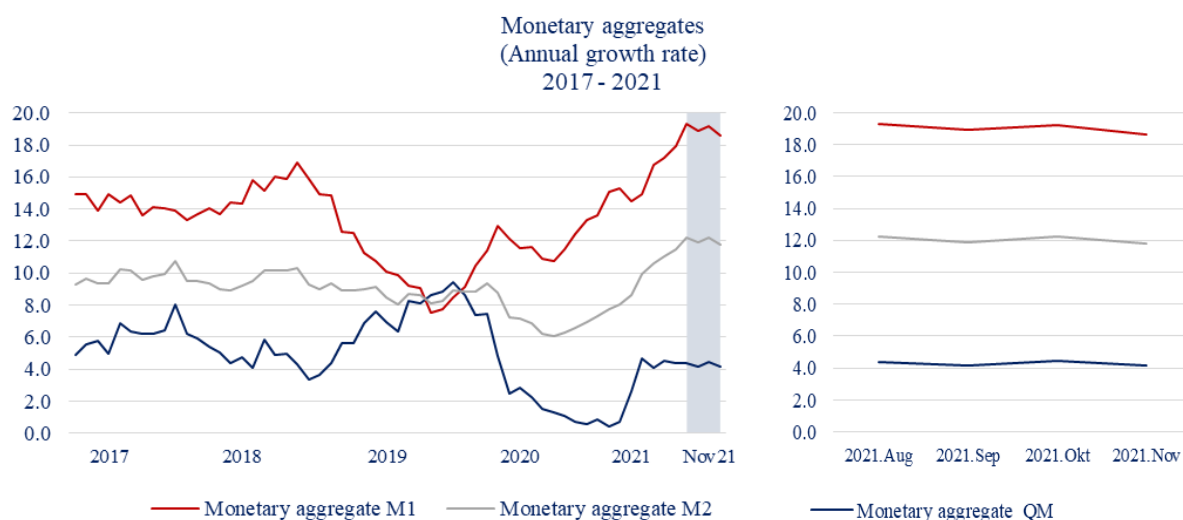


Comment on Monetary Trends in November 2021

The total money supply (M2) at the end of November 2021 amounted to KM 31.06 billion, the monthly increase being KM 58.9 million (0.2%). The growth of money supply (M2) in November 2021 was brought about by the growth of money (M1) by KM 57.6 million (0.3%) and lower growth of quasi money (QM) by KM 1.3 million (0.01%). Money (M1) increased due to the growth of transferable deposits in local currency by KM 123.1 million (1.0%), while cash outside banks decreased by KM 65.6 million (1.2%). The increase in quasi money (QM) is the result of an increase in transferable deposits in foreign currency by KM 103.2 million (3.2%) with a simultaneous decrease in other deposits in local currency by KM 52 million (1.7%) and other deposits in foreign currency by KM 49.9 million (0.7%).

At the annual level, there was an increase in money supply (M2) by 3.27 billion KM (11.8%) compared to the same month last year. Growth was realized in cash outside banks by KM 491 million (10.0%), transferable deposits in local currency by KM 2.24 billion (22.9%), transferable deposits in foreign currency by KM 379.1 million (13, 0%), other deposits in local currency by KM 20 million (0.7%) and other deposits in foreign currency by KM 143.9 million (2.0%).



The counter-item of of money supply (M2) on a monthly basis in November 2021 totaling KM 58.9 million (0.2%) is the growth of net foreign assets (NSA) by KM 185.2 million (1.0%) and reduction of net domestic assets (NDA) by KM 126.3 million (1.1%). The increase in money supply (M2) at the annual level of 3.27 billion KM (11.8%) is a result of increase of net foreign assets (NSA) by 3.46 billion KM (22.0%) and a decrease in net domestic assets (NDA) by KM 188.9 million (1.6%).

Monetary survey

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	XI 2021	IX 2021	X 2021	XI 2021	IX 2021	X 2021	XI 2021
Assets							
1 Net foreign assets	19.177,4	-161,0	439,7	185,2	21,6	22,5	22,0
1.1 Foreign assets	20.999,2	-161,5	428,3	129,2	16,4	17,5	16,9
1.2 Foreign liabilities	-1.821,8	0,6	11,4	56,0	-18,0	-16,8	-19,1
2. Net domestic assets	11.886,8	166,7	-83,2	-126,3	-0,3	-0,9	-1,6
2.1. Claims on central government (net) cantons and municipalities	-303,3	56,2	-73,3	-46,9	-254,5	-255,6	-336,4
2.2 Claims on local sectors	19.964,7	82,8	46,0	52,3	2,8	3,1	3,4
2.3 Other items	-7.774,6	27,6	-55,8	-131,7	3,8	4,0	5,7
Liabilities							
1 Money supply (M2)	31.064,2	5,7	356,5	58,9	11,9	12,2	11,8
1.1 Money (M1)	17.413,5	-5,1	261,2	57,6	18,9	19,2	18,6
1.2 Quasi money (QM)	13.650,6	10,8	95,3	1,3	4,1	4,5	4,1

Loans

In November 2021, total loans to domestic sectors amounted to KM 21.06 billion and compared to the previous month increased by KM 53.7 million (0.3%). Growth in loans was registered in the household sector by KM 35 million (0.3%), government institutions by KM 4.5 million (0.4%) and public companies by KM 18.7 million (3.8%). The decrease in loans was registered with private companies by KM 0.1 million and other domestic sectors by KM 4.4 million (2.6%).

In November 2021, the annual growth rate of total loans was (3.2%), nominally 654 million KM. At the annual level, loans to households increased by KM 511.7 million (5.2%), private companies by KM 138.2 million (1.6%), government institutions by KM 6.6 million (0.6%) and other domestic sectors by KM 7.8 million (5.0%). The decrease in loans growth was recorded in public companies by KM 10.3 million (2.0%).

Sectorial structure of loans in BH

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	XI 2021	IX 2021	X 2021	XI 2021	IX 2021	X 2021	XI 2021
Total	21.055,1	133,8	34,2	53,7	2,9	2,9	3,2
Out of it:							
Households	10.441,2	47,6	55,0	35,0	4,3	4,7	5,2
Private companies	8.761,7	29,3	4,1	-0,1	1,4	1,6	1,6
Government institutions	1.175,9	46,8	-13,5	4,5	6,8	0,9	0,6
Public companies	512,2	7,3	-12,6	18,7	-3,9	-5,0	-2,0
Loans to other domestic sectors	164,2	2,8	1,2	-4,4	-0,9	1,4	5,0

Foreign Exchange Reserves

At the end of November 2021, the foreign exchange reserves of the Central Bank of BiH amounted to 16.1 billion KM. Compared to the previous month, the foreign exchange reserves of the Central Bank of BiH increased by KM 73.4 million (0.5%), while an annual increase of KM 2.6 billion (19.2%) was recorded.