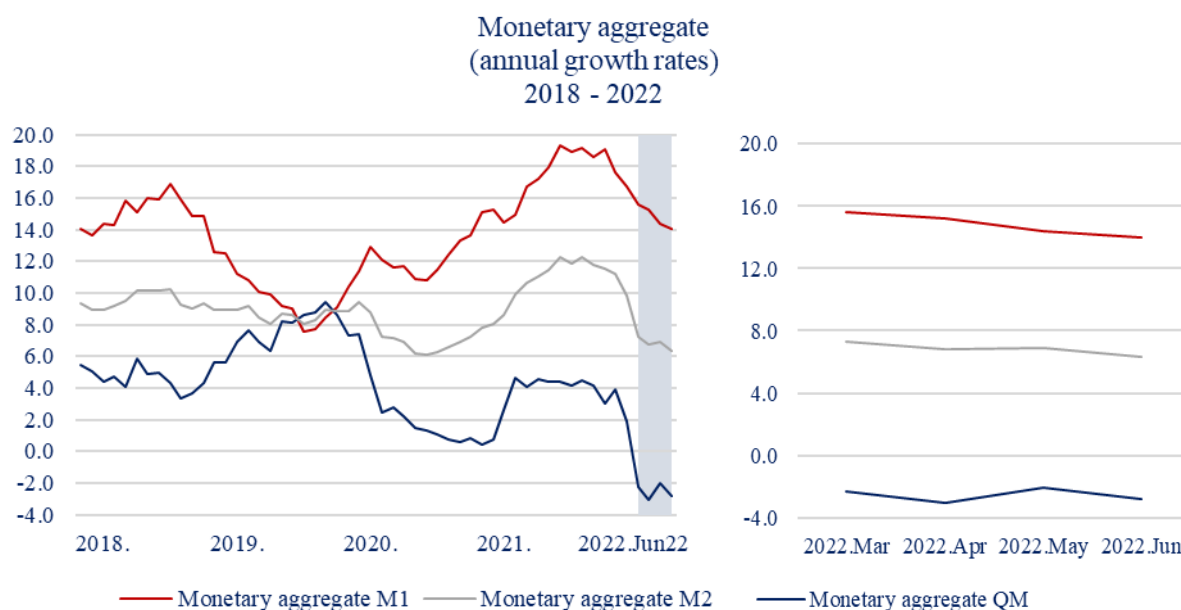


## Comment on Monetary Trends in June 2022

The total money supply (M2) at the end of June 2022 was 31.51 billion KM with a monthly slight increase being 147.1 million KM (0.5%). The increase in money supply (M2) in June 2022 is the result of an increase in money (M1) by 189.2 million KM (1.0%) and a decrease in quasi-money (QM) by 42 million KM (0.3%). The increase in money (M1) was caused by an increase in transferable deposits in local currency by 188.4 million KM (1.5%) and an increase in cash outside banks by only 0.8 million KM. The decrease in quasi-money (QM) is the result of a drop in transferable deposits in foreign currency by 119 million KM (3.6%), while growth was noted in other deposits in local currency by 50.1 million KM (1.8%) and in other deposits in foreign currency by 27 million KM (0.4%).

An annual level, the increase in the money supply (M2) in June 2022 amounted to 1.88 billion KM (6.4%). Growth was achieved in cash outside banks by 644 million KM (12.4%), in transferable deposits in local currency by 1.62 billion KM (14.8%) and transferable deposits in foreign currency by 157.9 million KM (5.2%), with a simultaneous decrease in other deposits in local currency by 204.5 million KM (6.6%), and other deposits in foreign currency by 333.8 million KM (4.6%).



The counter-item of the increase in the money supply (M2) at the monthly level in June 2022 totalling 147.1 million KM (0.5%) is the reduction of net foreign assets (NSA) by 135.3 million KM (0.7%) and increase in net domestic assets (NDA) by 282.4 million KM (2.2%). The increase in the money supply (M2) by 1.88 billion KM (6.4%) at the annual level, is the result of an increase in net foreign assets (NSA) by 1.16 billion KM (6.7%) and net domestic assets (NDA) by 729.9 million KM (5.9%).

