and private creditors.

The CBBH is a fiscal agent and carries out transactions related to the membership and arrangements of BH in the IMF since 2002, based on the decision of the Council of Ministers

of BH. Mutual relations, competences and actions of five institutions in BH (CBBH, MFT BH, Federal Ministry of Finance, Ministry of Finance of Republika Srpska and ITA) regarding financial arrangements with the IMF are defined in the Memorandum of Understanding. The first one was concluded in 2002, and those from 2016 and 2020 are in effect. The CBBH is the depository for accounts (cash and securities) held by the IMF with the fiscal agent of all members in accordance with the IMF Articles of Agreement. In order to carry out the crediting transactions of the IMF funds and the payment of liabilities to the IMF, CBBH maintains an earmarked Deposit account for transactions with the IMF, with the sub-accounts of the Federation of BH, Republika Srpska and Brčko District. The CBBH carries out transactions with the IMF after the relevant institutions in BH provide the full coverage in domestic currency in the mentioned account/sub-accounts. The BH's quota, which represents the paid and recorded "capital" of each member country in the general source of the IMF funds, amounts to SDR 265.2 million. The SDR allocation for BH amounts to SDR 415.1 million, and the obligation of the member country is to pay quarterly expenses to the IMF on this basis.

In accordance with the World Bank's Articles of Agreement, the CBBH is the depository for the members of the World Bank group: IBRD, IDA and MIGA. At the order of the mentioned members, the CBBH carries out the transactions of buying and selling the foreign currency in exchange for the domestic currency and carries out payments / transfers to end users in the domestic payment transactions.

In 2024, according to the Agreement concluded with the Deposit Insurance Agency of BH, the CBBH kept the records on this institution's securities portfolio, managed by an external portfolio manager, according to the Contract concluded with the Deposit Insurance Agency. Also, based on the concluded agreements between the CBBH and the Federal Ministry of Finance, the banking and fiscal agent tasks are carried out. In accordance with the concluded agreements, the CBBH continued to act as a banking agent for the Banking Agency of the Federation of BH, the Banking Agency of RS, Brčko District, and for the Entities' Registries of Securities.

The providing of electronic banking service to depositors was continued during 2024. With the aim to stimulate a larger number of depositors to become electronic banking users, in 2024, the CBBH amended the Decision on setting fee tariffs for the services carried out for its depositors, making electronic banking services much cheaper. The CBBH undertakes daily activities to improve its operations with depositors, with regard to process automation, mutual communication, all aimed at achieving the greatest possible efficiency in work.



## 2.7. Compilation and creation of statistics

The CBBH, together with the Agency for Statistics of BH, is the producer of official statistics at the level of BH. In that respect, it is obliged to produce and publish the BH official statistics indicators within the CBBH competences, which refer to the monetary and financial sector statistics, external sector statistics, and government finance statistics for BH. All produced statistics of the CBBH are included in the Statistical Activities Plan of Bosnia and Herzegovina. Within the Statistics Working Group, in the EU integration process, the list of priorities for statistical system in BH has been analysed and defined on several occasions. It is continuously invested in improving the compilation methods, expanding the number of source data (administrative and direct compilation), and the implementation of internationally agreed methodologies. In the last few years, particular emphasis has been placed on the introduction of statistical standards and methodologies that are in effect within the EU, because the CBBH will have an increased accountability in the preparation and delivery of data as a candidate country.

In 2024, the CBBH successfully implemented the transition from GDDS (General Data Dissemination System) to SDDS (Special Data Dissemination Standard) reporting system to the IMF. The transition to SDDS will further improve the timeliness and comprehensiveness of available statistics, in line with international standards. At the end of 2024, two two-year projects were started as part of the IPA projects. The first, multi-beneficiary project is related to the development of direct investment statistics in accordance with the EU standards. The other is a twinning project related to the development of the monthly balance of payments, which is implemented in cooperation with the statistics of Denmark, Finland and Italy. During 2024, a survey on foreign branches was started as part of OFATS (Outward Foreign Affiliates Statistics). The aim of this research is to develop a completely new detailed set of statistics related to foreign investments in BH. In 2024, the process of expanding interest rate statistics in line with the ECB methodology has also begun. The new interest rate statistics is expected to be published in early 2025.

With the use of available data sources and the application of the required methodologies, the regular delivery of data on BH foreign debt to the World Bank is continued. The exchange of information with Eurostat was strengthened, and further improved, which includes regular methodological controls and analyses, as well as regular reporting within the Monitoring of

compliance with the EU statistical requirements (SIMS), and the annual (two-round) data collection for countries in the enlargement process.

On the international level, continuous efforts are made to improve the quantity and quality of statistics, through participation in forums (European Commission Subcommittee, working groups of the Eurostat, the ECB, the BIS Irving Fischer Committee for Statistics, and in the countries from the region through various projects and conferences).

The planned statistical surveys have been largely completed, and the data were published on time and submitted to international and domestic institutions, in accordance with the obligations of the CBBH in the relevant area of statistics. The CBBH regularly delivers extensive sets of statistical data to international and regional institutions, through which BH is represented in international statistical databases (the Eurostat, the IMF, the World Bank, the European Central Bank, the European Bank for Reconstruction and Development - EBRD, UNCTAD, BIS, UN Statistics). The CBBH prepares and delivers data for the needs of BH Fiscal Council, the CEFTA Secretariat, the Economic Planning Directorate, the Agency for the Promotion of Foreign Investments, the Ministry of Finance and Treasury of BH, the Ministry of Economy and Entrepreneurship of RS, and the Ministry of Trade of the FBH.

## 2.8. Monitoring systemic risks in financial system

The CBBH performs the financial stability monitoring function, which implies timely identification of vulnerabilities in the country's financial system. The goal of the CBBH's activities in this area is to improve the understanding of the cause-and-effect relationships between the financial system and the macroeconomic environment, to warn financial institutions and other market participants of existing risks, to initiate a dialogue about risks and to take corrective measures that will reduce the consequences of the risks materialisation. The CBBH activities in the area of monitoring the financial system stability include specialised communication with relevant domestic and international institutions, which ensures the continuity of the process of monitoring systemic risks, as well as communicating on financial stability risks with the general public. The CBBH contributes to the financial stability preservation through its membership in the BH Standing Committee for Financial Stability (SCFS) which, in addition to the CBBH Governor and the Directors of the Banking Agencies, also includes the Minister of Finance and Treasury of BH, the Entities' Ministers of Finance, and the Director of the Deposit Insurance Agency of BH.

The CBBH informs the general public about financial stability risks through a regular annual publication, the Financial Stability Report. By publishing the Financial Stability Report, the CBBH wants to draw the attention of the public to the financial system risks, as well as those from the macroeconomic environment and to the challenges that the financial system, and especially the banking sector, will face in the coming periods. The reports regularly present the results of analyses on monitoring systemic risks.

Since 2023, the CBBH has been publishing a new annual publication, Financial Stability Risk Assessment, which contains a survey of the main macroeconomic trends in the financial sector in the first half of the year, the results of analyses for risk assessment and the banking sector resilience to risks based on data for the first half of the year, as well as information on improvements in the financial infrastructure and the most important changes in the regulatory framework for bank operations in Bosnia and Herzegovina. The purpose of these publications is to promote the awareness of the general public and financial institutions about issues in the area of financial stability, and in particular to point out potential risks to financial stability in BH.

The compilation and publication of the set of basic financial soundness indicators according to the IMF methodology is also an important channel of communication between the CBBH and the general public. Financial soundness indicators are published quarterly on the CBBH statistical web portal and on the IMF website. The reporting has been fully methodologically aligned with the IMF's 2019 Compilation Guide on Financial Soundness Indicators. In addition to financial soundness indicators, since September 2023, the CBBH statistical web portal has been also publishing reference rates of the average cost of banks financing operating in the territory of BH - RSTF3<sup>96</sup>, as well as aggregated data on banks' interest costs for the main sources of funds and data on the balances of these sources of funds at the end of each month. The frequency of publication of the data is on a quarterly basis. Information on the average financing cost in BH in longer time horizon can be useful to banks, but also to other participants in financial markets for analysis and business decision-making. Also, domestic banks have been offered the choice of using these rates as benchmarks in loan agreements with variable interest rates, with the aim of better managing interest-induced credit risk.

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<sup>96</sup> RRFC3 is the reference rate of the weighted average of bank funding cost for all sources of funds received from households, non-financial companies and financial institutions.

In 2024, the CBBH continued to carry out solvency and liquidity stress testing, as two important tools for risk assessment in the banking sector of BH, as well as the preparation of regular quarterly reports on stress tests results. The findings arising from solvency and liquidity stress tests, and reports on the stress test results are shared with the Banking Agencies. The SCFS is also informed about the results of the solvency stress tests through the appropriate form of the Report on the stress test results. The aggregated results of the solvency and liquidity stress tests, conducted with the data from the end of the year, are published in the Financial Stability Report, while the aggregated results of the stress test conducted on the basis of data from the end of the first half of the year are published in the Financial Stability Risk Assessment report.

At the end of 2024, the CBBH has begun to carry out preparatory activities to create a framework for conducting stress tests for climate risks. The climate risk stress tests should enable the assessment of the ability of the banking sector in BH to absorb climate-related risks, being either physical or transitional risks. The introduction of a new tool for assessing risks related to climate change shows the CBBH clear commitment to integrating environmental, social and governance (ESG) factors into all the CBBH business processes.

The tasks arising from the coordination of the activities of the Entities' Banking Agencies responsible for issuing banking licenses and supervision of banks continued to be implemented in 2024. At the beginning of the year, a new modality of cooperation was agreed, establishing a channel for simpler, more direct and more efficient mutual communication. Banking coordination meetings were held on a monthly basis, and representatives of the Deposit Insurance Agency in BH regularly attended the meetings upon invitation. In this way, the participants in the banking supervision coordination were provided with regular information on the state of the insured deposit fund in BH and the activities of this Agency. In addition to the main topics including the discussion on the situation in the banking sector and the ongoing and planned activities of the Banking Agencies and the CBBH, it was agreed to establish inter-institutional cooperation in the process of our country's accession to the SEPA area, collecting information on cyber risks, activities in the field of financial education and inclusion, which expanded the regular areas of cooperation. At the end of 2024, the CBBH started preparing macroeconomic scenarios for the supervisory stress test, to be conducted by the Banking Agencies in 2025.

## 2.9.Cooperation with international institutions and rating agencies

During 2024, the CBBH continued intensive activities related to the fulfilment of BH obligations arising from the EU accession process. Through dialogue and cooperation with the institutions of the European Union, the EU central banks and other partners, improving business processes in accordance with the EU recommendations, the CBBH has confirmed its strong commitment to the European perspective of BH.

Through several reporting cycles, the CBBH has prepared information and reports for the BH material for the European Commission's (EC) Annual Report, which is the most important document on the basis of which the EC assesses the country's progress in the EU integration process. In the last year's Report, the EC positively evaluated the activities of the CBBH, with special emphasis on the need to ensure the independence of the CBBH and the monetary policy integrity. The importance of the CBBH in the EU integration process was also recognized in another strategic EU document: the Joint Conclusions of the Annual Ministerial Dialogue within the Economic and Financial Dialogue of the EU Member States, the European Commission and the European Central Bank, as well as the Ministries of Finance and Central Banks of the candidate and potential candidate countries. In this document, as well as in the European Commission Report, the key recommendation for the CBBH is: "Continue to preserve the integrity of the currency board arrangement and the independence of the central bank," emphasizing that the monetary policy of the currency board has high credibility in the general public.

The Ministerial Dialogue was preceded by regular annual activities within the development of BH Economic Reform Programme (ERP), including participation in consultations and meetings with the ECB and the EC, as part of the economic policy dialogue within the Economic and Financial Affairs Council of the EU (ECOFIN). With purpose of improving the efficiency of the European integration process, through the fulfilment of the EC recommendations related to the need to increase the quality of the ERP document, in 2024, the CBBH signed a Memorandum of Understanding and Cooperation with the Economic Planning Directorate in the field of meeting the requirements related to analytic reporting to the institutions of the European Union, in the process of European integration. Based on the signed memorandum, the contribution of the CBBH, primarily in the form of a part of the necessary projections and statistical data, is significantly larger already in the process of preparing the Economic Reform Programme for the period 2025 – 2027.

The projections submitted by the CBBH for the ERP are consistent with the medium-term macroeconomic projections from the November 2024 round of projections, which were discussed in details in terms of analysis, as well as basic assumptions, at expert meetings for macroeconomic projections between the EC and candidate countries and potential candidates for the EU membership. From 2023, representatives of the CBBH have participated in expert meetings for macroeconomic projections between the EC and candidate countries. This is standard procedure for all the EU candidate countries, with meetings held twice a year, before the Progress Report for the candidate countries, in parallel with the EC spring and autumn rounds of macroeconomic projections. Reporting and discussions take place according to the EC format. In this way, the years long activities of the CBBH on the preparation of macroeconomic projections and nowcasts have gained additional importance. In 2024, a two-year IMF technical assistance project was finalized, within which a quarterly gap model was developed, fully adapted to the characteristics of BH, consistent with the IMF's Financial Programming and Policy Framework (FPP). The contributions to the Economic Reform Program for the period 2025-2027 were based on a combination of the CBBH projections based on the model developed in cooperation with the IMF, and the model currently used for medium-term macroeconomic projections. In addition to the model developed with the help of the IMF, the range of models for macroeconomic projections and analyses has been enriched in 2024 with the potential GDP estimate model, developed through the Bilateral Assistance and Capacity Building Program of Central Banks, which is being implemented with the support of the Government of Switzerland. The CBBH will publish potential GDP and GDP gap estimates, together with the relevant technical documentation, with the spring round of medium-term macroeconomic projections in 2025. Finally, in 2024, most of the activities on the development of macroeconomic projection model, funded by the EC (and implemented by the World Bank) for regional candidate countries for the EU membership, has been completed, with the aim of ensuring better comparability of the projections submitted by countries for expert meetings for macroeconomic projections between the EC and candidate countries. Consequently, during 2025, the CBBH will have a fully active basic set of macroeconomic projection models used by modern central banks.

Within the working groups in the EU integration process, the CBBH has an active role in the following chapters: 4. Free movement of capital; 9. Financial services; 17. Economic and monetary policy; 18. Statistics; 32. Financial control (protection of the euro against counterfeiting); 33. Financial and budgetary provisions, and; The economic criterion. In their

work, the representatives of the CBBH made a significant contribution to the preparation of documents and materials that are of key importance for further progress of BH in the EU accession process. The CBBH representatives participated in the work and preparation of materials for regular annual meetings of working bodies established to monitor the implementation of contractual obligations under the Stabilization and Association Agreement (SAA): the Subcommittee on Economic and Financial Affairs and Statistics and the Subcommittee on Internal Market.

In 2024, the function of banking supervision coordination was improved and strengthened, the cooperation within banking coordination being expanded to include the following topics: ESG, financial inclusion and cyber security in financial system. In accordance with EU recommendations in the field of sustainable finance, the CBBH has adopted the Climate Change Challenge Management Policy, and has become a full member of two internationally recognized networks – the Network for Greening the Financial System (NGFS), and the Sustainable Banking and Finance Network (SBFN), which has been recognized in the EC Report.

In 2024, the technical cooperation programmes were implemented on a bilateral basis based on the two central banks agreement and financed from one's own budget, but also through participation in multi-institutional regional and multilateral projects financed by the EU grants from the IPA Pre-Access Financial Instrument. The institutional dialogue of central banks has been confirmed as the best and most efficient platform for knowledge transfer and an important instrument for integration into the ESCB structures. A special value of this type of cooperation is the continuous expanding and strengthening of the network of the existing and the establishment of new professional contacts. Regarding the international cooperation programs, which the CBBH financed from its own budget, it is important to mention the joining of the Reserve Advisory and Management Partnership (RAMP) of the World Bank. Within the RAMP programme, which aims to strengthen institutional capacities in the field of foreign exchange reserve management, the CBBH will use advisory, training and asset management services. By joining this program, the CBBH has joined a global network of over 70 public institutions and central banks.

It is worth to mention the three-year IPA Capacity Building Programme for the Central Banks of the Western Balkans (for the period 2022-2025) with the aim of integration into the European System of Central Banks (ESCB) led by the Deutsche Bundesbank, with the support of the ECB and 19 other central banks of the ESCB. The purpose of the Programme is to strengthen monetary and financial stability in the region through further strengthening of the institutional

capacities of the 6 central banks of the Western Balkans and the banking supervisory agencies in BH, as well as strengthening the dialogue between central banks, at two levels: regional and the EU. Within this programme, the CBBH representatives participated in trainings in the following areas: consumer financial protection, financial inclusion and financial education, accounting, EU integration and legal aspects, monetary policy and research, payment systems policies and supervisory issues and statistics, and also two high-level workshops on payment systems and cash management policies. Within the programme, the internship activity at the Bank of France at the International Banking and Finance Institute (IBFI) was implemented, whose role is to promote financial and monetary stability by providing training and technical assistance to central banks, while the other part of the internship will be realized at the representative office of the Austrian National Bank in Brussels. Within the same programme, in 2024, the CBBH implemented direct bilateral cooperation with the Central Bank of Luxembourg in order to improve the process of managing foreign exchange reserves. Finally, in 2024, the first workshop on the EU accession process was held at the CBBH, which marked the beginning of bilateral cooperation with the Croatian National Bank regarding the transfer of the CNB's experience on the central bank's preparations for EU/ESCB membership and the preparation of the CBBH Roadmap on the path to the EU.

During 2024, the implementation of Phase III (2023 - 2028) of Bilateral Assistance and Capacity Building for Central Banks (BCC) continued, which is implemented with the support of the Government of Switzerland / Swiss Secretariat for Economic Affairs (SECO). The cooperation addresses the following areas:

1. Analysis and implementation of monetary policy
  - a. Foreign exchange reserves management
  - b. Research strategy in line with the EU requirements
  - c. Communications
2. Statistics and databases
3. Financial stability
4. Resilience and risk management
5. Human resource management

Within the programme, in October 2024, the CBBH organized a traditional international annual research conference entitled "Informal Economy: Measurement and Effects." A workshop of BCC partner central banks was also held on the topic of unregistered economy in the CBBH.

An online mission of the rating agency Standard & Poor's was held during 2024 in the organisation of the CBBH, as well as missions to BH by rating agencies Standard & Poor's and



Moody's Investors Service with relevant international and domestic institutions in BH, with the aim of assessing the sovereign credit rating of BH. During 2024, Standard & Poor's affirmed BH's credit rating "B+/with a stable outlook", Moody's Investors Service affirmed BH's credit rating "B3/with a stable outlook".

#### 2.10. Risk management

Risk management is the process of developing, implementing and reviewing policies, methods, means and tools for identifying, assessing, responding to and monitoring risks in order to achieve the objectives and perform the tasks of the CBBH. The activities of the CBBH risk management process are the development and implementation of measures that contribute to the timely response to risks arising in the CBBH operations, with the monitoring of international standards in risk management and the implementation of the best business practices. The general approach and regulatory framework for risk management is defined by the Integrated Risk Management Policy in the CBBH. The general risk management framework defines the objectives and principles of risk management, organization, risk profile, acceptable levels, risk classification, and the key stages of the risk management process, including risk monitoring and reporting.

Risk management in the CBBH is based on a three-line model. The first line includes organisational forms that are directly involved in business processes and manage risks arising from the regular operational activities of business processes. The second line includes expert bodies responsible for risk management, specialized experts who perform strategic, methodological and control functions of risk management, and the organizational form in charge of risk management. The role of the second line is to regularly monitor, coordinate and provide timely information on the risk management process. Internal audit, as the third line, establishes and maintains appropriate procedures and instruments for risk control and supervises their implementation.

In 2024, the Risk Committee proactively and systematically carried out all activities to establish adequate coordination and an appropriate framework for the risk management process, with a special focus on operational, information security and compliance risks. During 2024, it carried out activities aimed at defining and implementing the operational risk management process, defining measures to prevent the occurrence of adverse consequences of risk exposure, timely and adequate response to risks, and establishing an effective and efficient incident reporting

process, as one of the basic indicators for monitoring exposure to operational risks. The Investment Committee discussed issues related to financial risks arising from the CBBH foreign exchange reserves management process.

During 2024, operational risk management was carried out in accordance with the defined regulatory framework for operational risk management, which consists of the following internal acts: Operational Risk Management and Business Continuity Policy in the CBBH, Operational Risk Management Methodology in the CBBH, and Methodology for Incident Data Collection and Calculation of Operational Value under Risk. During 2024, additional improvements were made to the operational risk management process, which ensured the implementation of activities of providing reasonable assurance that the CBBH will achieve its mission and goals, and protect its reputation and financial resources in accordance with the risk tolerance policy.

The regulatory framework for performing the internal audit function is the Law on the Central Bank of Bosnia and Herzegovina, the By-law on Internal Audit in the CBBH, the Guide on Internal Audit Work in the CBBH, and the binding guidelines of the International Framework for the Professional Practice of Internal Audit. The objective of internal audit is to assist the institution in achieving its strategic objectives and efficient performance of its tasks, by examining if the implementation of management and control mechanisms is adequate, cost-effective and consistent in relation to legal regulations, internal acts and other regulations. Internal audit provides opinions, recommendations and advice regarding the activities subject to audit. In 2024, the activities were aimed at fulfilling the duties defined in Article 20 of the Law on the Central Bank of Bosnia and Herzegovina, the Strategic Internal Audit Plan for the period 2022-2024, the Internal Audit Plan for 2024 and the implementation of operations and tasks determined by the CBBH Work Plan for 2024.

In 2024, the CBBH started implementing activities aimed at preserving environment, limiting risks associated with climate changes, and reducing the adverse consequences of climate changes on financial system and the overall life quality. By adopting the Climate Change Challenge Management Policy in the CBBH, as a socially responsible institution, in accordance with its mandate to preserve monetary and financial stability, the CBBH seeks to raise awareness of the complexity and importance of sustainable finance, and encourage more active engagement of all participants in the financial market and their mutual partnership in further development. Guided by this commitment, the CBBH has become a member of two internationally recognized networks - The Network for Greening the Financial System (NGFS)

and the Sustainable Banking and Finance Network (SBFN). Membership in these networks enables the CBBH to improve business standards in the field of central banking through the implementation of the best practices in international environment, with the aim of preserving environment and reducing climate risks, as one of the biggest challenges of today. Active participation in the activities of these internationally recognized networks contributes to better and more efficient management of climate change and the related risks, through the exchange of knowledge and experience in the analysis, identification and proactive decision-making in the field of climate change risk management. In this way, the CBBH contributes to directing the financial system, as a key factor of economic stability and development, towards a sustainable economy, in accordance with the best practices and experiences of other central banks.

2.11. Other

2.11.1. Human resources management

The highest body of the CBBH is the Governing Board (GB), which is in charge of defining monetary policy and controlling its implementation, organisation and strategy of the CBBH in accordance with the authorities established by the Law. The Governing Board includes the Governor, who chairs the Board, and four members (Table 2.6). The Management of the Central Bank includes the Governor and three Vice Governors appointed by the Governor, with the approval of the Governing Board. The task of the Management is to manage the operations of the Central Bank. Each Vice Governor is directly responsible for the work of one sector of the Central Bank (see the CBBH organisational chart).

