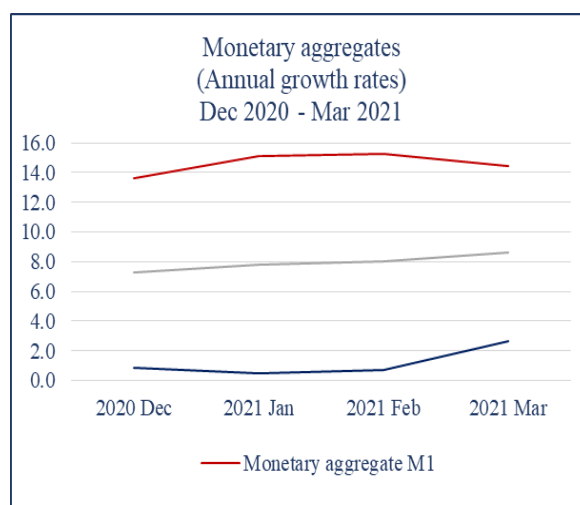
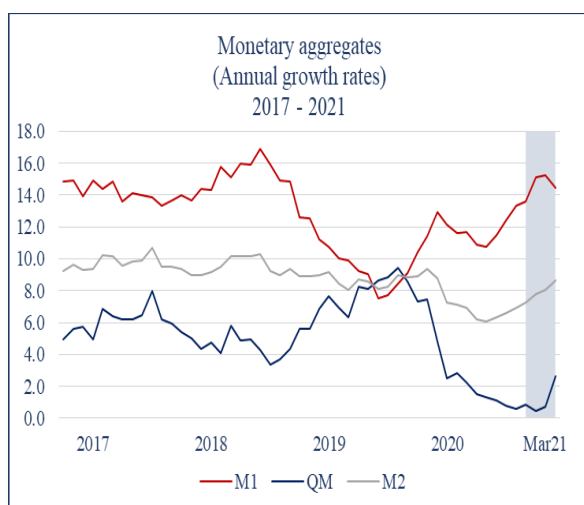


## Comment on Monetary Trends in March 2021

The total money supply (M2) at the end of March 2021 amounted to KM 28.83 billion, with a monthly increase of KM 174.3 million (0.6%). The growth of money supply (M2) in March 2021 is the result of the growth of money (M1) by KM 72.4 million (0.5%) and quasi money (QM) by KM 101.9 million (0.8%). Cash (M1) increased primarily due to the growth of transferable deposits in local currency by KM 83.8 million (0.8%) and a slight decline in cash outside banks by KM 11.4 million (0.2%). Quasi money (QM) recorded an increase due to an increase in transferable deposits in foreign currency by KM 33.5 million (1.1%), other deposits in local currency by KM 5.7 million (0.2%) and other deposits in foreign currency for 62.6 million KM (0.9%).

At the annual level, the increase in the money supply (M2) amounts to 2.29 billion KM (8.6%). Growth was realized in: cash outside banks by KM 369.8 million (7.9%), transferable deposits in local currency by KM 1.58 billion (17.9%), transferable deposits in foreign currency by KM 468.9 million (18.3%) and other deposits in local currency by KM 11.8 million (0.4%) and a decrease in other deposits in foreign currency by KM 139.5 million (1.9%).



The counter-item of the monthly increase of money supply (M2) in March 2021 in the amount of KM 174.3 million (0.6%) is the growth of net foreign assets (NSA) by KM 141.8 million (0.9%) and net domestic assets (NDA) by KM 32.5 million (0.3%). The increase in the money supply (M2) at the annual level of 2.29 (8.6%) KM is the result of an increase in net foreign assets (NSA) by 2.32 billion KM (16.5%) and a decrease in net domestic assets (NDA) by KM 26.8 million (0.2%).

## Monetary survey

	Balance in mil. KM III 2021	Monthly changes in mil. KM			Annual growth rate in %		
		I 2021	II 2021	III 2021	I 2021	II 2021	III 2021
<b>Assets</b>							
<b>1 Net foreign assets</b>	<b>16.337,3</b>	<b>90,3</b>	<b>91,3</b>	<b>141,8</b>	<b>13,9</b>	<b>13,8</b>	<b>16,5</b>
1.1 Foreign assets	18.432,5	-25,1	52,3	65,1	7,0	7,0	9,1
1.2 Foreign liabilities	-2.095,2	115,4	39,0	76,7	-25,8	-26,2	-27,2
<b>2 Net domestic assets</b>	<b>12.488,6</b>	<b>74,7</b>	<b>146,3</b>	<b>32,5</b>	<b>0,7</b>	<b>1,4</b>	<b>-0,2</b>
Claims on central government (net) cantons and municipalities	497,2	241,2	-7,4	-38,4	-905,9	2757,0	723,2
2.2 Claims on local sectors	19.357,8	-118,1	95,2	128,9	-0,9	-0,8	-0,5
2.3 Other items	-7.366,4	-48,4	58,5	-58,0	5,0	2,6	5,3
<b>Liabilities</b>							
<b>1 Money supply (M2)</b>	<b>28.825,9</b>	<b>165,0</b>	<b>237,6</b>	<b>174,3</b>	<b>7,8</b>	<b>8,0</b>	<b>8,6</b>
1.1 Money (M1)	15.421,2	135,0	158,5	72,4	15,1	15,3	14,5
1.2 Quasi money (QM)	13.404,7	30,0	79,1	101,9	0,5	0,7	2,6

## Total loans

At the end of March 2021, total loans to domestic sectors amounted to KM 20.47 billion. Compared to the previous month, they increased by KM 165.5 million (0.8%). Credit growth was registered in the following sectors: households by KM 72.9 million (0.7%), private companies by KM 66.5 million (0.8%), governments by KM 36.5 million (3.2%) and other domestic sectors by KM 3.5 million (4.5%). A decrease in credit growth was registered in the public enterprise sector by KM 13.8 million (2.6%).

The annual growth rate of total loans in March 2021 was reduced to 0.1% or nominally by KM 17.9 million. The growth of loans was registered in the sectors of households by KM 69 million (0.7%), Government institutions by KM 68.6 million (6.2%) and public companies by KM 38.7 million (8.2%). Decreased credit growth was registered in the sectors of private enterprises by KM 184.8 million (2.1%) and in other domestic sectors by KM 9.4 million (5.8%).

### Sectoral structure of loans in BH

	Balance in mil. KM III 2021	Monthly changes in mil. KM			Annual change rates in %		
		I 2021	II 2021	III 2021	I 2021	II 2021	III 2021
<b>Total</b>	<b>20.472,6</b>	<b>-120,7</b>	<b>80,4</b>	<b>165,5</b>	<b>-0,5</b>	<b>-0,6</b>	<b>-0,1</b>
Out of it:							
Households	9.971,0	-18,9	22,3	72,9	0,4	0,2	0,7
Private companies	8.657,0	-77,6	79,7	66,5	-2,9	-2,4	-2,1
Government institutions	1.178,1	-4,4	-15,2	36,5	6,3	2,5	6,2
Public companies	513,9	-8,6	0,5	-13,8	8,7	10,0	8,2
Loans to other domestic sectors	152,6	-11,2	-7,0	3,5	-0,1	-6,1	-5,8

### Foreign exchange reserves

Foreign exchange reserves of the Central Bank of BiH at the end of March 2021 amounted to KM 13.64 billion, decreased by KM 33.9 million (0.6%) compared to the previous month. At the annual level, the foreign exchange reserves of the Central Bank of BiH increased by KM 1.18 billion (9.5%).