## Monetary survey

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	VI 2022	IV 2022	V 2022	VI 2022	IV 2022	V 2022	VI 2022
<b>Assets</b>							
<b>1. Net foreign assets</b>	<b>18,323.6</b>	<b>-24.4</b>	<b>177.0</b>	<b>-135.3</b>	<b>8.6</b>	<b>8.4</b>	<b>6.7</b>
1.1 Foreign assets	20,201.4	-98.8	197.0	-56.5	6.1	6.1	5.5
1.2 Foreign liabilities	-1,877.8	74.4	-20.0	-78.8	-14.3	-12.9	-5.2
<b>2. Net domestic assets</b>	<b>13,185.8</b>	<b>147.3</b>	<b>138.6</b>	<b>282.4</b>	<b>4.3</b>	<b>4.9</b>	<b>5.9</b>
2.1. Claims on central government (net) cantons and municipalities	-376.2	-0.6	-222.8	61.1	-230.9	-301.3	-252.2
2.2 Claims on local sectors	20,720.2	186.6	169.1	150.5	4.8	5.3	5.0
2.3 Other items	-7,158.1	-38.6	192.3	70.8	0.5	-3.0	-4.8
<b>Liabilities</b>							
<b>1 Money supply (M2)</b>	<b>31,509.4</b>	<b>122.9</b>	<b>315.6</b>	<b>147.1</b>	<b>6.8</b>	<b>6.9</b>	<b>6.4</b>
1.1 Money (M1)	18,407.7	171.9	221.2	189.2	15.2	14.4	14.0
1.2 Quasi money (QM)	13,101.8	-48.9	94.4	-42.0	-3.0	-2.0	-2.8

## Loans

At the end of June 2022, total loans to domestic sectors amounted to 21.7 billion KM, having increased by 144.3 million KM (0.7%) compared to the previous month. The growth of loans was registered in the household sector by 85.3 million KM (0.8%), private companies by 75.1 million KM (0.8%) and other domestic sectors by 10 million KM (6%). A decrease in loan growth on a monthly basis was noted at government institutions by 8.8 million KM (0.8%) and non-financial public enterprises by 17.4 million KM (3.5%).

The annual growth rate of total loans in June 2022 was (4.4%), nominally 907.1 million KM. Annual growth of loans was registered in the household sector by 566.5 million KM (5.6%), private companies by 383.3 million KM (4.4%) and other domestic sectors by 35.5 million KM (24.9%). A decrease in credit growth at the annual level was registered with government institutions for 59.9 million KM (5.2%) and non-financial public enterprises by 18.3 million KM (3.6%).

### Sectorial structure of loans in BH

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	VI 2022	IV 2022	V 2022	VI 2022	IV 2022	V 2022	VI 2022
<b>Total</b>	<b>21,715.6</b>	<b>164.4</b>	<b>157.6</b>	<b>144.3</b>	<b>4.1</b>	<b>4.5</b>	<b>4.4</b>
Out of it:							
Households	10,769.6	68.9	89.0	85.3	5.6	5.7	5.6
Private companies	9,188.4	108.7	78.1	75.1	3.7	4.5	4.4
Government institutions	1,092.3	-13.8	-9.8	-8.8	-5.6	-6.1	-5.2
Public companies	487.0	0.8	-1.7	-17.4	-1.1	-0.1	-3.6
Loans to other domestic sectors	178.4	-0.1	2.0	10.0	17.4	22.0	24.9

### Foreign Exchange Reserves

At the end of June 2022 the foreign exchange reserves of the Central Bank of BiH amounted to 15.9 billion KM. Compared to the previous month, foreign exchange reserves of the Central Bank of Bosnia and Herzegovina have slight decreased by 72.4 million KM (0.5%), while an increase of 1.72 billion KM (12.1%) was registered at the annual level.