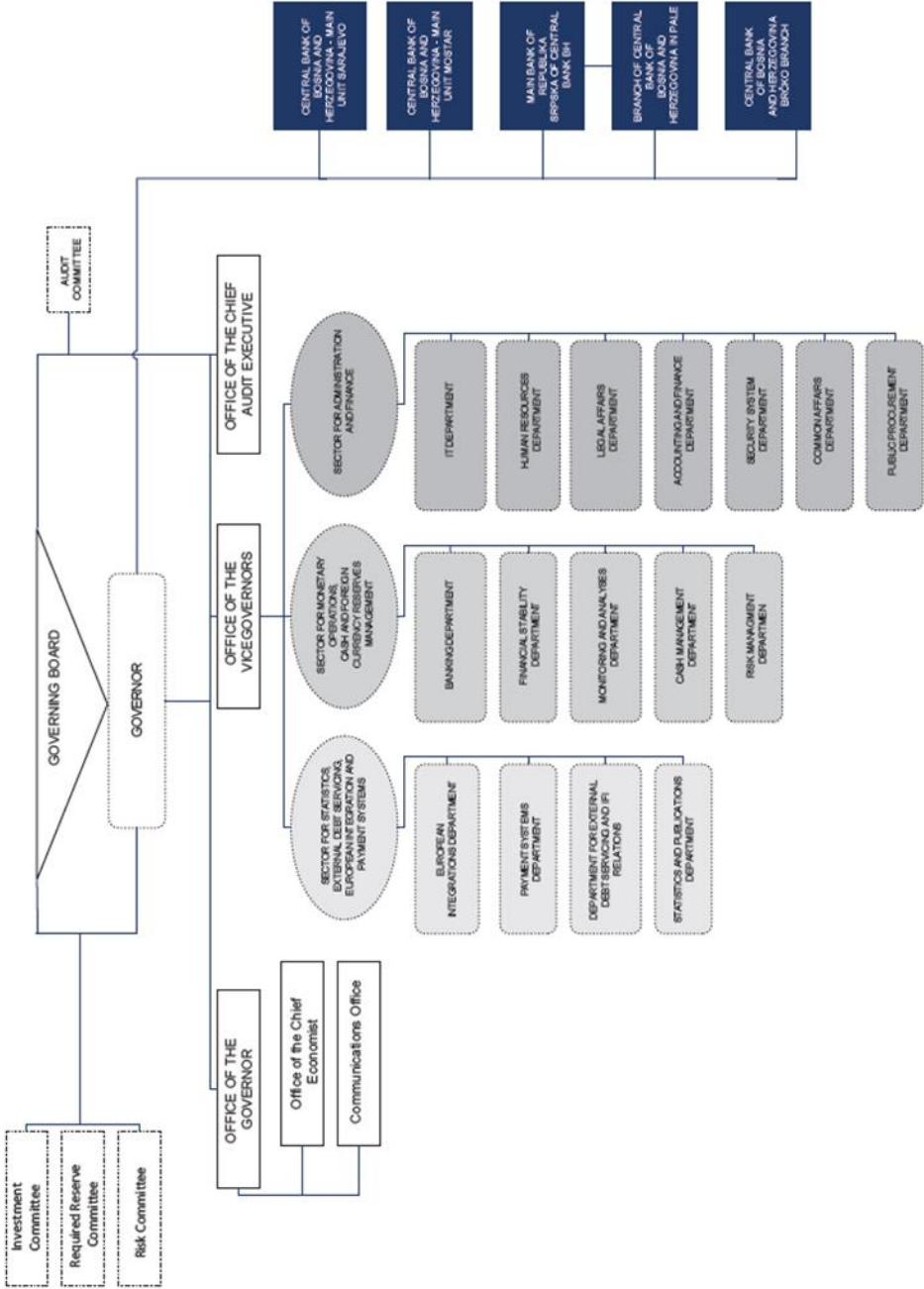
Table 2.7: The CBBH Management Structure at 2024 End

The CBBH Governing Board	Jasmina Selimović, Ph.D., chair and Governor
	Danijela Martinović, Ph.D., member
	Radomir Božić, Ph.D., member
	Darko Tomaš, Ph.D., member
	Mirza Kršo, Ph.D., member
The CBBH Management	Jasmina Selimović, Ph.D., Governor
	Ernadina Bajrović, M.A., Vice Governor in charge of the Sector for Statistics, Foreign Debt Servicing, European Integration and Payment Systems
	Željko Marić, Ph.D., Vice Governor in charge of the Administration and Finance Sector
	Marko Vidaković, M. Sc., Vice Governor in charge of the Sector for Monetary Operations, Management of Foreign Exchange Reserves and Cash

Source: CBBH

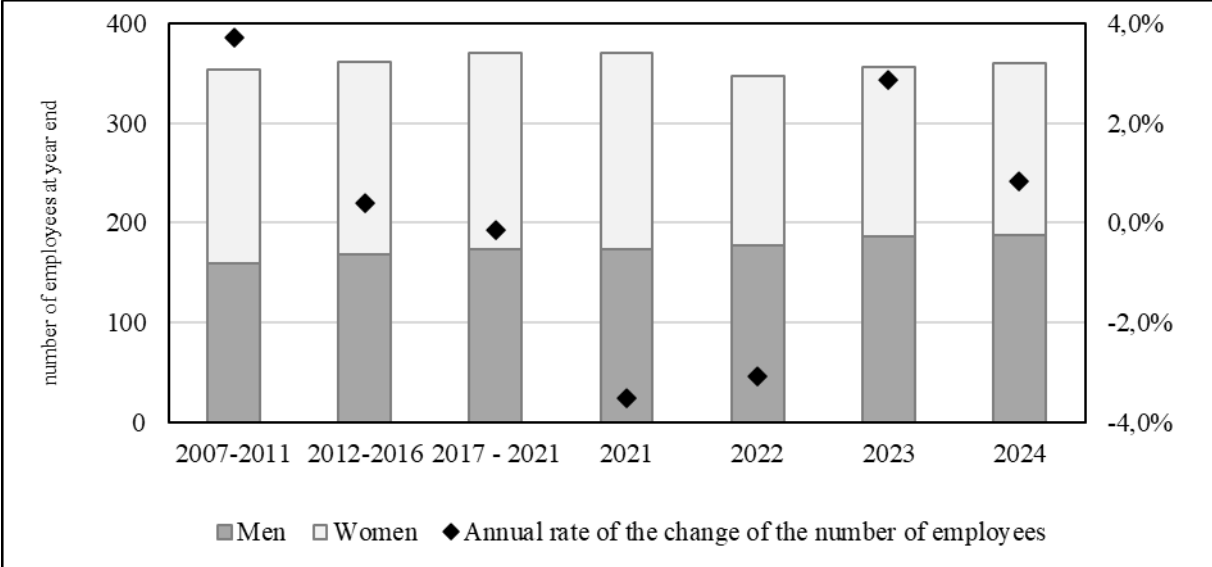
Organizational chart of the CBBH

ORGANIZATIONAL CHART OF THE CENTRAL BANK OF BOSNIA AND HERZEGOVINA



With regard to the nature and specific features of central bank operations, as well as their market role, the CBBH is committed to an efficiency strategy, with the aim of maintaining and continuously improving human resources, with the modernisation of the human resources management process, which enables the efficient implementation of all activities. During 2024, there was a natural circulation of staff, due to retirements or agreement based terminations of employment, while the employment of new staff members did not exceed the planned total number of staff. As of 31 December 2024, there were the total of 360 employees in the CBBH (Graph 2.24). Of the total number of employees, 77.5% had university degrees, including eight doctors of science and seventy-seven masters. The average employee age was 47 years, and in the total number of employees at the end of 2024, 52.2% were men. With the support of the European Fund for South-East Europe (EFSE), the CBBH has started working on the development of internal policies and changing the way of submitting statistics, in order to promote gender equality. Although the policy implemented so far has been highly sensitive in terms of maintaining gender equality (including the gender structure in managerial positions), from now on gender policies will be clearly incorporated into the CBBH regulations.

Graph 2.24: The Total Number of Employees in the CBBH



Source: CBBH

Note: The number of employees reflects the status at the end of the period. The growth rate of the number of employees for the periods 2007 - 2011, 2012 - 2016 and 2017 - 2021 is the average for the period.

One of the CBBH missions is to assist university education institutions in BH, which is reflected in the signed cooperation agreements with several faculties of economics in BH, and giving students, postgraduates and academic researchers the opportunity to gain much-needed experience through internships in the CBBH. Internships for students and postgraduates were also implemented during 2024.

In order to improve the process of continuous learning of employees, the bank has become a member of the European Foundation for Management Development (EFMD). Through this membership, the CBBH undertakes activities to improve the internal processes of acquiring, sharing and preserving institutional knowledge, as part of a broader transformation into a learning organisation and agile organisation. The reporting year was one of the most active in the field of education. The number of employees attending trainings in 2024 increased by 12% compared to the year before, while online education accounted for 19.6% of the total number of trainings. A significant number of courses was in-house training. In terms of areas, the largest number of trainings was related to economic research, information technology, financial and accounting affairs, banking, payment systems, financial stability, and information security.

#### 2.11.2. Communication with the public

Following the key principles of the public – the right to information, transparency, openness and availability – the CBBH has, in 2024, significantly improved its visibility, while strengthening the reputation of the institution and public confidence. As an institution that acts in accordance with what it says and takes responsibility for what it does, the CBBH has positioned itself as a reliable partner for both citizens and the media. This approach resulted in a professional attitude towards the institution, with publications that were mostly neutral or positive, further strengthening its reputation in the public.

During 2024, more than 80 press releases were published, further strengthening the role of the CBBH in transparent and responsible communication with the public. More than 100 media requests were processed, thus providing the public with timely and accurate information. Social media, playing a key role in modern communication, enabled the CBBH to have a direct and interactive approach to the public. Using these benefits, in 2024, 160 posts were published on Instagram, Facebook, LinkedIn, X and Flickr, which is more by 50% than a year earlier, further increasing transparency and availability of information. The total reach of posts reached 4,500,000, which is a growth of 229.2% compared to 2023, and indicates a significantly larger

visibility and audience engagement. Content views amounted to 1,198,040, with the increase of 294.7%, showing greater interest in published information. Interactions with published content increased to 47,900, recording a growth of 437.7%, confirming the active engagement of the audience in communication. The total number of followers increased to 30,000, with the increase of 300.4%, showing a continuous increase of interest in the CBBH work. Other communication channels used also have an important place in the efficient and fast transmission of information, so during 2024, more than 160 pieces of information for the media was announced through the Viber Group, which significantly contributed to timely information and strengthening relations with the media and indirectly, with the public. The intranet page has been enriched with texts and publications for the purpose of informing the CBBH employees, and the procedure for the redesign of the website has been initiated, which will be implemented in 2025.

Financial education has been improved and raised to a higher level, with strengthening of financial literacy and inclusion listed as one of the important strategic goals of the institution in the Strategic Plan for the period 2025-2027. In addition to organising a large number of trainings for primary and secondary school students and university students and the regular activity - Marking the World Savings Day, the CBBH organized the marking of the Global Money Week by organizing debates of high school students throughout BH. During 2024, the Head Office of the CBBH, main units and branches were visited by 1,452 students. Two publications for primary school children were designed and created, which enriched financial education, all aimed at teaching the youngest population about savings and money through game. In order to introduce financial education to faculties, cooperation with public faculties of economics in BH, the Entity Banking Agencies and Insurance Agencies has been initiated.

As part of its socially responsible activities, the CBBH signed a Memorandum of Cooperation in the field of financial education and inclusion with SOS Children's Villages of Bosnia and Herzegovina. The Memorandum has defined the cooperation between the CBBH and SOS Children's Villages of Bosnia and Herzegovina in the implementation of educational activities in the field of financial literacy for children, young people and parents from the care and support of Children's Villages of Bosnia and Herzegovina. Thus, the CBBH, in cooperation with SOS Children's Villages of Bosnia and Herzegovina, will work on strengthening the capacities of young people with the skills needed for preparations for the labour market, and implement programmes and activities for young people with the aim of empowering them, motivating them and helping them become independent through internships, mentorships, workshops, visits to

the CBBH and other forms of work aimed at improving the development of both personal and professional competences, with special focus on financial literacy.

The CBBH representatives attended the annual meeting of the Organization for Economic Cooperation and Development (OECD) Technical Support for Financial Education Project within the Belgian-Dutch constituency countries, which was held in Montenegro. At the panel "Cooperation for the successful implementation of financial education programmes", the CBBH presented models of cooperation with educational institutions in BH, with special emphasis on the "Train the Trainer" model, which has proven to be a practical way of conducting financial education in schools. This model brought about great interest of other central banks and strengthened the reputation of the CBBH as a pioneer in the field of educating young people on financial topics.

In 2024, the CBBH became a member of the EFMD Global Network for the Introduction of Distance Learning and Transmission Standards, and for its activities in the financial education field, the institution was awarded the prestigious domestic recognition "Zlatni BAM" ("Golden BAM"). The CBBH launched the project Promoting Gender Inclusive Finance: Reporting and Policy Development, funded by the European Fund for South-East Europe (EFSE), contributing to the strategic goals of the CBBH by supporting the development of more inclusive financial policies.

Keeping up with the EU standards, and respecting the rules of global environmental awareness, the CBBH stops printing all the CBBH publications, and switches to publishing in exclusively digital form. This will result in quality and innovative technical preparation, and timely announcement of the publications and other CBBH information on the CBBH website.



3. Financial Statements and the Independent Auditor's Report  
(delivered separately)



Centralna banka  
BOSNE I HERCEGOVINE  
Централна банка

## Statistical tables

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**T01: Main Economic Indicators**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*
<b>BH Nominal GDP (in KM million)<sup>1)</sup></b>										
<b>Current Prices</b>	28,929	30,265	31,803	33,942	35,785	34,728	39,145	45,618	49,920	53,864
<b>Real GDP Annual Growth (in %)<sup>1)</sup></b>	3.1	3.2	3.2	3.8	2.9	-3.0	7.4	4.2	2.0	2.4
<b>Consumer Prices Growth Rate in BH<sup>2)</sup></b>										
Average Annual growth Rate of CPI	-1.0	-1.1	1.2	1.4	0.6	-1.0	2.0	14.0	6.1	1.7
Annual Growth Rate of CPI for December	-1.3	-0.3	0.7	1.6	0.3	-1.6	6.4	14.7	2.2	2.2
<b>General Government Sector Budget<sup>3)</sup></b>										
Revenues	43.0	42.7	42.4	42.4	42.0	41.6	41.0	39.9	40.7	-
Expenditures <sup>4)</sup>	42.3	41.5	39.8	40.2	40.1	46.8	41.3	40.3	41.9	-
Overall Balance	0.7	1.2	2.5	2.2	1.9	-5.2	-0.3	-0.4	-1.2	-
<b>Money and Credit</b>										
Broad Money (M2)	64.5	66.7	69.5	71.3	73.6	81.3	80.5	72.9	71.7	72.7
Credit to Non-government Sector	54.4	53.7	54.9	54.3	55.0	55.2	50.8	45.9	44.9	45.5
<b>Balance of Payments</b>										
Gross Official Reserves										
In KM million	8,606	9,531	10,557	11,623	12,597	13,868	16,348	16,066	16,290	17,642
In USD million	4,883	5,391	6,083	7,012	7,210	8,079	9,885	8,637	9,004	9,760
In Months of Imports of Goods and Services	6.7	7.2	7.1	7.3	7.8	10.0	9.3	6.8	7.0	7.2
Current Account Balance										
In KM million	-1,458	-1,424	-1,520	-1,094	-927	-980	-579	-2,001	-1,157	-2,129
In USD million	-827	-805	-876	-660	-531	-571	-350	-1,075	-640	-1,178
As a percentage of GDP	-5.0	-4.7	-4.8	-3.2	-2.6	-2.8	-1.5	-4.4	-2.3	-4.0
Trade balance										
In KM million	-7,176	-7,089	-7,417	-7,521	-7,963	-6,268	-7,170	-10,183	-10,259	-11,747
In USD million	-4,071	-4,010	-4,274	-4,538	-4,558	-3,651	-4,335	-5,474	-5,671	-6,499
As a percentage of GDP	-24.8	-23.4	-23.3	-22.2	-22.3	-18.0	-18.3	-22.3	-20.6	-21.8
<b>External Debt of Government Sector **</b>										
In KM million	8,693	8,872	8,147	8,198	8,140	8,726	9,435	9,474	8,867	9,110
In USD million	4,856	4,782	4,996	4,801	4,657	5,479	5,468	5,167	5,010	4,865
As a percentage of GDP	30.0	29.3	25.6	24.2	22.7	25.1	24.1	20.8	17.8	16.9
<b>External Debt Servicing<sup>5)</sup></b>										
In KM million	581	723	983	955	794	741	773	802	1,255	1,333
In USD million	330	409	567	576	454	432	467	431	694	737
As a percentage of Exports of Goods and Services	5.7	6.7	7.7	6.7	5.5	6.2	4.6	3.6	5.7	6.1

**Note:**

<sup>1)</sup> Source: Agency for Statistics of Bosnia and Herzegovina, Gross Domestic Product by Production, Income and Expenditure approach 2023, January 2025.

<sup>2)</sup> Source: Agency for Statistics of BH

<sup>3)</sup> Source: Central Bank of BH

<sup>4)</sup> Expenditures also include net acquisition of fixed assets.

<sup>5)</sup> Source: BH Ministry of Finance and Treasury.

\*GDP for 2024 is an assessment of CBBH and it is used as preliminary data, until the announcement of the official GDP by the Agency for Statistics of BH

\*\* Revised data since 2009 in accordance with the received report from the Ministry of Finance and Treasury of BiH dated January 26, 2023, including a loan of JP Putevi RS and direct debt of Brcko District.

**T02: Gross Domestic Product of Bosnia and Herzegovina (Current Prices)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*
Nominal GDP (in KM million)	28,929	30,265	31,803	33,942	35,785	34,728	39,145	45,618	49,920	53,864
Nominal GDP (in USD million)	16,413	17,118	18,325	20,478	20,481	20,230	23,669	24,523	27,594	29,800
GDP per capita (in KM)	8,223	8,620	9,076	9,709	10,251	9,994	11,337	13,284	14,588	15,779
GDP per capita (in USD)	4,665	4,876	5,230	5,857	5,867	5,822	6,854	7,141	8,064	8,730
Real GDP Annual Growth (in %)	3.1	3.2	3.2	3.7	2.8	-3.1	7.4	4.2	2.0	2.4
Population (in thousands) <sup>1</sup>	3,518	3,511	3,504	3,496	3,491	3,475	3,453	3,434	3,422	3,414
Annual Average Exchange Rate of KM/USD	1.763	1.768	1.735	1.657	1.747	1.717	1.654	1.860	1.809	1.808

**Source:**

Agency for Statistics of Bosnia and Herzegovina, *Gross Domestic Product by Production, Income and Expenditure approach 2023*, January 2025. The data on the average annual exchange rate BAM/USD, the source is the CBBH.

1) The estimate of the number of citizens for 2024 includes the available data on the natural growth at the end of September 2024; Source: Agency for Statistics of BH.

\* GDP for 2024 is an assessment of CBBH and it is used as preliminary data, until the announcement of the official GDP by the BH Statistics Agency.

**T03: Index of Industrial Production**

Year	Month	Month/Same Month of the Previous Year			Period/Same Period of the Previous Year		
		FBH	RS	BH	FBH	RS	BH
2015	12	101.7	99.5	101.7	102.2	103.0	103.1
2016	12	103.0	120.0	107.5	102.6	108.2	104.4
2017	12	101.5	97.3	99.6	103.8	101.2	103.1
2018	12	98.2	96.9	97.8	100.8	104.2	101.6
2019	12	97.4	92.4	95.5	97.3	88.1	94.7
2020	12	103.1	103.7	103.2	93.7	93.4	93.6
2021	12	107.4	106.6	107.2	109.8	109.9	109.8
2022	12	98.0	96.0	96.0	101.2	102.1	101.0
2023	12.	90.0	93.8	91.0	95.8	96.8	96.1
2024	12.	100.0	94.5	100.7	96.1	95.5	96.1
2024	01	94.7	92.3	93.8	94.7	92.3	93.8
	02	102.6	101.4	102.5	98.7	96.9	98.2
	03	89.1	88.9	89.4	95.3	93.9	95.0
	04	99.5	93.7	97.6	96.3	93.8	95.6
	05	89.9	89.1	89.6	95.0	92.8	94.4
	06	94.9	91.7	93.6	95.0	92.7	94.3
	07	99.1	98.4	98.6	95.6	93.5	94.9
	08	92.8	91.6	92.3	95.2	93.3	94.6
	09	94.5	93.7	94.3	95.1	93.3	94.5
	10	99.4	104.2	100.5	95.6	94.4	95.1
	11	97.8	106.8	100.8	95.8	95.5	95.7
	12	100.0	94.5	100.7	96.1	95.5	96.1

**Source:**

Agency for Statistics of BH, Institute for Statistics of the FBH and RS Institute for Statistics

**Note:**

Index of Industrial Production for a period / the same period of the previous year for December represents a yearly index in comparison with the previous year.

**T04: Consumer Price Index for BH (CPI)**

Year	Month	Month/Previous Month of the Current Year	Month/Same Month of the Previous Year	Period/Same Period of the Previous Year
2015	12	...	98.7	99.0
2016	12	...	99.7	98.9
2017	12	...	101.3	101.2
2018	12	...	101.6	101.4
2019	12	...	99.9	100.6
2020	12	...	98.4	99.0
2021	12	...	106.4	102.0
2022	12	...	114.7	114.0
2023.	12.	...	102.2	106.1
2024	12.	...	102.2	101.7
2024	01	100.2	102.0	102.0
	02	100.5	102.1	102.0
	03	100.3	102.0	102.0
	04	100.1	102.0	102.0
	05	99.8	102.0	102.0
	06	99.5	101.6	102.0
	07	100.0	101.8	101.9
	08	100.5	101.3	101.9
	09	100.1	100.8	101.7
	10	100.2	100.9	101.7
	11	100.4	101.5	101.6
	12	100.4	102.2	101.7

**Source:**

Agency for Statistics of Bosnia and Herzegovina.

**Note:**

Price index for a period/the same period of previous year for December represents annual index in comparison to the previous year.

## T05: Average Gross and Net Wages and Pensions

- in KM -

Year	Month	Gross Wages				Net Wages				Pensions		
		FBH	RS	Brčko	BH	FBH	RS	Brčko	BH	FBH	RS	Brčko
2015		1,269	1,339	1,275	1,289	830	831	821	830	368	343	327
2016		1,283	1,343	1,290	1,301	839	836	830	838	370	342	326
2017		1,318	1,331	1,304	1,321	860	831	838	851	372	344	326
2018		1,365	1,357	1,363	1,363	888	857	872	879	395	361	342
2019		1,420	1,407	1,426	1,421	923	906	915	921	415	378	357
2020		1,474	1,485	1,477	1,476	956	956	948	956	423	394	367
2021		1,542	1,546	1,486	1,542	996	1,004	959	997	428	408	375
2022		1,724	1,729	1,600	1,722	1,114	1,143	1,051	1,122	461	460	412
2023		1,959	1,937	1,744	1,947	1,261	1,274	1,171	1,263	570	540	491
2024		2,140	2,146	1,974	2,138	1,373	1,404	1,329	1,381	620	593	540
2024	01	2,083	2,001	1,905	2,052	1,338	1,312	1,279	1,328	612	592	537
	02	2,045	2,129	1,903	2,068	1,315	1,392	1,281	1,338	612	592	537
	03	2,078	2,130	1,908	2,090	1,335	1,394	1,285	1,353	615	592	538
	04	2,125	2,140	1,929	2,125	1,364	1,400	1,296	1,374	623	593	539
	05	2,160	2,146	1,943	2,150	1,384	1,403	1,308	1,388	623	593	541
	06	2,108	2,182	1,967	2,128	1,351	1,426	1,329	1,374	623	593	542
	07	2,163	2,165	1,993	2,160	1,387	1,416	1,341	1,395	622	593	541
	08	2,159	2,157	1,995	2,154	1,384	1,411	1,343	1,392	622	593	541
	09	2,135	2,159	2,028	2,140	1,369	1,412	1,364	1,382	622	594	541
	10	2,210	2,171	2,035	2,193	1,415	1,420	1,373	1,415	622	594	540
	11	2,182	2,172	2,037	2,175	1,401	1,420	1,373	1,406	622	594	541
	12	2,231	2,202	2,048	2,217	1,428	1,438	1,377	1,430	623	594	541

**Source:**

Agency for Statistics of BH, Institute for Statistics of the FBH, RS Institute of Statistics and Branch of Brčko District

**Note:**

Since 1 January 2006, gross and net wages for BH level include Brčko District



## T06: Monetary Aggregates

- end of period, in KM million -

Year	Month	Currency outside Monetary Authorities	Bank Deposits with Monetary Authorities	Transf. Dep. of other Resident Sectors with Monetary Authorities	Cash Outside Banks	Transf. Deposits in Domestic Currency	Other Deposits in Domestic Currency	Transf. Deposits in Foreign Currency	Other Deposits in Foreign Currency	Reserve Money	M1	QM	M2
1	2	3	4	5	6	7	8	9	10	11=3+4+5	12=6+7	13=8+9+10	14=12+13
2015	12	3,499.5	4,063.5	51.7	3,055.3	5,125.6	3,562.6	1,360.4	5,543.3	7,614.7	8,180.9	10,466.3	18,647.2
2016	12	4,066.8	4,269.1	52.0	3,401.2	5,899.8	3,883.0	1,535.6	5,478.0	8,387.9	9,301.0	10,896.6	20,197.6
2017	12	4,319.4	5,033.1	76.1	3,648.1	6,924.4	4,091.6	1,816.2	5,636.1	9,428.5	10,572.5	11,543.8	22,116.3
2018	12	4,750.6	5,523.3	125.5	3,977.2	8,166.4	4,302.2	1,961.5	5,782.3	10,399.4	12,143.7	12,046.0	24,189.6
2019	12	5,199.9	5,743.6	176.6	4,330.1	8,921.1	2,998.0	2,490.3	7,593.2	11,120.2	13,251.2	13,081.5	26,332.7
2020	12	6,172.5	5,901.1	231.8	5,043.4	10,011.8	3,034.7	2,902.5	7,256.6	12,305.4	15,055.2	13,193.8	28,249.0
2021	12	6,923.8	7,219.6	304.9	5,540.0	12,387.6	3,044.2	3,300.1	7,243.8	14,448.3	17,927.5	13,588.1	31,515.6
2022	12	7,436.1	7,217.4	272.7	6,126.2	13,752.5	2,878.7	3,583.9	6,898.8	14,926.2	19,878.6	13,361.3	33,240.0
2023	12	7,565.1	7,083.2	16.9	6,550.5	15,064.1	2,891.3	3,974.6	7,310.3	14,665.2	21,614.6	14,176.2	35,790.8
2024	12	7,959.2	7,455.4	15.3	6,873.2	17,237.0	3,170.0	4,083.5	7,768.8	15,429.9	24,110.2	15,022.2	39,132.4
2024	01	7,533.2	6,679.3	34.3	6,378.3	14,998.9	2,943.3	4,191.7	7,257.7	14,246.9	21,377.2	14,392.6	35,769.8
	02	7,568.3	6,807.6	31.8	6,430.9	15,155.0	2,907.5	4,009.5	7,475.0	14,407.7	21,585.9	14,392.0	35,977.9
	03	7,628.2	6,638.8	29.3	6,553.1	15,303.8	2,934.4	4,038.1	7,519.3	14,296.3	21,856.9	14,491.9	36,348.8
	04	7,791.7	6,337.6	10.8	6,672.9	15,423.3	2,927.1	4,100.8	7,542.5	14,140.1	22,096.2	14,570.3	36,666.6
	05	7,754.9	6,206.1	11.0	6,609.7	15,483.3	2,945.9	4,060.7	7,526.3	13,971.9	22,093.0	14,532.9	36,625.9
	06	7,823.6	6,860.1	8.7	6,723.3	15,602.9	2,998.0	4,037.4	7,574.6	14,692.5	22,326.3	14,610.0	36,936.3
	07	7,969.2	6,500.0	13.2	6,791.3	15,971.5	2,981.5	4,127.9	7,484.8	14,482.4	22,762.8	14,594.2	37,357.0
	08	8,036.0	6,663.0	11.9	6,863.7	16,208.8	3,022.6	4,047.8	7,503.9	14,710.9	23,072.5	14,574.3	37,646.8
	09	8,006.8	6,809.7	13.4	6,804.6	16,408.7	3,076.7	4,065.6	7,554.1	14,829.9	23,213.3	14,696.3	37,909.6
	10	7,989.3	6,897.7	33.2	6,789.9	16,502.9	3,115.2	3,982.3	7,678.9	14,920.2	23,292.9	14,776.5	38,069.3
	11	7,975.2	7,037.8	11.0	6,800.2	16,574.7	3,107.6	4,070.9	7,722.0	15,024.1	23,374.8	14,900.5	38,275.4
	12	7,959.2	7,455.4	15.3	6,873.2	17,237.0	3,170.0	4,083.5	7,768.8	15,429.9	24,110.2	15,022.2	39,132.4

**Note:**

The cash outside monetary authorities is taken from the CBBH Balance Sheet and it consists of cash outside the Central Bank (monetary authorities). Deposits of commercial banks are commercial banks' funds in the accounts with the CBBH. Transferable deposits of other domestic sectors with monetary authorities are deposits of other domestic sectors (except for the central government deposits). The central government consists of BH institutions, Entity governments, Entities' social security funds and those of Brčko District. Social security funds on Entity level (from Federation of BH: Pension Fund of FBH, Health Care Fund of FBH, Employment Fund of FBH, and from Republika Srpska: Pension and Disability Insurance Fund of RS, Health Care Fund of RS, Employment Fund of RS and Fund for Child Protection of RS) are classified at the central government level. The cash outside banks is taken from the CBBH Balance Sheet (Table 08) and consists of cash in circulation out of the Central Bank (monetary authorities), as well as cash outside the commercial banks. Transferable deposits in the domestic currency are taken from the Monetary Survey (Table 07). They consist of deposits of non-central government (deposits of cantons and municipalities), deposits of public and private enterprises, of other financial institutions and deposits of other domestic sectors (households, non-profit institutions and other non-classified sectors). Other deposits in the domestic currency, transferable and other deposits in foreign currency are taken over from the Monetary Survey (Table 07). They consist of deposits of non central government (deposits of cantons and municipalities), deposits of public and private enterprises, other financial institutions and deposits of other domestic sectors (households, non-profit institutions and other non-classified sectors). Reserve money (primary money or monetary base) is taken entirely from the CBBH Balance Sheet (Table 08). It consists of cash outside the monetary authorities, deposits of commercial banks and deposits of other domestic sectors (except for deposits of the central government) with the monetary authorities. According to the national definition, money supply comprises all transferable and other deposits of domestic nonbank and nongovernment sectors, as well as, sectors of local government in domestic and foreign currency. Deposits of Entities' social security funds are included in those of the central government on Entity level and by that they are excluded from the Money Supply or Monetary Aggregates. Monetary aggregate M1 comprises cash outside banks and transferable deposits in domestic currency of all domestic sectors (except for deposits of the central government). Monetary aggregate QM is defined in the same way as the corresponding item in the Monetary Survey (Table 07). It consists of other deposits in domestic currency, transferable and other deposits in a foreign currency of all domestic sectors (except for deposits of the central government). Money supply M2 comprises monetary aggregates, M1 and QM.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

## T07: Monetary Survey

- end of period, in KM million -

		ASSETS											
		Foreign Assets (Net)				Claims on Domestic Sectors							
Year	Month	Foreign Assets	Foreign Liabilities		Claims on Central Government (Net)	Claims on Cantons and Municipalities	Claims on Public Non-financial Enterprises	Claims on Private Non-financial Enterprises	Claims on Other Financial Institutions	Claims on Other Domestic Sectors		Total	
1	2	3	4	5 = 3+4	6	7	8	9	10	11	12 = 6+...+11	13 = 5+12	
2015	12	11,107.9	-2,614.6	8,493.3	160.1	537.2	400.0	7,452.6	74.6	7,875.3	16,499.8	24,993.1	
2016	12	12,199.0	-2,476.4	9,722.6	101.8	517.8	375.6	7,743.9	67.2	8,155.8	16,962.0	26,684.6	
2017	12	13,372.4	-2,589.5	10,782.9	-148.7	511.5	406.2	8,354.5	96.5	8,689.3	17,909.4	28,692.2	
2018	12	15,505.5	-3,041.0	12,464.5	-461.2	496.5	428.0	8,655.0	136.8	9,315.0	18,570.1	31,034.5	
2019	12	17,069.9	-3,120.0	13,949.9	-679.3	506.7	509.3	9,070.9	152.2	10,024.9	19,584.7	33,534.6	
2020	12	18,340.2	-2,326.3	16,013.9	-236.3	538.1	540.8	8,618.1	155.0	9,937.9	19,553.6	35,567.5	
2021	12	21,065.4	-1,949.0	19,116.3	-804.4	583.5	532.3	8,812.6	164.1	10,478.3	19,766.3	38,882.7	
2022	12	21,084.4	-1,813.4	19,271.1	-509.1	592.0	652.8	9,197.6	180.2	11,027.6	21,141.1	40,412.2	
2023	12	22,027.1	-1,492.6	20,534.4	125.1	645.6	644.9	9,828.3	231.8	11,847.1	23,322.8	43,857.2	
2024	12	24,234.1	-1,949.7	22,284.4	630.9	749.8	734.5	10,713.4	300.1	12,932.8	26,061.4	48,345.9	
2024	01	22,081.0	-1,462.6	20,618.4	154.3	641.2	635.8	9,776.1	221.2	11,864.8	23,293.4	43,911.9	
	02	22,112.2	-1,466.7	20,645.4	224.0	637.2	622.6	9,920.9	218.8	11,944.6	23,568.0	44,213.4	
	03	22,283.7	-1,419.2	20,864.5	86.4	642.6	625.3	10,118.3	243.6	12,082.4	23,798.7	44,663.2	
	04	22,305.3	-1,444.0	20,861.4	165.5	642.7	607.5	10,256.2	249.6	12,195.7	24,117.2	44,978.6	
	05	22,022.8	-1,486.8	20,536.0	222.5	655.3	607.2	10,364.6	245.3	12,323.2	24,418.2	44,954.2	
	06	22,622.0	-1,884.5	20,737.5	179.8	661.2	605.5	10,509.0	271.7	12,426.7	24,653.9	45,391.4	
	07	23,126.7	-1,844.8	21,281.9	19.3	679.7	620.1	10,503.8	268.8	12,550.9	24,642.5	45,924.4	
	08	23,364.5	-1,846.4	21,518.1	105.3	684.9	603.9	10,482.7	268.8	12,639.3	24,784.9	46,303.0	
	09	23,532.2	-1,867.1	21,665.0	220.9	690.8	609.2	10,542.4	304.7	12,718.5	25,086.6	46,751.6	
	10	23,700.0	-1,881.7	21,818.3	194.9	736.6	595.8	10,576.9	264.0	12,809.9	25,178.2	46,996.5	
	11	23,965.0	-1,942.6	22,022.4	169.3	753.1	612.2	10,650.6	287.3	12,882.5	25,355.0	47,377.4	
	12	24,234.1	-1,949.7	22,284.4	630.9	749.8	734.5	10,713.4	300.1	12,932.8	26,061.4	48,345.9	

**Note:**

The monetary survey presents the consolidated data from the Balance Sheet of the CBBH - monetary authorities (table 08) and the consolidated balance sheet of commercial banks of Bosnia and Herzegovina (table 09). Foreign assets (net) represent the difference between total CBBH foreign assets - the monetary authorities and commercial banks and CBBH total foreign liabilities - the monetary authorities and commercial banks of BH. Claims on domestic sectors represent commercial banks' claims on all domestic sectors, but it should be noted that claims on central government are presented in net amounts, i.e. they are reduced by the deposits of central government with the CBBH and with BH commercial banks. The central government consists of BH institutions, Entities' governments, Entities' social security funds and those of Brčko District. According to new methodology, social security funds are classified on the central government level as the Entities' off-budget funds, which has a direct impact on data about net claims on the central government in Monetary Survey.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

## T07: Monetary Survey

- end of period, in KM million -

		LIABILITIES													
		Broad money (M2)													
		Money (M1)				Quasi money (QM)									
Year	Month	Cash Outside Banks	Transferable Deposits in Dom. Curr.		Transferable Deposits in Foreign Curr.	Other Deposits in Dom. Curr.	Other Deposits in Foreign Curr.				Securities	Loans	Shares and Other Equity	Other Items (net)	Total
1	2	3	4	5=3+4	6	7	8	9=6+7+8	10=5+9	11	12	13	14	15=10+...+14	
2015	12	3,055.3	5,125.6	8,180.9	1,360.4	3,562.6	5,543.3	10,466.3	18,647.2	8.0	599.2	4,148.0	1,590.7	24,993.1	
2016	12	3,401.2	5,899.8	9,301.0	1,535.6	3,883.0	5,478.0	10,896.6	20,197.6	8.0	510.0	4,440.4	1,528.6	26,684.6	
2017	12	3,648.1	6,924.4	10,572.5	1,816.2	4,091.6	5,636.1	11,543.8	22,116.3	8.0	460.0	4,659.5	1,448.4	28,692.2	
2018	12	3,977.2	8,166.4	12,143.7	1,961.5	4,302.2	5,782.3	12,046.0	24,189.6	8.0	467.5	4,867.2	1,502.3	31,034.5	
2019	12	4,330.1	8,921.1	13,251.2	2,490.3	2,998.0	7,593.2	13,081.5	26,332.7	8.0	532.4	5,224.6	1,436.9	33,534.6	
2020	12	5,043.4	10,011.8	15,055.2	2,902.5	3,034.7	7,256.6	13,193.8	28,249.0	0.0	606.7	5,307.8	1,404.0	35,567.5	
2021	12	5,540.0	12,387.6	17,927.5	3,300.1	3,044.2	7,243.8	13,588.1	31,515.6	0.0	638.5	5,287.3	1,441.4	38,882.7	
2022	12	6,126.2	13,752.5	19,878.6	3,583.9	2,878.7	6,898.8	13,361.3	33,240.0	0.0	622.8	5,208.0	1,341.4	40,412.2	
2023	12	6,550.5	15,064.1	21,614.6	3,974.6	2,891.3	7,310.3	14,176.2	35,790.8	3.7	643.4	6,012.6	1,406.7	43,857.2	
2024	12	6,873.2	17,237.0	24,110.2	4,083.5	3,170.0	7,768.8	15,022.2	39,132.4	3.4	608.0	7,032.2	1,569.9	48,345.9	
2024	01	6,378.3	14,998.9	21,377.2	4,191.7	2,943.3	7,257.7	14,392.6	35,769.8	3.7	643.2	6,134.6	1,360.6	43,911.9	
	02	6,430.9	15,155.0	21,585.9	4,009.5	2,907.5	7,475.0	14,392.0	35,977.9	3.7	654.1	6,222.2	1,355.6	44,213.4	
	03	6,553.1	15,303.8	21,856.9	4,038.1	2,934.4	7,519.3	14,491.9	36,348.8	0.0	669.0	6,323.4	1,322.0	44,663.2	
	04	6,672.9	15,423.3	22,096.2	4,100.8	2,927.1	7,542.5	14,570.3	36,666.6	3.4	652.1	6,396.1	1,260.4	44,978.6	
	05	6,609.7	15,483.3	22,093.0	4,060.7	2,945.9	7,526.3	14,532.9	36,625.9	3.4	653.9	6,436.1	1,234.9	44,954.2	
	06	6,723.3	15,602.9	22,326.3	4,037.4	2,998.0	7,574.6	14,610.0	36,936.3	3.4	657.2	6,552.3	1,242.3	45,391.4	
	07	6,791.3	15,971.5	22,762.8	4,127.9	2,981.5	7,484.8	14,594.2	37,357.0	3.4	663.9	6,705.4	1,194.8	45,924.4	
	08	6,863.7	16,208.8	23,072.5	4,047.8	3,022.6	7,503.9	14,574.3	37,646.8	3.4	664.3	6,837.5	1,150.9	46,303.0	
	09	6,804.6	16,408.7	23,213.3	4,065.6	3,076.7	7,554.1	14,696.3	37,909.6	3.4	606.7	7,026.3	1,205.6	46,751.6	
	10	6,789.9	16,502.9	23,292.9	3,982.3	3,115.2	7,678.9	14,776.5	38,069.3	3.4	607.6	7,133.6	1,182.6	46,996.5	
	11	6,800.2	16,574.7	23,374.8	4,070.9	3,107.6	7,722.0	14,900.5	38,275.4	3.4	608.2	7,268.5	1,221.9	47,377.4	
	12	6,873.2	17,237.0	24,110.2	4,083.5	3,170.0	7,768.8	15,022.2	39,132.4	3.4	608.0	7,032.2	1,569.9	48,345.9	

**Note:**

Money M1 includes cash outside banks, transferable deposits in the domestic currency of all domestic sectors (except the deposits of the central government). Quasi money QM comprises other deposits in the domestic currency, transferable and other deposits in foreign currency of all domestic sectors (except the deposits of the central government). Money supply M2 includes monetary aggregates, money M1 and quasi money QM. Other liabilities include securities, loans, shares and other equity and other items (net). According to a new methodology, as separate financial instruments on the side of liabilities, loans (with which the calculated interest is added) are presented, along with shares and other equity. Other items (net) are unallocated items of liabilities reduced by the unallocated items of assets. Other items (net) also include restricted deposits, counter-items of funds and government lending funds.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

## T08: Balance Sheet of the CBBH

- end of period, in KM million -

Year	Month	ASSETS			LIABILITIES									
		Foreign Assets	Claims on Domestic Sectors	Total	Reserve money			Total	Foreign Liabilities	Deposits of Central Government	Shares and Other Equity	Other Items (Net)	Total	
1	2	3	4	5=3+4	6	7	8	9=6+7+8	10	11	12	13	14=9+...+13	
2015	12	8,634.1	1.5	8,635.7	3,499.5	4,063.5	51.7	7,614.7	1.3	449.9	593.7	-24.0	8,635.7	
2016	12	9,559.0	1.5	9,560.4	4,066.8	4,269.1	52.0	8,387.9	2.2	538.4	667.4	-35.5	9,560.4	
2017	12	10,584.4	2.2	10,586.6	4,319.4	5,033.1	76.1	9,428.5	1.6	548.6	652.6	-44.8	10,586.6	
2018	12	11,651.0	2.1	11,653.1	4,750.6	5,523.3	125.5	10,399.4	1.8	583.9	720.0	-51.9	11,653.1	
2019	12	12,624.9	2.2	12,627.1	5,199.9	5,743.6	176.6	11,120.2	1.7	704.0	856.5	-55.4	12,627.1	
2020	12	13,895.8	2.0	13,897.9	6,172.5	5,901.1	231.8	12,305.4	1.7	665.2	982.3	-56.8	13,897.9	
2021	12	16,376.0	2.6	16,378.5	6,923.8	7,219.6	304.9	14,448.3	2.3	1,124.7	861.4	-58.3	16,378.5	
2022	12	16,093.7	2.8	16,096.5	7,436.1	7,217.4	272.7	14,926.2	2.6	685.5	545.4	-63.3	16,096.5	
2023	12	16,317.7	2.8	16,320.5	7,565.1	7,083.2	16.9	14,665.2	2.5	736.0	911.3	5.5	16,320.5	
2024	12	17,668.7	2.9	17,671.6	7,959.2	7,455.4	15.3	15,429.9	2.5	844.8	1,198.2	196.2	17,671.6	
2024	01	15,935.7	1.7	15,937.3	7,533.2	6,679.3	34.3	14,246.9	2.3	734.1	949.3	4.7	15,937.3	
	02	16,057.9	2.0	16,059.9	7,568.3	6,807.6	31.8	14,407.7	2.8	689.5	959.4	0.5	16,059.9	
	03	16,058.7	2.4	16,061.0	7,628.2	6,638.8	29.3	14,296.3	2.6	739.5	1,021.7	1.0	16,061.0	
	04	15,898.7	2.0	15,900.7	7,791.7	6,337.6	10.8	14,140.1	2.4	773.0	1,048.7	-63.3	15,900.7	
	05	15,794.8	2.2	15,797.0	7,754.9	6,206.1	11.0	13,971.9	2.7	799.9	1,085.0	-62.5	15,797.0	
	06	16,583.1	2.5	16,585.6	7,823.6	6,860.1	8.7	14,692.5	2.5	818.0	1,134.4	-61.8	16,585.6	
	07	16,461.4	2.1	16,463.4	7,969.2	6,500.0	13.2	14,482.4	2.8	826.2	1,213.2	-61.2	16,463.4	
	08	16,708.9	2.2	16,711.1	8,036.0	6,663.0	11.9	14,710.9	2.7	795.0	1,262.7	-60.2	16,711.1	
	09	16,892.9	2.4	16,895.3	8,006.8	6,809.7	13.4	14,829.9	2.4	789.5	1,333.4	-59.9	16,895.3	
	10	17,067.4	2.0	17,069.5	7,989.3	6,897.7	33.2	14,920.2	2.6	841.1	1,365.1	-59.6	17,069.5	
	11	17,234.8	2.2	17,237.0	7,975.2	7,037.8	11.0	15,024.1	2.9	836.9	1,432.5	-59.5	17,237.0	
	12	17,668.7	2.9	17,671.6	7,959.2	7,455.4	15.3	15,429.9	2.5	844.8	1,198.2	196.2	17,671.6	

**Note:**

The CBBH (monetary authorities) foreign assets comprise gold, foreign currency in the CBBH vault, foreign currency deposits with foreign banks, SDR holdings, foreign securities and other.

Reserve money (primary money or monetary base) is comprised of cash outside monetary authorities, deposits of commercial banks and deposits of other domestic sectors (except for the central government) with monetary authorities. Cash outside banks represents cash in circulation outside the Central Bank (monetary authorities) and cash outside commercial banks. The CBBH foreign liabilities are comprised of short-term liabilities towards non-residents, deposits of non-residents and other short-term liabilities towards non-residents and liabilities towards the IMF (Accounts 1 and 2).

Deposits of central government with the CBBH are transferable and other deposits of BH Institutions, Entity Governments, Entity Social Security Funds and those of Brčko District in the local currency. Shares and other equity comprise the equity, current year result, general and special reserves and adjustment/reevaluation. Other items (net) are unallocated items of liabilities reduced by the unallocated items of assets.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

## T09: Consolidated Balance Sheet of Commercial Banks in BH

- end of period, in KM million -

		ASSETS								
Year	Month	Reserves	Foreign Assets	Claims on General Government	Claims on Public Non-financial Enterprises	Claims on Private Non-financial Enterprises	Claims on Other Financial Institutions	Claims on Other Domestic Sectors	Total	
1	2	3	4	5	6	7	8	9	10 = 3+...+9	
2015	12	4,511.7	2,473.8	2,161.1	400.0	7,452.6	74.6	7,874.7	24,948.5	
2016	12	4,936.6	2,640.0	2,179.1	375.6	7,743.9	67.2	8,155.4	26,097.7	
2017	12	5,711.7	2,787.9	2,197.0	406.2	8,354.5	96.5	8,688.8	28,242.7	
2018	12	6,298.3	3,854.5	2,285.0	428.0	8,655.0	136.8	9,314.6	30,972.1	
2019	12	6,627.0	4,445.0	2,551.9	509.3	9,070.9	152.2	10,024.5	33,380.9	
2020	12	7,099.6	4,444.3	3,015.4	540.8	8,618.1	155.0	9,937.6	33,810.8	
2021	12	8,608.0	4,689.4	3,095.4	532.3	8,812.6	164.1	10,478.0	36,379.7	
2022	12	8,541.6	4,990.8	3,171.7	652.8	9,197.6	180.2	11,027.3	37,761.9	
2023	12	8,116.2	5,709.4	3,440.2	644.9	9,828.3	231.8	11,846.8	39,817.7	
2024	12	8,400.9	6,565.4	3,903.6	734.5	10,713.4	300.1	12,932.5	43,550.3	
2024	01	7,852.9	6,145.4	3,448.1	635.8	9,776.1	221.2	11,864.7	39,944.1	
	02	7,978.6	6,054.3	3,448.9	622.6	9,920.9	218.8	11,944.4	40,188.5	
	03	7,740.8	6,225.1	3,516.8	625.3	10,118.3	243.6	12,082.1	40,552.0	
	04	7,473.0	6,406.6	3,546.1	607.5	10,256.2	249.6	12,195.6	40,734.6	
	05	7,367.5	6,228.0	3,580.8	607.2	10,364.6	245.3	12,323.0	40,716.4	
	06	7,985.5	6,039.8	3,501.6	605.5	10,509.0	271.7	12,426.4	41,339.5	
	07	7,706.0	6,665.3	3,532.1	620.1	10,503.8	268.8	12,550.7	41,846.8	
	08	7,875.4	6,655.7	3,482.1	603.9	10,482.7	268.8	12,639.1	42,007.6	
	09	8,049.2	6,639.3	3,495.5	609.2	10,542.4	304.7	12,718.2	42,358.6	
	10	8,125.0	6,632.5	3,606.1	595.8	10,576.9	264.0	12,809.8	42,610.2	
	11	8,233.6	6,730.2	3,609.8	612.2	10,650.6	287.3	12,882.3	43,005.9	
	12	8,400.9	6,565.4	3,903.6	734.5	10,713.4	300.1	12,932.5	43,550.3	

**Note:**

Consolidated balance sheet of commercial banks includes consolidated balance sheets of commercial banks covered by Main Unit Sarajevo, Main Unit Mostar, Main Bank RS, Brčko District (from July 2001 until November 2002), NBRS (until December 1998) and the NBBH (until November 2002). Mutual claims and liabilities among the commercial banks have been consolidated. Banks' reserves consist of cash in the banks' vaults and banks' deposits with the CBBH.

Foreign assets of commercial banks include: foreign currency in the vaults, transferable and other deposits in foreign currency with nonresidents, loans to nonresidents, securities of non-residents in foreign currency, and other claims on non-residents. Claims on general government include claims on all levels of government: the central government (BH Institutions, Entities' Governments, Entity Social Security Funds and those of Brčko District) and non-central governments (canton and municipality governments). Claims on other domestic sectors include: claims on public non-financial enterprises, private non-financial enterprises, other financial institutions and claims on other domestic sectors (households, non-profit institutions and other non-classified sectors).

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

## T09: Consolidated Balance Sheet of Commercial Banks in BH

- end of period, in KM million -

		LIABILITIES										
Year	Month	Deposits of Central Government	Transf. Dep. of Other Domestic Sectors in Dom. Curr.	Transf. Dep. of Other Domestic Sectors in For. Curr.	Other Dep. of Other Domestic Sectors in Dom. Curr.	Other Dep. of Other Domestic Sectors in For. Curr.	Securities	Loans	Foreign Liabilities	Shares and Other Equity	Other Items (Net)	Total
1	2	3	4	5	6	7	8	9	10	11	12	13=3+...+12
2015	12	4,511.7	2,473.8	2,161.1	400.0	7,452.6	74.6	7,874.7	24,948.5	3,554.3	1,619.5	24,948.5
2016	12	4,936.6	2,640.0	2,179.1	375.6	7,743.9	67.2	8,155.4	26,097.7	3,773.0	1,566.9	26,097.7
2017	12	5,711.7	2,787.9	2,197.0	406.2	8,354.5	96.5	8,688.8	28,242.7	4,006.8	1,502.2	28,242.7
2018	12	6,298.3	3,854.5	2,285.0	428.0	8,655.0	136.8	9,314.6	30,972.1	4,147.2	1,557.4	30,972.1
2019	12	6,627.0	4,445.0	2,551.9	509.3	9,070.9	152.2	10,024.5	33,380.9	4,368.0	1,507.7	33,380.9
2020	12	7,099.6	4,444.3	3,015.4	540.8	8,618.1	155.0	9,937.6	33,810.8	4,325.4	1,531.8	33,810.8
2021	12	8,608.0	4,689.4	3,095.4	532.3	8,812.6	164.1	10,478.0	36,379.7	4,425.8	1,506.2	36,379.7
2022	12	8,541.6	4,990.8	3,171.7	652.8	9,197.6	180.2	11,027.3	37,761.9	4,680.2	1,406.9	37,764.1
2023	12	1,933.6	15,047.2	3,974.6	2,891.3	7,310.3	3.7	643.4	1,490.2	5,101.3	1,422.0	39,817.7
2024	12	1,678.3	17,221.7	4,083.5	3,170.0	7,768.8	3.4	608.0	1,947.2	5,834.0	1,235.6	43,550.3
2023	01	1,918.5	14,964.6	4,191.7	2,943.3	7,257.7	3.7	643.2	1,460.3	5,185.3	1,375.9	39,944.1
	02	1,898.4	15,123.1	4,009.5	2,907.5	7,475.0	3.7	654.1	1,463.9	5,262.8	1,390.4	40,188.5
	03	2,048.4	15,274.5	4,038.1	2,934.4	7,519.3	0.0	669.0	1,416.7	5,301.8	1,349.8	40,552.0
	04	1,965.0	15,412.6	4,100.8	2,927.1	7,542.5	3.4	652.1	1,441.6	5,347.5	1,342.1	40,734.6
	05	1,903.1	15,472.3	4,060.7	2,945.9	7,526.3	3.4	653.9	1,484.2	5,351.1	1,315.5	40,716.4
	06	1,842.6	15,594.2	4,037.4	2,998.0	7,574.6	3.4	657.2	1,882.0	5,417.9	1,332.2	41,339.5
	07	2,006.9	15,958.4	4,127.9	2,981.5	7,484.8	3.4	663.9	1,841.9	5,492.2	1,285.9	41,846.8
	08	1,896.9	16,196.9	4,047.8	3,022.6	7,503.9	3.4	664.3	1,843.8	5,574.8	1,253.2	42,007.6
	09	1,794.3	16,395.3	4,065.6	3,076.7	7,554.1	3.4	606.7	1,864.8	5,692.9	1,304.8	42,358.6
	10	1,833.5	16,469.7	3,982.3	3,115.2	7,678.9	3.4	607.6	1,879.1	5,768.4	1,272.0	42,610.2
	11	1,850.4	16,563.7	4,070.9	3,107.6	7,722.0	3.4	608.2	1,939.7	5,835.9	1,304.0	43,005.9
	12	1,678.3	17,221.7	4,083.5	3,170.0	7,768.8	3.4	608.0	1,947.2	5,834.0	1,235.6	43,550.3

**Note:**

Central government deposits include transferable and other deposits in the local and foreign currency of BH Institutions, Entity Governments, Entity Social Security Funds and those of Brčko District. Transferable and other deposits of other domestic sectors in domestic and foreign currency represent banks liabilities towards non-central government (canton and municipality governments), public non financial enterprises, private non financial enterprises, other financial institutions and other domestic sectors (households, nonprofit institutions and other non-classified sectors).

Foreign liabilities of commercial banks include banks liabilities to nonresidents based on transferable and other deposits, loans, securities, trade loans and advance payments and other accounts payable. According to a new methodology, loans are presented in liabilities as a separate financial instrument, with which the calculated interest is added.

Shares and other equity comprises equity, retained earnings, current year result, general and special reserves and adjustment/revaluation. Other items (net) are unallocated items of liabilities reduced by the unallocated items of assets. Restricted deposits are also included in other items (net).

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

### T10: Interest Rates on Loans to Households

- in percentages per annum -

		Households																	
		Loans in KM						Loans in KM Indexed to Foreign Currency						Revolving Loans, Overdrafts and Credit Cards* (Loan Facility)*					
		For Housing Purchases			For other Purposes			For Housing Purchases			For other Purposes			Loans in KM		Loans in KM Indexed to Foreign Currency			
Year	Period	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Over 5 Years IRF	Over 10 Years IRF	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Over 5 Years IRF	Over 10 Years IRF	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Over 5 Years IRF	Overdrafts	Credit Card with Extended Credit	Overdrafts		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18		
Weighted monthly averages																			
2018	12	3.454	...	...	...	5.479	5.262	3.637	3.166	3.820	4.022	6.632	5.616	5.469	12.202	14.619	10.880		
2019	12	3.877	4.168	3.395	5.279	5.863	5.580	3.502	3.353	3.826	3.875	6.152	5.637	5.668	12.042	14.674	10.467		
2020	12	3.643	...	...	3.676	5.885	5.845	3.671	4.582	3.902	3.835	5.864	5.678	6.380	11.936	13.606	9.815		
2021	12	3.095	2.861	3.244	4.054	5.377	5.164	3.338	4.570	3.868	3.743	5.375	4.822	5.415	11.773	13.965	9.157		
2022	12	3.903	3.454	3.474	3.596	5.943	5.322	4.384	...	3.811	3.696	5.673	4.842	5.200	11.993	14.129	8.119		
2023	12	4.918	3.695	3.440	3.793	6.329	5.854	4.074	...	4.050	3.844	6.889	5.985	5.951	12.114	14.312	7.110		
2024	12	4.280	3.703	3.541	3.918	6.284	5.335	4.827	5.299	4.304	3.930	6.978	5.960	5.496	10.096	14.336	6.531		
2024	01	4.803	3.681	3.380	3.933	6.957	5.858	4.632	...	4.326	3.850	6.937	5.877	5.941	12.159	14.345	7.020		
	02	4.969	3.448	3.431	3.916	6.743	5.878	4.467	...	4.194	3.900	6.939	5.918	6.074	12.083	14.323	7.015		
	03	4.968	3.489	3.596	3.842	6.717	5.748	4.372	...	4.539	3.806	6.747	6.566	6.022	12.007	14.400	7.001		
	04	5.033	3.349	3.373	3.838	6.085	5.746	4.378	...	4.393	3.970	6.685	6.823	6.021	11.898	14.400	6.985		
	05	...	3.536	3.568	4.014	6.268	5.698	4.087	...	4.142	3.807	6.487	6.378	5.798	11.426	14.402	6.817		
	06	...	3.608	3.521	3.926	6.677	5.747	4.204	...	4.040	3.862	6.943	6.637	5.748	11.226	14.443	6.661		
	07	5.428	3.715	3.725	3.933	6.658	5.831	4.297	...	4.306	3.663	6.996	6.359	5.856	11.133	14.341	6.827		
	08	5.055	3.952	3.672	4.000	6.263	5.851	4.235	...	4.455	3.831	6.880	6.927	5.970	11.129	14.448	6.815		
	09	5.116	3.761	3.779	4.001	6.181	5.882	4.443	...	4.408	4.022	6.967	6.969	5.913	11.074	14.391	6.787		
	10	5.253	3.559	3.664	4.003	6.430	5.566	4.400	...	4.388	3.833	6.934	6.814	5.584	10.980	14.447	6.682		
	11	4.431	3.223	3.637	3.931	6.300	5.524	4.251	...	4.114	4.037	7.061	6.824	5.577	10.484	14.396	6.629		
	12	4.280	3.703	3.541	3.918	6.284	5.335	4.827	5.299	4.304	3.930	6.978	5.960	5.496	10.096	14.336	6.531		
Loan amount (new business)																			
- in KM thousand -																			
2018	12	2,597	...	...	...	66,009	27,336	17,610	155	3,340	9,211	47,731	10,078	27,896	526,750	54,795	85,550		
2019	12	1,242	386	1,042	463	53,829	26,426	21,834	288	4,641	13,531	66,117	8,097	27,474	521,600	58,916	79,533		
2020	12	3,468	...	...	532	39,970	19,333	16,057	265	3,729	5,229	38,688	7,916	19,056	547,793	61,370	112,952		
2021	12	9,615	380	5,576	2,194	47,483	36,773	17,697	412	2,471	4,695	53,132	1,717	9,332	547,070	67,171	102,693		
2022	12	3,424	520	8,644	6,406	24,729	50,661	9,425	...	7,216	12,724	35,988	5,104	9,605	607,534	56,629	114,669		
2023	12	4,100	772	5,807	22,009	12,192	48,969	4,071	...	3,281	16,362	5,350	13,908	8,555	711,407	61,450	191,861		
2024	12	2,665	681	10,741	29,962	20,021	63,795	5,728	482	983	9,822	9,051	11,650	6,242	862,766	65,888	259,334		
2024	01	1,301	618	5,931	18,647	8,307	48,395	4,156	...	2,298	13,433	3,726	2,605	7,063	790,866	60,272	211,418		
	02	1,969	1,055	7,109	23,673	15,437	66,387	3,994	...	2,481	18,750	4,647	2,560	9,971	800,468	58,855	218,763		
	03	2,116	702	7,293	26,117	14,199	76,728	4,564	...	1,074	18,590	7,322	6,162	13,732	814,724	58,776	299,102		
	04	1,519	2,131	7,481	26,766	20,720	77,144	4,280	...	2,125	14,028	11,415	7,627	13,422	822,243	59,216	293,767		
	05	...	1,748	7,102	23,158	12,326	74,705	4,566	...	2,022	15,140	8,644	8,682	14,924	857,252	60,215	298,797		
	06	...	3,585	5,614	22,964	13,093	67,763	7,669	...	4,300	17,738	11,454	4,949	15,054	828,802	57,723	275,590		
	07	1,091	937	7,007	22,769	16,299	72,652	6,898	...	3,679	17,805	10,299	6,128	9,117	853,421	62,218	281,144		
	08	1,511	723	7,457	21,597	14,754	61,731	6,719	...	2,803	13,092	7,977	3,592	4,475	855,183	62,340	287,831		
	09	2,507	849	8,907	26,020	12,447	66,163	6,646	...	1,739	10,502	8,468	5,642	7,368	890,155	62,778	292,697		
	10	1,797	2,729	8,818	26,392	21,692	74,071	6,891	...	2,357	12,077	9,918	4,066	8,095	891,358	64,051	282,517		
	11	3,360	1,486	11,815	27,079	24,102	60,425	6,732	...	1,157	11,663	8,366	4,128	8,288	896,623	64,781	284,137		
	12	2,665	681	10,741	29,962	20,021	63,795	5,728	482	983	9,822	9,051	11,650	6,242	862,766	65,888	259,334		

**Note:**

\*Interest rates in table for revolving loans and credit cards and their amounts refer to the outstanding amounts.

IRF – initial rate fixation

... insufficient data to be published

The interest rate on the revolving loans and credit cards, includes data on credit cards with loan facility. Considering that credit cards with loan facility imply an interest free deferred payment (0% ir), they are not published.

No data for interest rates on loans in foreign currency based on credit cards and overdrafts to households.



## T11: Interest Rates on Loans to Non-Financial Corporations

- in percentages per annum -

		Non-financial Corporations											Revolving Loans and Overdrafts *	
		Loans in KM				Loans in KM Indexed to Foreign Currency								
		Up to an Amount of EUR 0.25 Million	Over an Amount of EUR 0.25 Million and up to EUR 1 Million	Over an Amount of EUR 1 Million	Up to an Amount of EUR 0.25 Million	Over an Amount of EUR 0.25 Million and up to EUR 1 Million	Over an Amount of EUR 1 Million	Up to an Amount of EUR 0.25 Million	Over an Amount of EUR 0.25 Million and up to EUR 1 Million	Over an Amount of EUR 1 Million				
Year	Period	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Floating Interest Rates up to 1 Year IRF	Floating Interest Rates up to 1 Year IRF	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Over 5 Years IRF	Floating Interest Rates up to 1 Year IRF	Over 1 up to 5 Years IRF	Over 5 Years IRF	Floating Interest Rates up to 1 Year IRF	Loans in KM	Loans in KM Indexed to Foreign Currency
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Weighted monthly averages														
2018	12	4.247	4.069	3.100	3.253	4.204	3.910	3.672	3.800	3.321	3.571	4.480	3.497	3.594
2019	12	3.753	4.095	2.881	2.470	4.127	4.166	4.757	3.944	3.161	3.248	4.133	3.167	3.168
2020	12	3.901	3.990	2.871	2.871	4.402	4.013	3.707	4.090	3.566	3.702	3.193	2.940	2.962
2021	12	3.708	4.040	3.058	2.297	4.115	3.358	3.382	3.613	3.018	3.228	3.292	2.852	3.139
2022	12	4.128	4.219	4.006	3.582	5.042	4.782	...	4.471	4.783	5.080	3.817	2.837	3.210
2023	12	4.766	4.651	3.942	4.192	5.340	5.267	...	4.503	4.636	4.840	4.008	2.937	3.610
2024	12	4.700	5.163	4.305	4.933	6.608	6.191	3.989	6.387	4.792	4.066	...	3.012	3.805
2024	01	4.446	4.741	3.264	...	...	5.491	4.705	4.557	...	4.138	4.729	3.046	3.563
	02	4.731	4.933	3.935	...	5.275	5.268	4.513	4.048	4.736	4.834	4.070	3.033	3.598
	03	4.853	4.793	4.035	...	5.521	5.081	...	...	4.022	3.445	...	3.020	3.614
	04	4.958	4.731	4.629	4.947	5.646	5.849	4.705	4.611	4.650	4.431	...	2.994	3.629
	05	4.699	4.898	4.354	...	5.907	5.521	4.490	4.591	4.574	4.031	...	2.879	3.665
	06	4.918	4.773	4.163	5.010	5.998	5.531	4.708	4.692	4.312	4.678	4.879	3.001	3.655
	07	4.860	4.935	4.584	4.364	...	5.720	4.890	...	4.743	4.231	4.729	3.019	3.464
	08	4.978	4.683	4.844	4.339	5.759	5.251	4.922	...	4.026	4.398	...	3.042	3.524
	09	4.784	4.542	4.275	4.014	5.962	5.181	4.932	5.576	4.823	4.677	...	3.040	3.485
	10	4.579	4.882	4.018	4.280	6.088	5.961	4.962	5.840	4.490	4.418	...	3.040	3.498
	11	4.560	4.990	4.128	3.557	6.475	5.175	...	5.893	4.953	4.569	5.356	3.126	3.713
	12	4.700	5.163	4.305	4.933	6.608	6.191	3.989	6.387	4.792	4.066	...	3.012	3.805
Loan amount (new business)													- in KM thousand -	
2018	12	51,404	26,718	62,726	79,085	8,815	14,021	3,637	23,544	11,311	9,906	25,588	2,367,482	686,874
2019	12	64,463	19,573	71,859	51,384	9,787	11,485	2,785	22,801	6,636	7,045	69,916	2,655,796	687,510
2020	12	53,146	15,109	52,781	78,165	13,827	8,360	3,090	20,556	8,376	13,742	83,128	2,649,665	341,675
2021	12	63,293	24,688	79,908	74,493	7,495	9,168	1,528	19,152	5,892	5,801	15,900	2,778,808	198,275
2022	12	37,582	19,350	40,221	11,000	4,913	8,499	-	14,311	4,718	3,588	21,946	2,289,023	99,344
2023	12	27,448	27,538	34,425	32,932	3,001	10,683	-	11,344	12,702	6,992	34,818	2,981,947	79,722
2024	12	30,309	26,354	41,245	139,362	9,652	6,314	2,670	13,176	20,405	10,298	...	3,531,396	29,083
2024	01	19,751	16,099	15,519	...	...	3,920	3,370	7,123	...	2,839	28,976	2,982,959	81,821
	02	26,940	31,415	24,086	...	1,108	10,521	2,392	4,211	3,540	7,137	28,657	3,109,848	76,756
	03	27,396	33,889	28,172	...	4,855	11,725	...	...	10,757	9,175	...	3,211,765	72,568
	04	27,665	41,148	35,924	16,273	3,853	9,259	1,771	11,534	11,357	3,396	...	3,311,015	71,556
	05	22,044	29,371	34,048	...	2,874	7,984	4,102	5,554	8,983	6,438	...	3,343,883	69,455
	06	20,197	30,552	35,691	31,818	2,312	4,997	2,025	11,055	8,430	3,886	9,231	3,405,503	65,561
	07	26,364	35,340	25,928	10,341	...	7,120	2,773	...	6,967	8,914	25,089	3,408,261	60,879
	08	21,312	33,779	17,776	9,212	1,890	6,863	4,744	...	7,833	10,921	...	3,360,760	56,024
	09	25,398	40,083	23,677	9,578	245	10,231	3,716	3,056	4,847	5,267	...	3,416,957	57,195
	10	28,297	31,259	29,718	13,651	1,570	7,918	3,086	7,063	4,042	16,702	...	3,443,427	56,373
	11	21,794	29,643	17,702	10,362	3,234	7,916	...	8,510	8,097	12,794	13,415	3,473,442	46,724
	12	30,309	26,354	41,245	139,362	9,652	6,314	2,670	13,176	20,405	10,298	...	3,531,396	29,083

**Note:**

\* Interest rates in table for revolving loans and credit cards and their amounts refer to outstanding amounts.

IRF – initial rate fixation

... insufficient data to be published

The interest rate on the revolving loans and credit cards, includes data on credit cards with loan facility. Considering that credit cards with loan facility imply an interest free deferred payment (0% ir), they are not published.

No data for interest rates on loans in foreign currency on the basis of credit cards and overdrafts to non-financial corporations.



## T12: Interest Rates on Deposits of Households

- percentages per annum -

		Households									
		Deposits in KM				Deposits in EUR and deposits in KM with a currency clause linked to EUR				Deposits in foreign currency (except EUR) and deposits in KM with a currency clause linked to a foreign currency (except EUR)	
		With Agreed Maturity				With Agreed Maturity					
Year	Period	Up to 1 Year Maturity	Over 1 and up to 2 Years Maturity	Over 2 Years Maturity	Overnight Deposits *	Up to 1 Year Maturity	Over 1 and up to 2 Years Maturity	Over 2 Years Maturity	Overnight Deposits *	With Agreed Maturity	Overnight Deposits *
1	2	3	4	5	6	7	8	9			
Weighted monthly averages											
2018	12	0.344	1.262	1.448	0.053	0.252	1.368	1.658	0.055	1.036	0.042
2019	12	0.299	1.137	1.232	0.061	0.378	1.158	1.570	0.051	0.944	0.040
2020	12	0.178	1.027	1.139	0.070	0.176	1.155	1.273	0.049	0.525	0.035
2021	12	0.098	0.466	0.619	0.045	0.231	0.945	0.930	0.055	0.208	0.031
2022	12	0.521	0.905	1.534	0.046	0.370	1.128	1.743	0.046	0.155	0.027
2023	12	0.630	1.846	1.913	0.044	1.316	2.472	2.736	0.046	0.869	0.021
2024	12	1.216	2.026	2.398	0.045	1.630	2.481	2.374	0.044	1.210	0.020
2024	01	0.636	1.651	1.849	0.045	1.071	2.413	2.395	0.046	0.883	0.021
	02	0.654	1.772	1.943	0.044	1.391	2.487	2.691	0.045	0.846	0.021
	03	0.616	1.632	2.157	0.044	1.314	2.316	2.477	0.045	0.945	0.020
	04	0.649	1.874	2.264	0.043	1.552	2.357	2.324	0.045	1.064	0.020
	05	0.781	1.757	2.374	0.043	1.532	2.342	2.600	0.045	1.065	0.020
	06	0.734	1.665	2.045	0.044	1.315	2.164	2.194	0.045	1.023	0.020
	07	0.792	1.774	2.088	0.043	1.283	2.258	2.357	0.045	1.105	0.020
	08	0.837	1.880	2.372	0.043	1.238	2.222	2.387	0.044	1.058	0.020
	09	0.936	1.924	2.042	0.044	1.215	2.377	2.390	0.044	1.225	0.020
	10	1.089	1.956	2.143	0.045	1.338	2.399	2.433	0.044	1.496	0.020
	11	1.150	2.050	2.247	0.045	1.264	2.432	2.470	0.045	1.214	0.020
	12	1.216	2.026	2.398	0.045	1.630	2.481	2.374	0.044	1.210	0.020
Deposit amount (new business)											- in KM thousand -
2018	12	13,211	26,379	34,047	3,938,041	9,431	50,050	73,670	1,482,740	4,001	319,831
2019	12	16,084	22,228	28,581	4,537,961	10,740	44,538	70,124	1,658,352	4,723	345,752
2020	12	7,866	35,574	21,887	5,176,206	6,995	40,426	37,131	1,952,225	4,433	368,081
2021	12	8,431	17,683	15,228	6,218,427	9,432	33,280	38,855	2,151,732	1,896	444,055
2022	12	5,877	7,610	14,596	6,498,743	23,362	39,664	39,759	2,655,705	1,157	537,828
2023	12	7,120	29,097	38,640	7,972,376	47,412	94,123	115,713	2,796,667	3,869	600,628
2024	12	19,477	37,253	24,011	9,203,118	17,189	87,639	48,321	2,770,555	1,492	665,169
2024	01	4,543	13,609	19,136	8,021,733	18,488	69,782	59,154	2,781,558	2,907	615,440
	02	3,714	30,436	22,551	8,249,868	25,293	73,099	97,862	2,765,205	6,875	604,985
	03	3,845	15,643	16,278	8,449,209	11,431	63,415	58,673	2,801,773	7,627	602,049
	04	12,823	35,237	34,986	8,612,036	28,316	82,214	39,144	2,791,710	2,650	603,335
	05	6,354	22,081	13,270	8,485,198	9,718	57,179	37,441	2,695,397	5,346	602,182
	06	6,891	23,227	10,964	8,610,160	7,580	48,479	21,785	2,701,880	1,469	615,696
	07	9,880	32,182	10,411	8,668,974	10,097	60,173	45,066	2,700,803	2,611	618,874
	08	7,155	18,496	26,223	8,770,363	13,890	62,869	44,296	2,715,447	3,120	621,871
	09	7,982	17,118	18,032	8,635,366	9,760	71,530	34,643	2,685,780	3,508	630,727
	10	14,398	20,277	15,121	8,706,895	20,202	98,808	37,985	2,712,664	3,387	645,584
	11	6,593	24,030	16,414	8,798,750	9,597	84,589	39,102	2,731,344	1,340	647,236
	12	19,477	37,253	24,011	9,203,118	17,189	87,639	48,321	2,770,555	1,492	665,169

## Note:

Corrected names in the header of the table for interest rates on household deposits retroactively starting from the data for June 2020, as given in the explanation:

-from June 2020 Deposits in KM, until June 2020 Deposits in KM and deposits in KM with currency clause

-from June 2020 Deposits in EUR and deposits in KM with a currency clause linked to EUR, until June 2020 Deposits in EUR

-from June 2020 Deposits in foreign currency (except EUR) and deposits in KM with a currency clause linked to a foreign currency (except EUR), until June 2020 Deposits in foreign currency (not including deposits in EUR).

Other elements of the header names of the specified tables remain the same as the data in the columns.

\*Interest rates on overnight deposits and their amounts refer to the outstanding amounts.

Interest rates on deposit with agreed maturity and their amounts refer to new business.

## T13: Interest Rates on Deposits of Non-financial Corporations

- percentages per annum -

Non-financial Corporations										
Year	Period	Deposits in KM				Deposits in EUR and deposits in KM with a currency clause linked to EUR				Deposits in foreign currency (except EUR) and deposits in KM with a currency clause linked to a foreign currency (except EUR)
		with Agreed Maturity		Overnight Deposits *	with Agreed Maturity		Overnight Deposits *	Overnight Deposits *	Overnight Deposits *	
		Up to 1 Year Maturity	Over 1 and up to 2 Years Maturity		up to 1 Year Maturity	Over 1 and up to 2 Years Maturity				
1	2	13	14	15	16	17	18	19	20	21
Weighted monthly averages										
2018	12	0.706	1.137	1.958	0.082	1.003	0.973	...	0.027	0.043
2019	12	0.445	1.229	1.491	0.031	0.864	1.012	1.305	0.029	0.028
2020	12	0.922	1.358	1.474	0.028	0.372	1.267	1.218	0.010	0.025
2021	12	0.234	0.244	...	0.018	0.434	0.305	0.953	0.006	0.043
2022	12	0.350	1.059	1.289	0.051	0.455	1.209	1.503	0.005	0.032
2023	12	0.564	1.741	1.776	0.053	1.031	1.580	2.734	0.010	0.030
2024	12	1.455	2.162	2.745	0.078	1.743	2.426	3.017	0.014	0.036
2024	01	0.587	1.652	1.953	0.058	0.796	1.940	3.134	0.010	0.031
	02	0.528	1.870	2.115	0.051	1.391	2.108	2.633	0.012	0.029
	03	0.625	1.863	1.980	0.059	1.692	1.963	2.428	0.011	0.032
	04	0.665	1.857	2.275	0.069	1.638	2.023	2.758	0.009	0.035
	05	0.537	1.958	2.241	0.073	1.752	2.419	2.656	0.011	0.035
	06	0.719	2.011	2.297	0.072	1.610	2.415	2.678	0.011	0.032
	07	0.606	2.326	2.355	0.069	1.793	2.545	2.760	0.012	0.033
	08	0.703	2.371	2.088	0.071	1.668	2.759	2.794	0.012	0.033
	09	0.697	2.162	2.067	0.077	1.571	2.420	2.781	0.012	0.034
	10	0.931	2.013	2.020	0.078	1.422	2.605	2.816	0.012	0.038
	11	1.084	2.014	2.026	0.076	1.953	2.761	2.660	0.012	0.038
	12	1.455	2.162	2.745	0.078	1.743	2.426	3.017	0.014	0.036
Deposit amount (new business)										- in KM thousand -
2018	12	54,947	9,121	39,381	3,229,644	10,788	3,815	...	741,850	64,148
2019	12	36,636	31,437	16,943	3,552,249	7,182	23,959	2,265	709,023	86,536
2020	12	22,325	20,927	14,571	3,753,355	7,259	117,688	8,458	919,880	130,453
2021	12	13,950	9,133	...	4,768,468	24,403	25,153	25,554	1,158,011	89,918
2022	12	25,805	5,906	5,436	4,653,682	28,241	52,781	25,400	1,270,533	238,166
2023	12	25,704	14,739	22,071	5,520,447	12,137	12,546	6,764	1,466,316	176,691
2024	12	55,088	32,109	8,177	6,182,214	34,013	13,284	64,240	1,468,883	154,625
2024	01	26,532	5,381	4,362	5,600,304	1,703	15,653	22,297	1,683,226	156,747
	02	4,669	10,342	22,434	5,539,393	34,573	55,911	7,850	1,563,019	164,735
	03	17,094	40,315	10,926	5,452,922	19,479	40,739	8,156	1,456,329	152,061
	04	26,490	13,698	21,381	5,365,431	72,201	33,570	23,391	1,568,283	155,382
	05	4,343	23,408	15,312	5,516,163	21,989	29,509	15,998	1,570,953	177,469
	06	11,302	5,347	8,431	5,521,252	13,463	61,353	2,353	1,572,776	177,010
	07	16,120	2,641	11,207	5,786,225	25,564	40,480	47,075	1,628,649	167,939
	08	9,437	9,509	14,531	5,919,722	6,720	36,177	4,546	1,521,426	189,132
	09	55,655	15,865	1,107	5,824,225	4,341	13,465	14,634	1,500,809	185,954
	10	23,247	7,818	230	5,937,949	115,740	22,994	2,264	1,438,801	178,895
	11	4,810	8,609	6,314	5,890,866	34,028	22,565	4,087	1,557,863	166,241
	12	55,088	32,109	8,177	6,182,214	34,013	13,284	64,240	1,468,883	154,625

**Note:**

Corrected names in the header of the table for interest rates on household deposits retroactively starting from the data for June 2020, as given in the explanation:

-from June 2020 Deposits in KM, until June 2020 Deposits in KM and deposits in KM with currency clause

-from June 2020 Deposits in EUR and deposits in KM with a currency clause linked to EUR, until June 2020 Deposits in EUR

-from June 2020 Deposits in foreign currency (except EUR) and deposits in KM with a currency clause linked to a foreign currency (except EUR), until June 2020 Deposits in foreign currency (not including deposits in EUR).

Other elements of the header names of the specified tables remain the same as the data in the columns.

\* Interest rates on overnight deposits and their amounts refer to the outstanding amounts.

Interest rates on deposit with agreed maturity and their amounts refer to new business.

- end of period, in KM million -

Year	Month	Deposits			Loans		
		Transferable Deposits	Other Deposits	Total Deposits	Short - term Loans	Long - term Loans	Total Loans
1	2	3	4	5(3+4)	6	7	8(6+7)
2015	12	7,038.7	9,492.1	16,530.8	4,164.9	12,701.9	16,866.8
2016	12	8,056.6	9,695.5	17,752.1	4,152.6	13,048.5	17,201.1
2017	12	9,558.1	10,111.0	19,669.1	4,261.5	14,160.9	18,422.4
2018	12	11,318.5	10,431.3	21,749.8	4,289.8	15,196.1	19,485.8
2019	12	12,566.6	11,253.8	23,820.4	4,651.2	16,121.5	20,772.8
2020	12	13,851.5	11,130.7	24,982.2	4,295.1	16,052.3	20,347.4
2021	12	16,762.9	11,069.7	27,832.6	4,396.9	16,680.4	21,077.3
2022	12	18,710.9	10,518.3	29,229.2	4,623.0	17,445.0	22,068.0
2023	12	20,060.8	11,066.0	31,126.8	4,998.2	18,525.8	23,524.1
2024	12	22,298.1	11,572.7	33,870.8	5,255.5	20,570.2	25,825.7
2024	01	20,198.6	11,047.0	31,245.6	4,739.1	18,727.8	23,466.9
	02	20,299.3	11,084.0	31,383.3	4,821.1	18,843.3	23,664.4
	03	20,756.8	11,027.7	31,784.5	4,966.8	19,082.2	24,049.0
	04	20,872.7	11,045.0	31,917.7	5,057.1	19,216.7	24,273.8
	05	20,843.7	11,034.6	31,878.3	5,098.6	19,432.4	24,531.0
	06	20,835.8	11,161.0	31,996.8	5,136.4	19,674.8	24,811.3
	07	21,323.4	11,186.1	32,509.5	5,115.1	19,904.5	25,019.7
	08	21,408.7	11,239.3	32,648.0	5,089.9	19,964.7	25,054.5
	09	21,495.7	11,338.9	32,834.5	5,172.0	20,041.6	25,213.6
	10	21,541.5	11,486.8	33,028.3	5,165.9	20,202.6	25,368.4
	11	21,746.0	11,517.2	33,263.2	5,153.5	20,421.6	25,575.1
	12	22,298.1	11,572.7	33,870.8	5,255.5	20,570.2	25,825.7

**Note:**

Total deposits represent liabilities of commercial banks of BH towards all domestic institutional sectors in domestic and foreign currency. Total loans represent claims of commercial banks of BH on all institutional sectors, in domestic and foreign currency.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

T15: Structure of Transferable Deposits in Commercial Banks by Sectors

- end of period, in KM million -

DEPOSITS OF ALL DOMESTIC INSTITUTIONAL SECTORS													
Year	Month	Deposits of BH Institutions	Entity Governments' Deposits	Deposits of Cantonal Governments	Deposits of Municipal Governments	Deposits of Social Security Funds	Deposits of Other Financial Institutions	Deposits of Non-financial Public Enterprises	Deposits of Non-financial Private Enterprises	Deposits of Non-profit Organisations	Deposits of Households	Other Deposits	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14 = 3+...+13
2015	12	102.2	468.3	312.0	209.3	33.9	198.7	498.8	2,104.8	245.0	2,841.6	24.2	7,038.7
2016	12	94.9	520.2	399.6	255.6	58.1	190.1	523.9	2,313.6	251.1	3,431.4	18.0	8,056.6
2017	12	150.8	612.8	575.2	305.9	130.0	230.2	618.1	2,775.5	281.5	3,858.3	19.6	9,558.1
2018	12	122.8	932.2	691.9	365.7	261.0	273.7	724.0	3,095.3	303.2	4,523.7	24.9	11,318.5
2019	12	122.1	885.8	823.8	395.1	323.9	284.6	684.7	3,437.2	345.1	5,242.8	21.5	12,566.6
2020	12	133.4	906.1	801.9	398.1	129.5	362.7	764.6	4,018.1	406.7	5,892.3	38.1	13,851.5
2021	12	98.1	1,124.7	1,211.6	588.1	157.3	395.3	1,014.7	4,765.2	451.2	6,917.3	39.3	16,762.9
2022	12	199.5	1,303.6	1,454.8	683.5	144.2	454.1	1,059.6	5,388.2	485.0	7,510.0	28.5	18,710.9
2023	12	167.1	819.9	1,608.4	692.2	51.9	279.9	965.3	6,043.9	553.9	8,840.8	37.5	20,060.8
2024	12	183.6	737.1	1,730.1	720.9	72.3	293.6	961.4	6,763.0	653.3	10,142.0	40.9	22,298.1
2024	01	210.0	787.6	1,472.6	668.7	44.7	263.9	1,089.9	6,170.9	584.4	8,868.6	37.2	20,198.6
	02	280.6	845.9	1,480.5	678.7	40.2	278.9	978.6	6,072.2	585.2	9,024.9	33.6	20,299.3
	03	235.2	1,168.3	1,549.1	698.2	40.7	272.5	958.2	5,970.1	595.3	9,234.3	34.9	20,756.8
	04	270.6	1,039.1	1,590.5	698.8	49.7	260.2	1,001.8	5,919.6	616.1	9,394.9	31.5	20,872.7
	05	220.4	1,043.1	1,586.6	696.5	47.2	293.1	1,016.3	6,110.2	613.1	9,183.6	33.6	20,843.7
	06	194.7	987.5	1,560.4	704.8	22.0	308.7	906.5	6,191.2	585.3	9,337.2	37.6	20,835.8
	07	247.0	942.7	1,557.2	716.4	47.4	315.2	989.5	6,469.0	606.1	9,393.0	39.9	21,323.4
	08	204.2	918.6	1,556.9	712.1	41.2	308.2	1,016.6	6,490.7	598.4	9,519.3	42.7	21,408.7
	09	194.3	806.7	1,601.0	778.6	33.8	374.3	948.6	6,496.7	619.4	9,591.2	51.1	21,495.7
	10	212.2	838.5	1,578.5	760.5	38.8	315.1	990.5	6,472.9	611.5	9,683.6	39.4	21,541.5
	11	192.5	873.0	1,598.7	740.5	45.9	316.8	942.4	6,593.6	609.1	9,789.0	44.4	21,746.0
	12	183.6	737.1	1,730.1	720.9	72.3	293.6	961.4	6,763.0	653.3	10,142.0	40.9	22,298.1

**Note:**

Transferable deposits are available on demand without restrictions and charges, directly useable for payments to third parties, special savings accounts from which funds may be transferred to transferable deposits.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

- end of period, in KM million -

DEPOSITS OF ALL DOMESTIC INSTITUTIONAL SECTORS													
Year	Month	Deposits of BH Institutions	Entity Governments' Deposits	Deposits of Cantonal Governments	Deposits of Municipal Governments	Deposits of Social Security Funds	Deposits of Other Financial Institutions	Deposits of Non-financial Public Enterprises	Deposits of Non-financial Private Enterprises	Deposits of Nonprofit Organisations	Deposits of Households	Other Deposits	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14 = 3+...+13
2015	12	129.7	224.7	25.0	36.3	31.9	693.0	688.7	501.9	120.7	7,023.2	17.0	9,492.1
2016	12	73.4	226.3	26.4	22.3	34.7	771.4	695.9	474.2	123.4	7,229.7	17.6	9,695.5
2017	12	116.6	243.8	24.3	34.4	22.9	816.8	766.7	554.4	102.6	7,412.8	15.7	10,111.0
2018	12	62.6	267.5	41.9	37.4	16.7	873.7	758.4	627.8	95.7	7,622.7	26.9	10,431.3
2019	12	51.7	582.1	90.8	51.2	28.8	870.8	826.0	615.4	102.4	7,998.1	36.6	11,253.8
2020	12	85.7	725.0	30.1	25.4	28.8	768.5	791.5	688.8	93.3	7,868.4	25.3	11,130.7
2021	12	38.0	714.1	33.6	24.0	29.7	764.3	789.4	770.1	91.9	7,778.2	36.4	11,069.7
2022	12	81.1	636.0	46.8	35.7	23.7	741.7	954.4	756.7	88.4	7,065.4	88.4	10,518.3
2023	12	70.7	660.7	58.9	36.3	133.1	758.1	929.7	1,044.5	91.5	7,217.9	64.6	11,066.0
2024	12	72.8	438.4	62.7	16.8	122.8	781.6	1,035.1	1,340.2	107.3	7,509.3	85.7	11,572.7
2024	01	57.8	651.6	76.5	37.3	136.6	758.1	875.0	1,050.6	90.9	7,248.5	64.2	11,047.0
	02	48.0	532.1	76.1	37.2	121.4	734.9	1,030.0	1,022.0	92.1	7,327.4	62.8	11,084.0
	03	40.6	415.2	74.4	36.7	118.2	740.4	1,080.6	1,041.8	87.2	7,330.9	61.7	11,027.7
	04	36.1	421.7	78.7	15.9	117.7	747.0	1,027.8	1,117.5	88.9	7,332.5	61.2	11,045.0
	05	30.4	415.6	79.4	18.5	116.4	741.6	1,021.3	1,119.1	89.6	7,318.2	84.7	11,034.6
	06	43.8	418.6	88.3	17.9	126.0	743.5	1,099.2	1,137.4	94.8	7,306.0	85.5	11,161.0
	07	168.2	423.1	89.1	20.6	128.5	769.6	979.3	1,125.4	93.6	7,308.2	80.6	11,186.1
	08	154.4	430.8	87.5	19.8	127.7	766.8	988.9	1,152.1	95.1	7,335.1	81.1	11,239.3
	09	152.5	432.0	87.7	18.1	123.6	755.2	1,006.9	1,226.8	105.0	7,346.2	84.7	11,338.9
	10	138.0	425.2	88.6	18.6	129.5	761.4	1,005.5	1,310.4	104.1	7,424.4	81.1	11,486.8
	11	113.5	436.7	77.0	18.7	137.4	771.6	1,006.9	1,315.9	104.5	7,449.1	86.0	11,517.2
	12	72.8	438.4	62.7	16.8	122.8	781.6	1,035.1	1,340.2	107.3	7,509.3	85.7	11,572.7

**Note:**

Other deposits allow automatic withdrawals of funds but not payment to third parties, time and savings deposits, other deposits-other.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

T17: Structure of Short-Term Loans of Commercial Banks by Sectors

- end of period, in KM million -

LOANS TO DOMESTIC INSTITUTIONAL SECTORS													
Year	Month	Loans to BH Institutions	Loans to Entity Governments	Loans to Cantonal Governments	Loans to Municipal Governments	Loans to Social Security Funds	Loans to Other Financial Institutions	Loans to Non-financial Public Enterprises	Loans to Non-financial Private Enterprises	Loans to Non-profit Organizations	Loans to Households	Other Loans	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14 = 3+...+13
2015	12	0.0	72.0	4.8	22.0	39.4	28.3	86.4	2,944.8	4.2	937.0	26.0	4,164.9
2016	12	0.0	48.0	1.6	19.8	8.5	27.2	90.4	3,030.0	7.2	904.9	14.9	4,152.6
2017	12	0.0	44.3	1.4	15.7	7.8	33.8	73.2	3,163.2	10.2	896.4	15.4	4,261.5
2018	12	0.0	60.2	1.1	12.8	4.3	40.6	89.6	3,151.5	6.2	911.3	12.1	4,289.8
2019	12	0.0	17.3	0.1	12.5	2.0	49.3	104.1	3,537.7	6.8	919.8	1.7	4,651.2
2020	12	0.0	19.0	0.1	16.7	5.7	33.7	103.4	3,282.5	10.8	821.8	1.3	4,295.1
2021	12	1.6	53.2	1.4	25.0	4.3	48.4	101.7	3,341.1	9.2	810.1	0.8	4,396.9
2022	12	0.1	52.2	1.7	15.7	4.8	41.6	176.7	3,503.1	12.7	813.2	1.4	4,623.0
2023	12	3.0	52.9	0.7	13.2	7.2	51.8	185.1	3,813.2	14.9	854.7	1.6	4,998.2
2024	12.	3.8	59.6	3.0	16.2	3.6	59.3	199.8	4,040.5	8.2	859.6	1.9	5,255.5
2024	01	3.0	53.3	1.2	14.1	7.1	50.7	117.8	3,626.7	13.7	850.9	0.7	4,739.1
	02	3.1	52.9	2.4	12.9	6.8	47.1	108.4	3,733.4	13.4	840.0	0.8	4,821.1
	03	3.2	54.7	1.9	15.0	6.6	65.3	119.7	3,831.0	13.6	854.6	1.3	4,966.8
	04	3.2	52.7	1.9	15.1	6.4	60.1	111.4	3,952.7	14.3	838.4	0.8	5,057.1
	05	3.3	46.0	2.2	15.0	6.2	52.2	121.1	3,985.4	15.6	850.9	0.8	5,098.6
	06	3.4	52.8	2.9	15.5	6.0	47.3	126.5	4,020.7	8.4	850.2	2.8	5,136.4
	07	3.4	52.8	2.8	15.4	5.8	42.9	127.5	3,986.2	9.0	867.4	2.1	5,115.1
	08	3.5	31.1	2.8	15.5	5.6	49.2	122.8	3,977.1	8.9	871.4	2.1	5,089.9
	09	3.6	45.9	2.8	17.4	5.4	47.3	122.5	4,038.4	7.9	878.9	2.1	5,172.0
	10	3.6	38.4	3.6	17.2	5.1	40.3	112.7	4,066.9	7.1	869.3	1.6	5,165.9
	11	3.7	31.6	3.0	16.7	4.9	45.8	120.5	4,042.0	8.4	874.8	2.0	5,153.5
	12.	3.8	59.6	3.0	16.2	3.6	59.3	199.8	4,040.5	8.2	859.6	1.9	5,255.5

**Note:**

Short – terms loans represent claims of commercial banks on all domestic institutional sectors up to one year, in domestic and foreign currency.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

T18: Structure of Long -Term Loans of Commercial Banks by Sectors

- end of period, in KM million -

LOANS TO ALL DOMESTIC INSTITUTIONAL SECTORS													
Year	Month	Loans to BH Institutions	Loans to Entity Governments	Loans to Cantonal Governments	Loans to Municipal Governments	Loans to Social Security Funds	Loans to other Financial Institutions	Loans to Nonfinancial Public Enterprises	Loans to Non-financial Private Enterprises	Loans to Non-profit Organizations	Loans to Households	Other Loans	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14 = 3+...+13
2015	12	0.0	418.3	225.5	281.7	99.0	31.8	310.3	4,473.4	12.5	6,847.2	2.2	12,701.9
2016	12	0.0	295.5	231.5	262.0	95.7	25.2	281.5	4,673.3	11.9	7,171.4	0.5	13,048.5
2017	12	0.0	333.7	207.8	276.3	79.5	49.6	328.4	5,156.5	11.6	7,717.3	0.2	14,160.9
2018	12	0.0	328.5	185.7	279.4	169.9	85.0	331.7	5,471.5	14.1	8,330.0	0.4	15,196.1
2019	12	0.0	399.2	168.6	301.0	197.5	95.3	393.5	5,496.3	13.8	9,055.8	0.5	16,121.5
2020	12	11.6	403.1	142.1	357.4	205.5	111.1	432.3	5,305.9	9.7	9,073.0	0.7	16,052.3
2021	12	14.5	353.7	185.8	350.9	189.8	104.3	409.0	5,435.7	11.1	9,625.4	0.2	16,680.4
2022	12	8.8	306.5	202.1	365.2	165.8	118.4	449.5	5,652.4	10.7	10,165.2	0.4	17,445.0
2023	12	3.0	230.7	266.1	360.3	173.3	154.2	432.0	5,954.5	19.7	10,931.3	0.9	18,525.8
2024.	12.	0.0	256.3	301.2	424.8	223.9	216.5	497.0	6,608.0	21.8	12,020.1	0.6	20,570.2
2024	01	2.9	229.1	263.7	357.0	170.8	148.4	489.6	6,087.4	19.4	10,958.5	0.8	18,727.8
	02	2.8	225.3	261.2	355.2	166.6	149.6	486.5	6,126.5	20.2	11,048.7	0.8	18,843.3
	03	2.7	247.0	256.6	363.6	163.6	154.4	477.9	6,225.6	19.4	11,170.7	0.8	19,082.2
	04	2.6	243.7	254.9	365.7	160.7	157.7	468.4	6,242.9	19.3	11,300.1	0.7	19,216.7
	05	0.0	242.4	253.1	379.6	178.1	167.2	458.3	6,319.5	19.0	11,414.4	0.8	19,432.4
	06	0.0	236.4	247.0	390.6	175.6	197.5	451.0	6,426.7	27.2	11,522.2	0.8	19,674.8
	07	0.0	263.9	246.1	410.0	208.1	199.0	464.6	6,456.5	26.0	11,629.6	0.7	19,904.5
	08	0.0	260.1	245.6	415.4	220.4	193.5	454.0	6,445.8	25.0	11,704.2	0.7	19,964.7
	09	0.0	253.0	239.4	425.3	222.3	197.9	449.1	6,444.6	24.2	11,785.1	0.7	20,041.6
	10	0.0	246.0	286.6	423.9	238.3	197.7	445.4	6,450.3	23.0	11,890.8	0.6	20,202.6
	11	0.0	260.1	305.2	422.7	235.0	216.0	453.8	6,548.4	22.2	11,957.7	0.6	20,421.6
	12.	0.0	256.3	301.2	424.8	223.9	216.5	497.0	6,608.0	21.8	12,020.1	0.6	20,570.2

**Note:**

Long – terms loans represent claims of commercial banks on all domestic institutional sectors over one year in domestic and foreign currency.

Since January 2019, the currency structure of financial instruments (loans, deposits, securities) presented originally in KM and indexed in foreign currency has been reclassified from local currency positions to foreign currency positions in monetary statistics reports according to the recommendations from the IMF Manual and Monetary and Financial Statistics Compilation Guide from 2016.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

**T19: Purchase and Sale of Convertible Mark****- in KM thousand -**

Year	Month	Sale	Purchase	Balance	Cumulative Balance
1	2	3	4	5(3-4)	6
2015		5,470,552	4,699,060	771,492	7,599,818
2016		7,485,849	6,622,039	863,811	8,463,629
2017		8,476,378	7,421,186	1,055,192	9,518,821
2018		10,792,432	9,780,514	1,011,918	10,530,740
2019		11,385,556	10,533,525	852,031	11,382,771
2020		11,344,462	10,184,558	1,159,904	12,542,676
2021		9,872,890	7,399,673	2,473,217	15,015,893
2022		6,291,277	6,075,689	215,588	15,231,481
2023		10,891,324	11,128,647	-237,323	14,994,158
2024		16,579,730	16,327,122	252,608	15,246,766
2024	01	923,995	1,476,724	-552,729	14,441,428
	02	1,268,309	1,146,704	121,605	14,563,034
	03	1,261,289	1,290,283	-28,994	14,534,040
	04	1,197,819	1,346,211	-148,392	14,385,648
	05	1,080,066	1,255,863	-175,797	14,209,851
	06	1,500,904	1,006,172	494,732	14,704,583
	07	1,308,750	1,433,509	-124,759	14,579,825
	08	1,589,906	1,394,415	195,492	14,775,316
	09	1,434,881	1,279,883	154,998	14,930,314
	10	1,690,986	1,608,684	82,302	15,012,616
	11	1,529,848	1,561,822	-31,974	14,980,641
	12	1,792,977	1,526,852	266,125	15,246,766



**T20: Average Reserve Requirements****- in KM thousand -**

Year	Month	Base for Required Reserve Calculation*	Average Reserve Requirement	Average Balance on the Required Reserve Accounts with the CBBH	Balance
1	2	3	4	5	6=5-4
2015		16,664,525	1,432,593	3,770,500	2,337,907
2016		18,494,243	1,734,081	4,057,613	2,323,532
2017		21,224,853	2,122,485	4,303,340	2,180,855
2018		23,537,084	2,353,708	5,205,234	2,851,526
2019		25,752,968	2,575,297	5,589,021	3,013,724
2020		26,950,173	2,695,017	5,409,751	2,714,733
2021		28,677,192	2,867,719	6,302,482	3,434,762
2022		30,175,606	3,017,561	6,694,300	3,676,739
2023		31,917,917	3,191,792	6,209,280	3,017,489
2024		34,288,506	3,428,851	5,868,504	2,439,654
2024	01	33,155,290	3,315,529	6,099,126	2,783,596
	02	33,258,883	3,325,888	6,067,446	2,741,558
	03	33,426,731	3,342,673	6,118,268	2,775,595
	04	33,702,390	3,370,239	5,868,899	2,498,660
	05	33,811,734	3,381,173	5,775,844	2,394,670
	06	33,795,446	3,379,545	5,750,648	2,371,104
	07	34,366,614	3,436,661	5,710,881	2,274,219
	08	34,837,268	3,483,727	5,813,333	2,329,606
	09	35,000,753	3,500,075	5,863,661	2,363,586
	10	35,088,969	3,508,897	5,662,527	2,153,630
	11	35,310,747	3,531,075	5,727,856	2,196,781
	12	35,707,247	3,570,725	5,963,562	2,392,837

**Note:**

The Central Bank of Bosnia and Herzegovina (CBBH) made a Decision on increase of remuneration paid to commercial banks on required reserve, with purpose of harmonisation with the European Central Bank (ECB) policy and mitigating the impact of the ECB benchmark interest rate growth on bank operations in BH. According to this Decision, commercial banks will be remunerated at the rate of 50 basis points (0.50%) on required reserve holdings with the base in local currency KM, and at the rate of 30 basis points (0.30%) on required reserve holdings with the base in foreign currencies and local currency with currency indexation. Remuneration will not be paid for holdings exceeding reserve requirement. When making a CBBH decision on required reserve, all relevant factors were considered, including decisions of the ECB, and trends of key macroeconomic and financial sector indicators, taking care primarily of the currency board stability. The Decision will be applied from 01 July 2023.

From 1 July 2016, the required reserves rate applied by the CBBH to the base for calculation of required reserves is 10%.

From 1 July 2016, the CBBH applies the new rates for the calculation of fees to the funds in the banks' reserves accounts: in the accounting period, the Central Bank does not charge a fee on the amount of required reserves in commercial banks' reserves accounts, and on the amount of excess reserves, the CBBH charges the fee at the rate equal to 50% of the rate applied to commercial banks' deposits (deposit facility rate) by the European Central Bank.

From 01 May 2015, the Central Bank has calculated the compensation for a bank on the amount of the bank's funds in the reserve account with the Central Bank in the calculation period, as it follows:

-on the reserve requirement amount – the average of EONIA recorded in the same period on the market reduced by 10 basis points, or minimum zero,

-on the amount of the funds exceeding the reserve requirement – zero rate of compensation.

The zero rate of compensation on the reserve requirement is applied in case the average EONIA decreased by 10 basis points has a negative value.

From 1 September 2014, the remuneration rate has been calculated on the basis of the weighted average interest rate which was earned by the Central Bank of BH on the market in the same period on deposits invested up to a month; and 70% is calculated on the amount of required reserve or minimum 0, while 90% of the mentioned rate is calculated on the amount of excess reserves or minimum 0.

\*The base for calculation of required reserves includes deposits and borrowed funds in domestic and other currency expressed in KM.

## T21: Payments System Transactions

- in KM million -

Year	Month	RTGS		GYRO CLEARING		TOTAL	
		Number of Transactions	Amount	Number of Transactions	Amount	Number of Transactions	Amount
		3	4	5	6	7=3+5	8=4+6
2015		874,575	70,655	38,212,073	14,451	39,086,648	85,106
2016		935,319	72,876	39,068,883	15,509	40,004,202	88,380
2017		996,043	79,855	40,111,318	16,388	41,107,361	96,243
2018		1,067,256	85,393	41,266,770	17,277	42,334,026	102,670
2019		1,105,320	104,826	42,496,286	18,221	43,601,606	123,056
2020		1,072,023	87,108	42,702,383	18,024	43,774,406	105,132
2021		1,236,315	102,287	46,735,411	20,116	47,971,726	122,403
2022		1,435,980	123,370	48,264,255	22,456	49,700,235	145,825
2023		1,523,992	139,164	49,298,196	23,932	50,822,188	163,096
2024		1,706,358	157,141	51,691,850	25,901	53,398,208	183,042
2024	01	119,586	11,045	3,883,552	1,848	4,003,138	12,893
	02	131,959	11,815	4,149,441	2,018	4,281,400	13,833
	03	135,486	12,244	4,128,819	2,042	4,264,305	14,286
	04	147,625	13,338	4,472,522	2,248	4,620,147	15,586
	05	139,259	12,301	4,272,406	2,104	4,411,665	14,405
	06	135,004	12,755	4,083,930	2,031	4,218,934	14,786
	07	151,789	13,827	4,661,804	2,325	4,813,593	16,152
	08	141,501	13,167	4,216,653	2,166	4,358,154	15,333
	09	141,330	13,155	4,264,088	2,145	4,405,418	15,300
	10	152,821	13,687	4,605,546	2,328	4,758,367	16,015
	11	142,571	12,869	4,199,482	2,162	4,342,053	15,032
	12	167,427	16,937	4,753,607	2,484	4,921,034	19,421

<b>T22: BH Balance of Payments</b>													<b>- in KM million -</b>			
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Q1 2024	Q2 2024	Q3 2024	Q4 2024		
<b>CURRENT ACCOUNT</b>	<b>-1,458</b>	<b>-1,424</b>	<b>-1,520</b>	<b>-1,094</b>	<b>-927</b>	<b>-980</b>	<b>-579</b>	<b>-2,001</b>	<b>-1,157</b>	<b>-2,129</b>	<b>-1,011</b>	<b>-510</b>	<b>-128</b>	<b>-480</b>		
Goods - balance	-7,176	-7,089	-7,417	-7,521	-7,963	-6,268	-7,170	-10,183	-10,259	-11,077	-2,854	-2,919	-3,027	-2,946		
Exports of goods	7,196	7,700	9,341	10,418	10,180	9,423	12,710	16,368	15,507	14,992	3,518	3,852	3,825	3,992		
Imports of goods	14,372	14,789	16,758	17,940	18,143	15,691	19,880	26,551	25,766	26,069	6,372	6,771	6,853	6,938		
Services - balance	1,951	2,118	2,329	2,612	2,797	1,636	2,827	3,983	4,391	4,395	795	1,056	1,445	1,108		
Exports of services	2,962	3,168	3,484	3,832	4,149	2,590	4,053	5,669	6,424	6,478	1,212	1,601	2,309	1,628		
Imports of services	1,012	1,051	1,154	1,220	1,352	954	1,226	1,686	2,033	2,083	417	546	864	520		
Primary income - balance	195	41	-263	-195	-60	-192	-499	-598	-288	-193	-57	-26	42	-120		
Credit	929	929	969	1,026	1,197	935	1,193	1,437	1,948	2,107	554	610	606	592		
Debit	734	889	1,233	1,221	1,258	1,128	1,692	2,034	2,236	2,300	611	635	563	712		
Secondary income - balance	3,573	3,507	3,831	4,010	4,299	3,844	4,263	4,798	4,999	5,055	1,106	1,379	1,412	1,478		
Credit	3,909	3,852	4,192	4,404	4,711	4,277	4,727	5,305	5,625	5,717	1,290	1,568	1,586	1,647		
Debit	336	345	362	394	412	433	464	508	626	662	185	189	174	169		
<b>CAPITAL ACCOUNT</b>	<b>364</b>	<b>300</b>	<b>342</b>	<b>305</b>	<b>384</b>	<b>361</b>	<b>350</b>	<b>325</b>	<b>323</b>	<b>334</b>	<b>81</b>	<b>88</b>	<b>105</b>	<b>86</b>		
Credit	364	300	342	311	386	369	354	328	330	340	83	89	106	87		
Debit	0	0	0	6	2	8	4	4	8	7	2	2	2	2		
<b>FINANCIAL ACCOUNT</b>	<b>-885</b>	<b>-817</b>	<b>-898</b>	<b>-801</b>	<b>-590</b>	<b>-878</b>	<b>-159</b>	<b>-1,555</b>	<b>-416</b>	<b>-873</b>	<b>-813</b>	<b>-663</b>	<b>127</b>	<b>-182</b>		
Direct investment	-509	-550	-717	-960	-739	-699	-1,098	-1,429	-1,689	-1,737	-561	-335	-511	-487		
Net acquisition of financial assets	167	5	173	32	38	138	150	146	183	229	32	60	3	49		
Net incurrence of liabilities	675	555	890	992	777	837	1,248	1,575	1,872	1,966	593	395	514	535		
Portfolio investment	110	167	157	256	214	4	82	261	449	420	-8	196	139	68		
Net acquisition of financial assets	51	99	92	254	179	-26	349	246	409	373	-14	196	138	69		
Net incurrence of liabilities	-58	-68	-64	-2	-35	-30	267	-15	-40	-46	-6	0	0	2		
Financial derivatives	0	1	1	-5	-1	0	1	0	2	-1	0	1	-2	2		
Net acquisition of financial assets	0	0	-4	-7	-12	-7	-3	-4	-2	-2	0	0	-2	-1		
Net incurrence of liabilities	0	-1	-5	-2	-11	-7	-4	-4	-4	-1	0	-1	-1	-2		
Other Investments	-1,366	-1,365	-1,473	-1,205	-999	-1,430	-1,839	-530	770	-207	51	-1,009	310	-472		
Net acquisition of financial assets	-417	-294	-690	286	-12	-218	-76	722	1,135	469	249	-154	727	-131		
Currency and deposits	-366	-316	-547	-59	-28	-272	-220	315	742	201	192	-237	598	-239		
Loans	-80	-74	-289	223	-90	-13	-2	71	43	-47	-14	-4	38	28		
Insurance and pension	-75	20	20	30	22	25	37	38	13	25	4	9	8	2		
Trade credit and advances	92	81	100	98	73	60	117	242	326	319	74	82	85	80		
Other financial assets	12	-4	26	-6	10	-17	-7	56	10	-29	-6	-3	-3	-3		
Net incurrence of liabilities	950	1,070	783	1,491	987	1,212	1,764	1,252	365	676	198	855	417	341		
Currency and deposits	-58	-107	69	393	75	-811	-294	-143	-283	-79	-78	380	-1	83		
Loans	522	698	127	463	318	1,429	655	442	-265	-145	51	232	171	72		
Insurance and pension	-8	-4	-5	-10	-10	-5	-5	-9	-16	-16	-2	-4	-5	-8		
Trade credit and advances	523	487	582	618	619	582	795	937	917	915	220	233	251	216		
Other financial assets (including the allocation of SDR)	-28	-3	10	27	-15	16	613	24	11	1	7	13	0	-23		
Reserve assets	881	930	1,136	1,114	935	1,246	2,695	142	52	651	-295	483	191	707		
Monetary gold	0	0	0	0	0	0	0	-162	0	0	0	0	0	313		
Currency and deposits	-1,121	2,033	-230	253	238	549	441	4,432	-63	-1,242	-1,558	189	253	-357		
Securities	2,004	-1,102	1,367	860	699	696	2,254	-4,126	113	1,892	1,262	294	-63	750		
Other reserve assets	-1	-1	-1	1	-2	1	0	-2	2	1	1	0	0	1		
<b>NET ERRORS AND OMISSIONS</b>	<b>209</b>	<b>306</b>	<b>281</b>	<b>-12</b>	<b>-46</b>	<b>-259</b>	<b>69</b>	<b>121</b>	<b>418</b>	<b>613</b>	<b>117</b>	<b>-241</b>	<b>150</b>	<b>212</b>		

**Note:**

The BH Balance of Payments is compiled in accordance with the IMF methodology (Balance of Payments and International Investment Position Manual, 6th edition – BPM6). Compilation of the Balance of Payments for the fourth quarter includes the regular revision of previously published quarterly data for current year in accordance with most recent available source data.

The detailed methodological information can be found on the web, at [www.cbbh.ba/statistics](http://www.cbbh.ba/statistics)

**T23: International Investment Position (IIP)****- in KM million -**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>NET POSITION</b>	<b>-15,692</b>	<b>-15,282</b>	<b>-14,545</b>	<b>-14,100</b>	<b>-13,172</b>	<b>-11,633</b>	<b>-11,325</b>	<b>-11,898</b>	<b>-11,129</b>	<b>-11,581</b>	<b>-12,326</b>	<b>-11,972</b>	<b>-12,126</b>
<b>ASSETS</b>	<b>14,597</b>	<b>15,816</b>	<b>17,045</b>	<b>19,326</b>	<b>21,021</b>	<b>22,339</b>	<b>25,305</b>	<b>26,332</b>	<b>28,474</b>	<b>28,751</b>	<b>29,194</b>	<b>30,404</b>	<b>31,085</b>
Direct investment	878	933	1,157	1,268	1,245	1,389	1,536	1,682	1,862	1,896	1,956	1,958	2,005
Equity and investment fund shares	362	370	427	468	622	758	811	911	1,062	1,079	1,118	1,125	1,157
Debt instruments	516	562	730	799	623	631	726	771	800	816	838	833	848
Portfolio investment	582	674	764	1,018	1,203	1,180	1,519	1,762	2,169	2,155	2,353	2,493	2,564
Equity and investment fund shares	33	39	44	41	39	38	82	97	92	92	88	94	105
Debt securities	550	635	720	977	1,164	1,141	1,437	1,665	2,077	2,063	2,265	2,399	2,459
Financial derivatives	0	2	0	0	1	0	0	0	8	8	3	5	3
Other investment	4,530	4,677	4,509	5,415	5,975	5,901	5,899	6,819	8,142	8,658	8,324	9,079	8,868
Other equity	52	48	52	54	53	68	66	66	66	66	66	66	66
Currency and deposits	2,870	3,127	3,191	3,952	4,350	4,297	4,244	4,807	5,790	6,259	5,865	6,521	6,225
Loans	232	158	176	249	210	195	214	280	323	315	313	353	382
Insurance, pension, and standardized guarantee schemes	88	87	92	89	94	105	111	149	143	157	158	164	166
Trade credit and advances	1,026	990	943	1,021	1,199	1,195	1,227	1,422	1,703	1,748	1,814	1,873	1,925
Other accounts receivable	262	267	55	49	69	40	36	95	117	112	107	103	104
Reserve assets	8,606	9,531	10,614	11,626	12,598	13,869	16,350	16,069	16,293	16,034	16,557	16,868	17,645
Currency and deposits	1,132	3,165	2,935	3,188	3,426	3,975	4,416	8,847	8,784	7,227	7,416	7,667	7,315
Securities	7,288	6,158	7,474	8,225	8,917	9,601	11,630	7,061	7,331	8,609	8,933	8,974	9,769
Other reserve assets	186	208	205	212	254	293	305	161	178	198	208	227	561
<b>LIABILITIES</b>	<b>30,290</b>	<b>31,098</b>	<b>31,590</b>	<b>33,426</b>	<b>34,193</b>	<b>33,972</b>	<b>36,629</b>	<b>38,229</b>	<b>39,603</b>	<b>40,332</b>	<b>41,520</b>	<b>42,376</b>	<b>43,211</b>
Direct investment	13,063	13,382	14,166	14,957	15,535	15,882	17,126	18,117	19,728	20,311	20,701	21,178	21,734
Equity and investment fund shares	9,516	9,698	10,517	11,364	11,663	11,842	13,865	14,473	15,746	16,168	16,540	16,969	17,417
Debt instruments	3,547	3,684	3,649	3,592	3,872	4,039	3,261	3,644	3,982	4,143	4,161	4,209	4,317
Portfolio investment	349	299	240	246	207	189	479	438	408	393	403	392	375
Equity and investment fund shares	56	79	93	98	99	121	167	121	97	92	92	91	91
Debt securities	293	220	147	148	107	69	312	317	310	302	312	301	283
Financial derivatives	0	2	0	0	1	2	0	0	0	0	2	17	12
Other investment	16,878	17,416	17,184	18,223	18,451	17,899	19,024	19,674	19,467	19,627	20,414	20,788	21,090
Other equity	47	26	29	36	47	48	78	118	99	99	99	98	97
Currency and deposits	1,595	1,489	1,554	2,751	2,825	2,015	1,742	1,598	1,316	1,227	1,608	1,607	1,690
Loans	12,632	13,074	12,890	12,494	12,527	12,785	13,445	14,028	13,751	13,819	14,073	14,296	14,373
Insurance, pension, and standardized guarantee schemes	18	19	22	23	24	27	30	33	33	35	36	37	37
Trade credit and advances	2,119	2,341	2,243	2,435	2,550	2,551	2,621	2,760	3,138	3,305	3,439	3,603	3,727
Other accounts payable - other	68	65	73	102	88	101	104	120	141	148	162	162	147
Special drawing rights (Net incurrence of liabilities)	401	401	374	382	389	373	1,005	1,017	988	994	998	985	1,019

**Note:**

International investment position (IIP) for BH is compiled in accordance with the latest International Monetary Fund Methodology for compilation of Balance of payments (BOP) and International investment position statistics, sixth edition (BPM6). Compilation of the International investment position for the fourth quarter includes the regular revision of previously published quarterly data for current year in accordance with most recent available source data. Shortened versions of the applied methodological approach for the compilation of BH IIP statistics are available on the CBBH website.

T24: Government Sector Foreign Debt Servicing							- in KM thousand -		
Creditor	2018	2019	2020	2021	2022	2023	2024		
							Principal	Interest	Total
<b>Public creditors</b>	<b>918,240</b>	<b>756,735</b>	<b>704,376</b>	<b>736,246</b>	<b>802,291</b>	<b>1,254,797</b>	<b>1,066,109</b>	<b>266,701</b>	<b>1,332,810</b>
<b>International and regional organizations</b>	<b>773,242</b>	<b>596,376</b>	<b>519,313</b>	<b>543,640</b>	<b>628,577</b>	<b>1,079,066</b>	<b>914,324</b>	<b>245,692</b>	<b>1,160,016</b>
European Investment Bank	98,079	100,344	118,727	118,059	124,156	165,828	112,646	75,673	188,319
European Bank for Reconstr. and Development	117,528	118,638	119,313	138,464	122,823	162,323	128,698	46,022	174,720
World Bank - IDA	130,584	144,276	162,458	119,356	200,712	233,033	212,226	11,191	223,417
World Bank - IBRD <sup>1)</sup>	52,785	64,732	70,914	92,155	77,647	96,641	77,179	42,750	119,929
Council of Europe Development Bank <sup>1)</sup>	5,390	5,817	8,166	8,050	8,349	9,502	8,526	1,664	10,189
International Fund of Agriculture Development	4,033	4,157	4,149	5,544	7,642	8,145	6,668	1,952	8,620
IMF	353,116	127,129	8,601	35,416	64,352				
EUROFIMA	0	0	0	0	0	283,289	368,381	65,830	434,211
European Commission	11,726	31,284	26,986	26,595	22,897	120,306	0	611	611
<b>Government and government agencies</b>	<b>144,997</b>	<b>160,359</b>	<b>185,063</b>	<b>192,606</b>	<b>173,714</b>	<b>175,731</b>	<b>151,785</b>	<b>21,008</b>	<b>172,794</b>
Paris Club <sup>1)</sup>	46,256	50,203	53,425	57,303	34,533	37,736	37,573	3,847	41,421
Saudi Development Fund	9,895	10,380	10,408	10,225	9,062	10,379	9,211	2,269	11,481
Other bilateral <sup>2)</sup>	88,846	99,776	121,230	125,078	130,119	127,615	105,001	14,892	119,892
<b>Private creditors</b>	<b>37,079</b>	<b>36,897</b>	<b>36,691</b>	<b>36,468</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>0</b>	<b>0</b>
London Club <sup>1)</sup>	37,079	36,897	36,691	36,468	0	142	0	0	0
<b>Ukupno</b>	<b>955,319</b>	<b>793,632</b>	<b>741,067</b>	<b>772,714</b>	<b>802,291</b>	<b>1,254,939</b>	<b>1,066,109</b>	<b>266,701</b>	<b>1,332,810</b>

**Source:**

BH Ministry of Finance and Treasury

1) Debt incurred before 1992

2) Other bilateral contains the following creditors: Fortis Bank, Government of Japan, OPEC, KFW, Government of Spain, Export-Import Bank of Korea (EximBank), Austrian Bank, Belgium, Labor and Economy Bank (BAWAG), Raiffaisen Bank.

**T25: General government gross debt (Maastricht debt)****- end of period, in KM million -**

GENERAL GOVERNMENT GROSS DEBT (Maastricht debt)						
Year	Securities other than shares	Loans	Total	of which: EXTERNAL DEBT		
				Public creditors	Private creditors	Total external debt
1	2	3	4=2+3	5	6	7=5+6
2015.	2,418.4	9,563.7	11,982.1	8,238.5	454.1	8,692.6
2016.	2,478.2	9,616.6	12,094.8	8,504.4	368.1	8,872.5
2017.	2,351.8	8,967.0	11,318.8	7,870.1	276.9	8,147.0
2018.	2,325.5	9,092.1	11,417.6	7,935.6	262.6	8,198.1
2019.	2,423.3	9,130.8	11,554.2	7,933.6	206.5	8,140.1
2020.	2,715.6	9,818.4	12,534.0	8,574.8	151.2	8,726.0
2021.	2,974.9	10,306.9	13,281.8	9,059.7	375.3	9,435.0
2022.*	3,082.2	10,283.9	13,366.2	9,109.1	365.2	9,474.4
2023.*	3,487.8	9,672.1	13,160.0	8,523.5	343.4	8,866.9

**Source:**

BH Ministry of finance and Treasury and CBBH

**Note:**

The statistical definition of debt is as defined in the Maastricht Treaty. The data are published on consolidated basis according to the Eurostat requirements.

\*Data for 2022 and 2023 has been revised.

- end of period, in KM million -

Year	Month	Gross Foreign Reserves							Net Foreign Reserves	Monetary Liabilities	Net Foreign Assets of CBBH
		Gold	Holdings of SDR	Foreign Currency in CBBH Vault	Deposits with Nonresident Banks	Other	Investment in Securities	9=3+...+8			
1	2	3	4	5	6	7	8	9=3+...+8	10	11	12=10-11
2015	12	182.3	3.8	128.5	1,003.6	0.0	7,288.1	8,606.3	8,605.0	8,064.6	540.4
2016	12	205.1	2.6	194.8	2,970.4	0.0	6,158.2	9,531.1	9,529.0	8,926.3	602.6
2017	12	203.9	1.5	236.4	2,698.6	0.0	7,416.1	10,556.6	10,555.0	9,977.1	577.8
2018	12	210.0	2.2	274.1	2,911.4	0.0	8,225.4	11,623.2	11,621.4	10,983.3	638.1
2019	12	254.1	0.2	322.6	3,102.8	0.0	8,917.4	12,597.1	12,595.4	11,824.2	771.2
2020	12	291.6	0.9	142.2	3,832.1	0.0	9,601.3	13,868.0	13,866.3	12,970.6	895.7
2021	12	302.0	1.9	469.6	3,945.1	0.0	11,629.6	16,348.1	16,345.8	15,573.0	772.8
2022	12	160.0	0.1	572.0	8,273.2	0.0	7,060.5	16,065.9	16,063.3	15,611.7	451.5
2023	12	175.5	2.1	455.2	8,326.6	0.0	7,330.6	16,289.9	16,287.4	15,401.2	886.2
2024	12	555.2	4.8	526.0	6,786.2	0.0	9,768.7	17,640.9	17,638.4	16,274.7	1,363.7
2024	01	176.8	21.6	454.9	7,052.1	0.0	8,202.5	15,907.9	15,905.6	14,981.0	924.6
	02	177.6	2.7	454.9	6,891.7	0.0	8,503.3	16,030.1	16,027.2	15,097.2	930.1
	03	194.3	2.7	455.7	6,769.0	0.0	8,609.1	16,030.8	16,028.3	15,035.8	992.5
	04	201.2	20.3	456.2	6,514.8	0.0	8,678.4	15,870.9	15,868.6	14,913.0	955.5
	05	201.5	3.1	458.1	6,218.7	0.0	8,885.6	15,767.0	15,764.4	14,771.8	992.5
	06	203.8	3.2	464.0	6,951.1	0.0	8,933.2	16,555.3	16,552.8	15,510.5	1,042.4
	07	212.3	19.7	463.9	6,721.6	0.0	9,016.0	16,433.6	16,430.7	15,308.6	1,122.1
	08	212.7	3.6	464.0	6,900.0	0.0	9,100.7	16,681.1	16,678.4	15,505.9	1,172.5
	09	222.1	3.6	464.0	7,201.5	0.0	8,973.8	16,865.0	16,862.7	15,619.4	1,243.3
	10	236.7	18.4	463.9	6,877.3	0.0	9,443.4	17,039.6	17,037.1	15,761.4	1,275.7
	11	235.6	4.7	463.9	6,837.4	0.0	9,665.5	17,207.0	17,204.1	15,861.0	1,343.1
	12	555.2	4.8	526.0	6,786.2	0.0	9,768.7	17,640.9	17,638.4	16,274.7	1,363.7

**Note:**

Gross foreign reserves consist of balance sheet positions of short-term foreign assets of the CBBH (gold, CBBH SDR holdings, foreign currency in the CBBH vault, transferable deposits in foreign currency with non-resident banks and other) and investment in securities according to the CBBH Investment Committee Decision from July 2006. Net foreign reserves represent a difference between gross foreign reserves and liabilities to non-residents. Monetary liabilities of the CBBH include currency outside monetary authorities and deposits of residents with monetary authorities. Net foreign assets of the CBBH represent a difference between net foreign exchange reserves and monetary liabilities of the CBBH.

Monetary data updated according to the IMF methodology (Monetary and Financial Statistics Manual, 2000), from January 2006.

## T27: BH Exports by Country of Destination

- in KM thousand -

Year	Month	Germany	Croatia	Italy	Serbia	Slovenia	Austria	Turkey	Montenegro	Other Countries	Total
2015		1,412,906	925,166	1,214,930	770,695	748,870	743,062	354,630	262,844	2,908,721	8,987,194
2016		1,479,411	985,360	1,131,096	822,846	807,200	730,590	401,047	240,751	3,220,854	9,418,109
2017		1,595,704	1,284,200	1,209,035	1,093,685	973,397	899,235	431,094	352,507	3,647,618	11,055,383
2018		1,741,537	1,464,002	1,352,791	1,251,474	1,057,052	1,020,991	323,223	402,113	3,287,069	11,900,251
2019		1,675,709	1,399,922	1,300,534	1,308,885	1,006,226	1,089,881	292,554	407,303	3,011,551	11,492,564
2020		1,630,844	1,362,907	1,015,184	1,152,068	954,078	1,005,509	314,249	293,645	2,792,675	10,521,159
2021		2,137,576	1,864,306	1,608,291	1,722,477	1,219,184	1,284,935	358,064	394,449	3,684,248	14,273,529
2022		2,666,194	2,676,624	1,991,386	2,363,435	1,421,819	1,710,354	311,638	576,469	4,255,821	17,973,740
2023		2,680,393	2,548,638	1,449,652	2,087,129	1,356,297	1,715,316	261,586	689,771	3,910,942	16,699,723
2024		2,457,026	2,593,726	1,267,809	1,838,962	1,325,462	1,574,881	318,704	596,041	4,102,241	16,074,851
2024	01	208,157	169,979	97,369	108,145	104,025	118,008	30,789	48,243	285,293	1,170,006
	02	222,453	205,911	107,713	134,759	117,457	130,162	42,143	44,341	331,644	1,336,583
	03	204,244	218,123	104,740	150,854	116,523	132,620	32,512	47,777	339,603	1,346,995
	04	225,277	242,761	113,769	164,808	117,298	148,025	26,132	48,442	383,265	1,469,776
	05	199,240	222,413	110,374	136,000	113,303	129,863	22,251	44,257	342,950	1,320,650
	06	206,302	218,459	119,383	132,218	112,928	128,764	23,139	45,740	336,261	1,323,195
	07	201,786	231,535	126,671	148,910	111,511	140,787	19,920	48,911	364,357	1,394,387
	08	175,131	189,076	62,220	165,030	87,415	120,796	19,267	53,900	291,206	1,164,043
	09	214,854	214,848	114,577	171,038	118,601	140,130	21,901	52,518	312,533	1,361,001
	10	221,819	247,511	109,266	189,759	116,362	146,044	24,048	58,261	394,746	1,507,815
	11	216,127	206,182	116,938	163,197	116,100	139,393	26,363	50,917	380,783	1,416,001
	12	161,637	226,927	84,790	174,245	93,939	100,291	30,238	52,734	339,600	1,264,400

**Note:**

Criteria for presenting country is the share of export of the country in total three-year BH export (2016,2017,2018).

Thus, all countries with share higher than 3,0% are separately presented, while the other countries are presented as sum in the column Other countries.



## T28: BH Imports by Country of Origin

- in KM thousand -

Year	Month	Germany	Italy	Serbia	Croatia	China	Slovenia	Russian Federation	Turkey	Austria	Other Countries	Total
2015		1,914,225	1,758,289	1,728,490	1,673,161	1,091,670	773,559	910,072	644,698	560,924	4,588,564	15,851,692
2016		1,998,877	1,899,582	1,828,142	1,617,713	1,091,966	831,403	729,427	687,349	556,399	4,874,484	16,161,014
2017		2,103,758	2,062,127	2,029,997	1,828,432	1,186,073	912,704	907,315	766,728	618,743	5,499,863	18,185,642
2018		2,297,072	2,170,785	2,070,768	1,915,158	1,339,232	917,011	892,371	874,490	672,990	6,124,091	19,273,968
2019		2,337,802	2,333,081	2,150,219	2,020,597	1,449,423	906,606	451,193	964,624	721,547	6,163,492	19,498,584
2020		2,074,858	1,949,017	1,895,718	1,523,371	1,355,872	840,875	359,084	896,725	682,570	5,308,196	16,886,285
2021		2,566,643	2,600,538	2,427,344	1,922,537	1,702,427	984,015	629,494	1,269,716	823,775	6,670,410	21,596,900
2022		2,992,889	3,540,600	3,057,570	2,844,749	2,327,506	1,113,095	658,099	1,675,148	1,003,269	9,423,523	28,636,447
2023		3,337,298	3,871,009	2,830,013	2,095,023	2,629,129	1,073,664	461,880	1,540,892	997,183	8,931,476	27,767,566
2024		3,381,120	3,705,368	2,954,583	2,138,641	2,760,200	1,083,020	332,896	1,664,098	1,013,072	9,621,487	28,654,486
2024	01	235,898	254,048	174,957	121,494	154,854	78,031	38,674	117,268	65,532	665,593	1,906,350
	02	312,875	310,714	234,181	147,844	210,472	88,949	52,792	140,597	89,576	772,446	2,360,446
	03	310,111	357,125	235,063	151,283	243,587	100,653	40,267	159,162	86,178	860,707	2,544,135
	04	280,832	301,999	242,456	154,740	214,918	93,656	33,368	150,795	87,422	920,571	2,480,756
	05	287,150	355,655	225,204	172,190	225,874	89,506	23,469	149,932	84,627	777,361	2,390,969
	06	262,692	328,471	256,238	173,597	239,065	91,283	15,979	123,862	85,325	792,447	2,368,959
	07	308,230	346,422	275,450	196,264	260,473	103,058	17,462	148,569	82,286	825,632	2,563,846
	08	260,472	280,113	265,052	206,290	229,269	77,338	18,132	143,867	86,120	766,965	2,333,618
	09	284,433	292,053	253,285	187,337	230,647	94,542	14,284	144,308	82,956	779,381	2,363,226
	10	283,450	311,370	274,230	224,018	257,069	97,637	21,383	139,420	90,698	856,133	2,555,410
	11	279,101	288,543	253,389	190,713	243,580	86,572	24,091	117,095	90,829	794,336	2,368,247
	12	275,876	278,855	265,077	212,873	250,392	81,796	32,995	129,223	81,525	809,914	2,418,524

**Source:**

Agency for Statistics of Bosnia and Herzegovina

**Note:**

Criteria for presenting country is the share of import of the country in total three-year BH import (2016,2017,2018).

Thus, all countries with share higher than 3,0% are separately presented, while the other countries are presented as sum in the column Other countries.

**T29: Average Middle Exchange Rates of Convertible Mark**

Year	Month	EMU EUR	Croatia HRK 100	Czech R CZK 1	Hungary HUF 100	Japan JPY 100	Switzerland CHF 1	Turkey TRY 1	UK GBP 1	USA USD 1	China CNY 1	Serbia RSD 100
2015		1.955830	25.688577	0.071687	0.631327	1.456462	1.832914	0.650180	2.694477	1.762605	0.280568	1.619915
2016		1.955830	25.960428	0.072346	0.627987	1.628845	1.794449	0.586378	2.396405	1.768011	0.266189	1.588875
2017		1.955830	26.205454	0.074317	0.632480	1.546889	1.761597	0.476205	2.232882	1.735482	0.256628	1.611317
2018		1.955830	26.365492	0.076267	0.613697	1.500585	1.693763	0.351884	2.210985	1.657498	0.250633	1.653621
2019		1.955830	26.365089	0.076197	0.601572	1.603053	1.758109	0.307940	2.230125	1.747204	0.252963	1.659447
2020		1.955830	25.946780	0.074002	0.557563	1.607387	1.827419	0.247515	2.201320	1.716607	0.248658	1.663431
2021		1.955830	25.977234	0.076253	0.545671	1.506596	1.808910	0.191301	2.274685	1.653851	0.256382	1.663495
2022		1.955830	25.957036	0.079629	0.501501	1.420249	1.948176	0.113256	2.294933	1.860152	0.276500	1.665037
2023		1.955830		0.081507	0.512335	1.290900	2.013360	0.078526	2.248887	1.809093	0.255630	1.668038
2024		1.955830		0.077871	0.495036	1.194513	2.053678	0.055106	2.310145	1.807525	0.251198	1.670415
2024	01	1.955830		0.079146	0.512190	1.227395	2.088796	0.059611	2.275517	1.791141	0.249960	1.668657
	02	1.955830		0.077584	0.504683	1.212718	2.069872	0.058855	2.289035	1.810905	0.251794	1.669106
	03	1.955830		0.077319	0.495381	1.202086	2.026543	0.056290	2.287037	1.800166	0.249899	1.668944
	04	1.955830		0.077365	0.498140	1.186835	2.004962	0.056369	2.283729	1.822828	0.251827	1.669648
	05	1.955830		0.078697	0.504799	1.161646	1.990265	0.056125	2.285357	1.810523	0.250292	1.669998
	06	1.955830		0.078946	0.496246	1.151885	2.030938	0.055789	2.308890	1.816739	0.250480	1.670595
	07	1.955830		0.077358	0.498324	1.140203	2.019980	0.054793	2.319048	1.803357	0.248299	1.670920
	08	1.955830		0.077630	0.495281	1.212817	2.067970	0.052870	2.297743	1.779091	0.248565	1.671114
	09	1.955830		0.077943	0.495499	1.228998	2.077805	0.051711	2.327334	1.760878	0.248828	1.671019
	10	1.955830		0.077340	0.487160	1.200540	2.083459	0.052310	2.342680	1.791888	0.253036	1.671141
	11	1.955830		0.077304	0.478282	1.196650	2.089344	0.053351	2.344783	1.837313	0.255172	1.671703
	12	1.955830		0.077810	0.474688	1.213117	2.094876	0.053337	2.360008	1.865933	0.256316	1.672094

## T30: Government Finance of BH - Government Sector Units

- in KM million -

	Revenues				Expenses				Net Acquisition of Nonfinancial Assets	Net Surplus / Deficit			
	BH Institutions	FBH	RS	Brčko District	Consolidated Revenues for BH	BH Institutions	FBH	RS			Brčko District	Consolidated Expenses for BH	
2015	1,088.4	7,196.5	3,931.3	232.0	12,335.1	935.9	6,843.5	3,700.6	220.1	11,587.0	559.1	188.9	
2016	1,062.9	7,645.4	3,937.0	248.5	12,767.3	949.3	7,013.5	3,636.9	198.6	11,672.0	724.5	370.8	
2017	1,049.4	8,150.9	4,141.8	263.7	13,479.2	967.0	7,164.3	3,696.0	212.8	11,913.4	759.7	806.0	
2018	1,045.0	8,833.6	4,364.6	280.9	14,389.6	996.0	7,660.0	3,983.4	233.7	12,738.6	914.6	736.5	
2019	1,051.4	9,217.5	4,584.0	288.8	15,018.1	985.5	8,120.3	4,097.6	254.6	13,334.3	1,006.6	677.2	
2020	1,070.6	8,614.0	4,652.1	268.3	14,430.7	1,028.6	8,583.1	4,749.6	287.9	14,474.8	1,765.1	-1,809.2	
2021	1,093.0	9,616.7	5,147.2	305.9	16,055.3	982.3	8,792.8	4,861.0	268.5	14,797.0	1,368.9	-110.6	
2022	1,165.5	10,946.2	5,887.4	338.4	18,212.9	1,096.1	9,797.8	5,748.5	287.5	16,805.3	1,590.2	-182.7	
2023	1,506.6	12,228.9	6,439.4	369.8	20,308.7	1,345.9	11,691.7	6,089.3	318.4	19,209.3	1,699.9	-600.5	
2018	Q1	277.7	1,762.1	816.9	57.0	2,882.0	231.4	1,499.4	728.4	34.3	2,462.0	30.9	389.0
	Q2	242.8	1,914.5	884.1	61.4	3,075.2	231.7	1,683.3	784.4	51.8	2,723.4	66.5	285.3
	Q3	400.3	1,951.9	861.7	69.0	3,250.5	243.9	1,651.7	835.0	56.0	2,754.4	91.2	404.9
	Q4	124.1	2,138.2	960.8	75.4	3,259.2	289.0	2,104.9	983.4	78.9	3,416.8	237.9	-395.5
2019	Q1	238.9	1,899.1	845.3	60.2	3,013.8	225.9	1,600.5	806.8	42.5	2,646.0	26.0	341.9
	Q2	261.7	1,990.1	902.3	67.3	3,187.1	239.2	1,770.8	789.9	63.1	2,828.7	71.9	286.5
	Q3	270.0	2,079.8	924.2	71.6	3,309.8	253.8	1,800.7	823.5	54.3	2,896.5	78.9	334.4
	Q4	280.8	2,080.5	1,015.2	72.2	3,412.9	266.6	2,177.5	972.4	81.1	3,461.9	210.4	-259.4
2020	Q1	286.0	1,906.0	862.8	59.7	3,081.9	235.6	1,695.3	877.3	42.7	2,818.4	40.6	222.9
	Q2	235.6	1,674.2	887.0	53.6	2,815.4	232.8	1,834.2	1,090.5	62.6	3,185.2	102.1	-471.9
	Q3	266.9	1,963.7	970.8	67.0	3,236.3	231.7	2,024.8	933.7	69.8	3,227.7	96.5	-88.0
	Q4	282.1	2,027.8	1,067.1	71.3	3,418.9	328.5	2,249.0	1,117.7	93.8	3,759.7	231.1	-571.9
2021	Q1	277.6	1,906.5	976.0	61.7	3,191.6	240.3	1,727.9	929.8	47.9	2,915.8	60.1	215.7
	Q2	275.1	2,094.2	976.5	69.9	3,390.8	235.1	1,919.4	1,022.4	59.7	3,211.7	93.3	85.8
	Q3	262.8	2,146.5	1,072.2	74.1	3,527.5	256.3	1,953.5	963.4	58.9	3,204.0	78.9	244.6
	Q4	277.5	2,272.0	1,095.8	82.3	3,702.2	250.5	2,430.2	1,170.4	85.6	3,911.4	288.6	-497.8
2022	Q1	256.1	2,181.7	1,070.1	72.9	3,550.1	243.1	1,818.4	979.0	57.4	3,067.3	22.0	460.8
	Q2	278.1	2,498.0	1,193.2	81.2	4,026.0	236.4	2,227.9	1,146.3	62.6	3,648.6	82.3	295.1
	Q3	326.9	2,424.2	1,209.6	83.2	4,009.0	269.8	2,266.2	1,261.1	63.5	3,825.9	108.6	74.6
	Q4	304.5	2,579.7	1,188.1	85.8	4,127.5	346.7	2,649.5	1,385.0	87.9	4,438.5	272.8	-583.8
2023	Q1	304.7	2,508.4	1,237.5	76.3	4,072.6	293.1	2,214.2	1,165.9	60.3	3,679.1	33.1	360.3
	Q2	400.5	2,815.3	1,234.3	86.2	4,487.0	324.7	2,599.6	1,214.7	68.9	4,158.6	78.4	250.0
	Q3	388.7	2,778.6	1,335.3	97.9	4,529.3	355.9	2,713.6	1,289.9	69.6	4,357.9	98.9	72.6
	Q4	412.7	2,738.2	1,412.8	93.1	4,598.7	372.2	3,200.6	1,457.8	102.5	5,075.1	370.3	-846.7
2024	Q1	374.1	2,765.0	1,416.4	87.6	4,567.4	351.7	2,559.7	1,313.5	83.4	4,232.7	20.2	314.5
	Q2	442.5	2,979.3	1,438.4	100.2	4,896.9	339.9	2,804.2	1,353.7	73.5	4,507.7	101.2	287.9
	Q3	384.0	3,099.4	1,478.5	106.3	4,992.8	373.0	3,011.5	1,426.2	90.0	4,825.4	117.9	49.6

**Note:**

Administrative data collected from: Ministries of Finance of all levels of government, Social Security Funds of all levels of government, Entities' Public Companies for Roads and Entities' Public Companies for Motorways. Annual data for consolidated revenues/expenses include local level of government (municipalities and towns), Public Company for Roads of all levels of government of FBH, Public Company for Roads of RS, Public Company for Motorways of FBH and Public Company for Motorways of RS, while quarterly data do not include them as the source data are not available.

Difference between revenues on one side and expenses with net acquisition of non-financial assets on the other side, represents net surplus/deficit.

## T31: BH Government Finance of BH - Structure of Consolidated Revenues and Expenses

- in KM million -

		Taxes	Social Contributions	Grants and Other Revenues	Consolidated Revenues	Compensation of Employees	Use of Goods and Services	Interest	Subsidies	Social Benefits	Grants and Other Expenses	Consolidated Expenses	Net Acquisition of Non-financial Assets
2015		6,439.7	4,329.6	1,565.8	12,335.1	3,294.3	2,138.8	264.3	384.8	4,729.5	775.4	11,587.0	559.1
2016		6,760.4	4,473.6	1,533.4	12,767.3	3,295.5	2,187.5	252.0	382.8	4,755.0	799.3	11,672.0	724.5
2017		7,151.1	4,734.2	1,594.0	13,479.2	3,312.6	2,230.7	223.0	444.0	4,758.5	834.7	11,913.4	759.7
2018		7,688.4	5,041.8	1,659.4	14,389.6	3,422.1	2,534.0	242.5	476.0	5,013.2	1,050.9	12,738.6	914.6
2019		8,014.1	5,345.7	1,658.4	15,018.1	3,738.1	2,688.3	241.1	507.3	5,223.4	936.1	13,334.3	1,006.6
2020		7,363.3	5,383.9	1,683.5	14,430.7	3,921.8	2,702.8	255.9	870.1	5,508.0	1,216.3	14,474.8	1,765.1
2021		8,485.4	5,798.0	1,771.9	16,055.3	4,039.2	2,847.7	240.2	742.9	5,718.3	1,208.7	14,797.0	1,368.9
2022		9,898.8	6,482.5	1,831.6	18,212.9	4,546.5	3,256.5	259.4	747.7	6,503.1	1,492.1	16,805.3	1,590.2
2023		10,767.8	7,410.9	2,130.0	20,308.7	5,187.2	3,468.4	394.7	884.0	7,883.1	1,391.9	19,209.3	1,699.9
2018	Q1	1,526.1	1,153.2	202.7	2,882.0	719.0	432.2	47.4	42.4	1,136.3	84.9	2,462.0	30.9
	Q2	1,597.5	1,243.8	234.0	3,075.2	742.6	464.6	65.0	108.2	1,198.7	144.2	2,723.4	66.5
	Q3	1,787.5	1,241.5	221.6	3,250.5	730.6	470.6	46.4	103.1	1,224.5	179.2	2,754.4	91.2
	Q4	1,570.5	1,403.3	285.4	3,259.2	766.9	587.9	56.2	148.4	1,295.6	561.8	3,416.8	237.9
2019	Q1	1,528.5	1,247.2	238.1	3,013.8	787.8	462.1	41.8	40.5	1,202.7	111.1	2,646.0	26.0
	Q2	1,669.1	1,335.2	182.8	3,187.1	806.1	494.9	68.5	81.8	1,254.2	123.2	2,828.7	71.9
	Q3	1,734.1	1,336.0	239.6	3,309.8	805.4	517.7	43.3	112.2	1,252.3	165.5	2,896.5	78.9
	Q4	1,904.0	1,427.3	81.6	3,412.9	850.7	617.2	52.5	189.6	1,349.2	402.7	3,461.9	210.4
2020	Q1	1,556.2	1,286.5	239.2	3,081.9	817.7	482.1	69.8	60.4	1,274.3	114.1	2,818.4	40.6
	Q2	1,327.2	1,223.4	264.8	2,815.4	861.7	495.5	43.3	157.1	1,277.1	350.5	3,185.2	102.1
	Q3	1,564.3	1,418.6	253.4	3,236.3	850.4	486.3	42.4	262.8	1,357.6	228.3	3,227.7	96.5
	Q4	1,848.8	1,455.5	114.7	3,418.9	872.7	638.3	71.6	299.2	1,419.6	458.2	3,759.7	231.1
2021	Q1	1,560.9	1,319.3	311.4	3,191.6	851.1	486.3	55.0	47.5	1,318.9	156.9	2,915.8	60.1
	Q2	1,690.2	1,437.0	263.5	3,390.8	866.7	529.2	60.3	142.9	1,376.4	236.2	3,211.7	93.3
	Q3	1,854.4	1,441.1	232.0	3,527.5	865.8	547.5	31.9	123.2	1,405.4	230.2	3,204.0	78.9
	Q4	2,082.2	1,600.5	19.6	3,702.2	913.6	651.8	60.8	336.5	1,430.2	518.6	3,911.4	288.6
2022	Q1	1,851.2	1,462.0	236.9	3,550.1	908.3	517.6	52.7	55.2	1,377.3	156.2	3,067.3	22.0
	Q2	2,110.4	1,604.5	311.1	4,026.0	960.2	570.0	68.1	160.9	1,531.3	358.0	3,648.6	82.3
	Q3	2,124.8	1,643.0	241.3	4,009.0	988.8	599.2	67.7	154.3	1,631.2	384.8	3,825.9	108.6
	Q4	2,185.5	1,773.1	168.9	4,127.5	1,056.7	754.5	38.6	266.7	1,743.3	578.7	4,438.5	272.8
2023	Q1	2,106.4	1,712.4	253.8	4,072.6	1,078.9	586.8	98.9	45.7	1,722.6	146.3	3,679.1	33.1
	Q2	2,281.8	1,819.3	385.9	4,487.0	1,146.3	636.2	60.0	145.2	1,904.6	266.3	4,158.6	78.4
	Q3	2,384.7	1,867.2	277.4	4,529.3	1,101.3	646.6	115.6	150.3	1,929.2	414.8	4,357.9	98.9
	Q4	2,458.6	2,012.0	128.1	4,598.7	1,158.5	870.5	66.7	426.8	2,006.9	545.7	5,075.1	370.3
2024	Q1	2,378.4	1,912.3	276.7	4,567.4	1,185.6	660.8	139.9	64.5	1,994.6	187.3	4,232.7	20.2
	Q2	2,556.0	1,989.3	351.6	4,896.9	1,229.9	708.7	51.2	141.4	2,063.6	312.9	4,507.7	101.2
	Q3	2,663.5	2,044.4	284.9	4,992.8	1,198.2	734.6	115.6	215.3	2,120.6	441.1	4,825.4	117.9

**Note:**

Administrative data collected from: Ministries of Finance of all levels of government, Social Security Funds of all levels of government, Entities' Public Companies for Roads and Entities' Public Companies for Motorways. Annual data for consolidated revenues/expenses include local level of government (municipalities and towns), Public Company for Roads of all levels of government of FBH, Public Company for Roads of RS, Public Company for Motorways of FBH and Public Company for Motorways of RS, while quarterly data do not include them as the source data are not available.

Difference between revenues on one side and expenses with net acquisition of non-financial assets on the other side, represents net surplus/deficit.

**T32: Flows of Foreign Direct Investment in BH, Classified by Country of Origin of Foreign Investor - in KM million -**

Year	Austria	The Netherlands	Croatia	Italy	Germany	Russia	Slovenia	Serbia	Switzerland	Turkey	Other Countries	Total
2015	5.3	83.3	161.5	66.3	52.3	28.5	21.1	36.8	-33.5	56.1	159.2	636.9
2016	112.8	57.6	142.5	25.2	2.0	-44.3	34.6	-25.8	11.3	34.6	267.7	618.4
2017	84.1	-3.3	159.6	46.9	57.7	-6.8	101.1	56.9	30.6	-0.3	327.1	853.6
2018	90.7	100.9	129.1	23.6	105.1	143.4	42.6	21.1	46.5	7.4	252.9	963.3
2019	68.8	6.7	148.0	17.5	54.4	213.0	22.0	41.6	-19.8	3.2	244.0	799.3
2020	100.8	-1.1	182.0	36.0	84.9	-14.8	60.4	133.1	-21.0	56.3	207.0	823.5
2021	104.7	-55.9	89.7	60.7	124.0	-94.6	75.6	98.7	211.0	148.9	420.5	1,183.3
2022	211.4	158.7	7.2	60.1	229.0	-50.3	81.2	153.2	23.4	37.0	606.6	1,517.5
2023	87.9	237.7	187.2	-34.5	204.9	376.3	173.3	355.6	-124.3	78.7	352.8	1,895.6
Jan - Sep 2024	178.8	105.5	252.5	15.7	240.2	58.0	193.4	110.8	-42.2	55.5	309.4	1,477.4

**Note:**

Foreign Direct Investments (flows and stocks) are compiled in accordance with the most recent methodological instructions and recommendations of the International Monetary Fund (IMF) and Organization for Economic Cooperation and Development (OECD). Detailed methodological approach to compilation and presentation is included in the IMF Balance of Payments Manual, sixth edition and OECD Framework Definition of Foreign Direct Investments, fourth edition.

T33: Flows of Foreign Direct Investment in BH by NACE Rev 2, Classification of Activities

- in KM million -

Year	Manufacture of Food Products	Manufacture of Wood and of Products of Wood and Cork, except Furniture, Manufacture of Articles of Straw and Plaiting Materials	Manufacture of Coke and Refined Petroleum Products	Manufacture of Chemicals and Chemical Products	Manufacture of Other Non-metallic Mineral Products	Manufacture of Basic Metals	Manufacture of Motor Vehicles, Trailers and Semi-trailers	Wholesale Trade, except of Motor Vehicles and Motorcycles	Retail Trade, except of Motor Vehicles and Motorcycles	Telecommunications	Financial Service Activities, except Insurance and Pension Funding	Real Estate Activities	Other Industries	Total
2015	45.0	5.2	24.0	58.4	-4.4	-52.9	6.7	84.0	-29.3	57.8	116.8	89.5	236.1	636.9
2016	16.3	5.6	-52.0	51.9	-17.6	2.0	20.3	148.4	6.4	37.1	161.4	-9.8	248.4	618.4
2017	20.8	13.5	-26.0	1.2	-8.8	58.8	47.3	59.3	96.1	17.1	203.0	41.9	329.2	853.6
2018	34.9	9.3	139.0	33.2	15.5	63.7	40.3	121.3	11.9	8.3	140.1	28.4	317.4	963.3
2019	-13.4	15.1	200.3	26.5	6.4	-2.5	5.9	119.7	17.8	-20.6	153.3	19.0	271.7	799.3
2020	28.2	-1.8	1.5	39.1	18.8	-29.4	32.7	97.3	37.2	2.3	156.3	73.1	368.3	823.5
2021	11.1	7.2	-52.2	17.0	5.5	102.6	41.0	119.9	176.0	11.0	12.1	103.3	628.8	1,183.3
2022	61.1	13.3	-49.3	104.2	31.3	122.8	40.5	163.3	96.9	6.8	148.2	75.1	703.3	1,517.5
2023	54.3	5.2	362.4	139.4	24.3	-118.0	92.4	151.5	120.9	288.9	304.3	13.9	456.1	1,895.6
Jan - Sep 2024	59.4	2.6	49.7	92.2	16.7	-44.3	38.7	132.6	218.9	50.0	388.7	-5.5	477.7	1,477.4

**Note:**

The data on flows of direct foreign investments in BiH, according to NACE 1. Rev.1 Classification of the Activities, for the period 2004-2012, can be found on web site. Foreign Direct Investments (flows and stocks) are compiled in accordance with the most recent methodological instructions and recommendations of the International Monetary Fund (IMF) and Organization for Economic Cooperation and Development (OECD). Detailed methodological approach to compilation and presentation is included in the IMF Balance of Payments Manual, sixth edition and OECD Framework Definition of Foreign Direct Investments, fourth edition.

**T34: Stocks of direct investment in BH classified by country of foreign investor****- in KM million -**

Country	31 12 2021			31 12 2022			31 12 2023		
	Equity capital and reinvested earnings	Other capital	Total	Equity capital and reinvested earnings	Other capital	Total	Equity capital and reinvested earnings	Other capital	Total
Austria	2,642.4	223.9	2,866.3	2,453.8	265.5	2,719.3	2,472.6	193.2	2,665.9
Belgium	12.0	5.9	17.9	11.9	5.5	17.5	26.9	5.6	32.5
Montenegro	40.5	3.0	43.5	71.6	4.6	76.2	84.4	4.6	89.0
Czech Republic	21.4	21.6	42.9	37.9	22.7	60.6	24.5	21.8	46.3
Denmark	36.0	5.5	41.5	23.8	2.6	26.4	56.5	5.9	62.4
France	15.9	4.9	20.8	19.6	8.4	28.0	19.1	8.5	27.6
Netherlands	534.5	165.0	699.5	687.9	172.3	860.2	927.9	237.6	1,165.5
Croatia	2,506.6	151.2	2,657.9	2,378.8	160.8	2,539.5	2,670.2	133.8	2,803.9
Ireland	-3.4	14.4	11.1	-5.9	14.6	8.6	1.6	14.6	16.2
Italy	663.7	122.1	785.9	723.9	113.2	837.1	672.7	112.9	785.6
Canada	0.5	5.1	5.7	1.0	5.1	6.1	0.1	5.6	5.7
Cyprus	153.0	6.8	159.8	169.5	9.7	179.2	211.8	14.9	226.7
Kuwait	134.8	179.8	314.6	117.8	190.9	308.7	109.5	205.5	315.0
Liechtenstein	5.9	6.0	11.9	6.2	4.2	10.3	8.0	2.0	10.1
Lithuania	2.0	0.0	2.0	0.2	0.0	0.2	1.4	0.0	1.3
Luxembourg	115.9	225.7	341.6	168.4	191.0	359.4	154.0	188.4	342.4
Hungary	43.0	2.2	45.2	51.6	3.7	55.4	209.6	5.1	214.7
Malaysia	9.3	29.1	38.3	7.9	29.1	36.9	6.9	29.1	35.9
Norway	2.3	6.8	9.1	6.1	7.1	13.2	7.1	6.3	13.4
Germany	702.5	332.2	1,034.8	807.3	456.5	1,263.8	876.9	501.5	1,378.4
Poland	33.8	42.6	76.4	50.5	53.0	103.4	62.2	21.5	83.7
Russia	455.8	7.3	463.1	393.7	7.8	401.6	448.7	327.9	776.5
Saudi Arabia	213.2	153.0	366.2	223.4	163.1	386.5	226.6	166.6	393.2
Slovakia	3.5	21.0	24.5	8.3	20.2	28.5	30.5	19.8	50.4
Slovenia	1,084.1	160.8	1,244.9	1,161.7	164.2	1,325.9	1,251.9	157.3	1,409.2
Serbia	2,014.8	290.1	2,304.9	2,147.8	334.5	2,482.2	2,392.0	287.8	2,679.8
Spain	28.8	1.7	30.5	35.3	5.3	40.6	34.1	6.8	40.9
Switzerland	554.6	77.9	632.5	593.3	77.7	671.0	461.6	77.5	539.1
Sweden	56.6	38.0	94.6	65.2	14.7	79.9	65.7	15.3	81.1
Turkey	513.7	3.8	517.4	608.6	-45.5	563.1	674.9	-25.7	649.2
United Arabian Emirates	170.3	338.4	508.7	134.0	350.3	484.3	118.5	372.8	491.3
United States of America	33.2	22.1	55.3	21.7	20.5	42.2	37.7	19.0	56.7
Great Britain	701.9	132.1	834.0	893.8	210.6	1,104.4	1,013.1	229.4	1,242.4
Other countries	361.5	189.0	550.5	397.0	273.4	670.4	386.9	298.2	685.1
<b>Total</b>	<b>13,864.7</b>	<b>2,988.9</b>	<b>16,853.6</b>	<b>14,473.4</b>	<b>3,317.1</b>	<b>17,790.6</b>	<b>15,746.2</b>	<b>3,670.9</b>	<b>19,417.1</b>

**T35: Nominal and Real KM effective exchange rate**

Year	Month	KM Effective Exchange Rate (2015=100)	
		NEER	REER
2015		99.98	99.99
2016		101.18	98.87
2017		101.98	98.36
2018		103.68	98.99
2019		104.42	98.05
2020		106.11	97.23
2021		107.37	96.93
2022		108.94	100.75
2023		111.29	100.62
2024		113.09	99.36
2024	01	112.53	100.54
	02	112.86	100.65
	03	113.14	100.54
	04	112.98	99.87
	05	113.06	99.43
	06	113.00	98.64
	07	113.18	98.43
	08	113.43	98.96
	09	113.58	99.02
	10	113.39	98.67
	11	113.03	98.78
	12	112.93	98.81

**Note:**

Detailed methodological explanations for compiling and calculating the nominal (NEER) and real (REER) effective exchange rate are available at the CBBH website <http://www.cbbh.ba/content/read/1109?lang=en>



**NOTE 6, 7, 9, 13,14, 15, 16 I 17.**

The revised data for the period January 2006 – November 2015 are based on the active sub-balance of the banks with majority state owned capital from the Federation of BH, with the passive sub-balance excluded. Through such supplement of statistics, the users are provided with higher analytical usefulness of data and objective indicators on the current operations of banks in BH. Passive sub-balance includes the liabilities based on foreign loans and old foreign exchange savings of citizens until 31 March 1992 and it does not reflect the current operations of the bank, so this sub-balance in the privatization process will be taken over by the Ministry of Finance of FBH according to the Law on Initial Balance Sheets of Banks and the Law on Privatization, as it has been done for the previously privatized banks. The performed revision mainly influenced the decrease of loans to public companies in a foreign currency, decrease of foreign liabilities, decrease of other items of assets and liabilities on the basis of old foreign exchange savings, and in considerably lower amounts, on items of loans to the Entity Government, fixed assets, non-residents' deposits, shares and capital.

The data on the „complete“ balance sheet, with the included passive sub-balance, are still available at: [http://statistics.cbbh.ba:4444/Panorama/novaview/SimpleLogin\\_bs.aspx](http://statistics.cbbh.ba:4444/Panorama/novaview/SimpleLogin_bs.aspx)

## PUBLICATIONS AND WEB SERVICES

Monthly Economic Overview	Brief information about the latest trends in the macroeconomic environment, which has been published on the website of the CBBH since May 2013. The publication had previously been internal.
Bulletin	A quarterly publication which includes monetary and financial statistics, information on payment transactions, data on the real sector and balance of payments data of Bosnia and Herzegovina.
Annual Report	The publication contains the report on the operations of the CBBH throughout the year and the financial report, which the CBBH submits to the Presidency of Bosnia and Herzegovina and the Parliamentary Assembly of Bosnia and Herzegovina.
Financial Stability Report	The annual publication contains an assessment of the risks arising from the macroeconomic environment and trends in the financial system, as well as an assessment of the resistance of the system to the identified risks.
Special research topics	An occasional publication published on the website of the CBBH.
CBBH Monography	Jubilee publication on the occasion of the CBBH twenty years anniversary.
WEBSITE www.cbbh.ba e-mail: contact@cbbh.ba pr@cbbh.ba TWITTER@CBBIH	<p>The openness and transparency of the CBBH operations is considered very important for the credibility, public accountability and trust, which it enjoys among the population and by other institutions in Bosnia and Herzegovina and by international institutions. On the basis of the CBBH Rules of Procedure, the CBBH has an obligation to inform the public about its work by providing timely information, publishing reports, issuing official publications and organizing press conferences.</p> <p>The website of the CBBH has existed since 1998. It contains basic information on the CBBH, the Law on the CBBH, presents the banknotes and coins of Bosnia and Herzegovina, as well as numismatic issues of the CBBH. On the website, there are also numerous publications and statistical data (Annual Reports, Monthly Balance Sheets, Quarterly Bulletins, Financial Stability Reports, Balance of Payments of BH, Payment Operations Reports ...) and a list of all commercial banks in BH. The publications and statistical data are published in generally accepted formats, DOC, XLS and PDF. On this page, the latest exchange rates, which are updated daily, and other relevant news and press releases are published.</p> <p>The material is published in Bosnian, Croatian, Serbian and English. In order to increase openness and transparency and to reach the public, as much as possible, the CBBH has launched an official profile on the social network Twitter. On this profile, we publish the data, usually published on the website of the Bank, www.cbbh.ba, as well as additional information and data, which are estimated as relevant. The way of communication is adjusted to the targeted audience.</p>