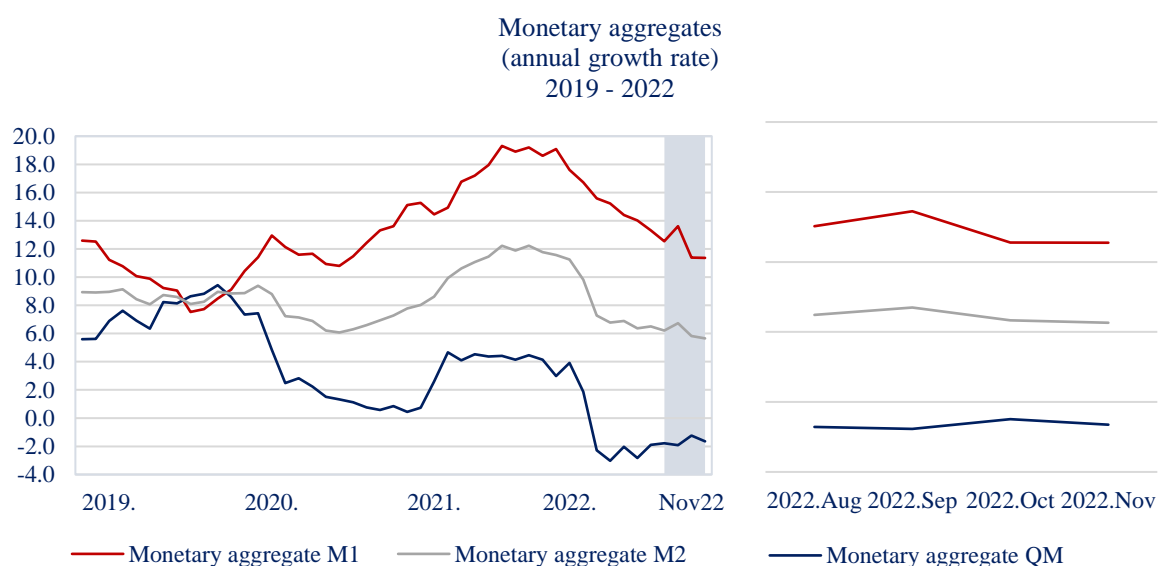


Comment on Monetary Trends in November 2022

The total money supply (M2) at the end of November 2022 amounted to KM 32.82 billion, with a very slight increase in money supply being KM 8.7 million compared to the previous month. The increase in money supply (M2) in November 2022 was the result of an increase in money (M1) by KM 62.5 million (0.3%) and a decrease in quasi money (QM) by KM 53.8 million (0.4%). The increase in money (M1) was caused by an increase in transferable deposits in local currency by KM 130.9 million (1.0%) and a decrease in cash outside banks by KM 68.4 million (1.1%). The decrease in quasi money (QM) was the result of a decrease in transferable deposits in foreign currency by KM 16.4 million (0.5%), other deposits in local currency by KM 24.8 million (0.8%) and other deposits in foreign currency by KM 12.6 million (0.2%).

Annually, the increase in money supply (M2) in November 2022 amounted to KM 1.76 billion (5.7%). The growth was recorded in cash outside banks by KM 552.8 million (10.2%), for transferable deposits in local currency by KM 1.43 billion (11.9%) and transferable deposits in foreign currency by KM 304.3 million (9.2%). At the same time there was a decrease in other deposits in local currency by KM 108.6 million (3.6%) and other deposits in foreign currency by KM 418.8 million (5.7%).



The counter-item to the monthly increase in money supply (M2) totaling KM 8.7 million in November 2022, is a decrease in net foreign assets (NSA) by KM 477.5 million (2.4%) and an increase in net domestic assets (NDA) by KM 486.2 million (3.7%). The annual increase in money supply (M2) by KM 1.76 billion (5.7%), was the result of a decrease in net foreign assets (NSA) by KM 141.3 million (0.7%) and an increase in net domestic assets (NDA) by KM 1.9 billion (16.0%).

Monetary survey

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	XI 2022	IX 2022	X 2022	XI 2022	IX 2022	X 2022	XI 2022
Assets							
1. Net foreign assets	19,036.1	25.3	242.0	-477.5	3.9	2.7	-0.7
1.1 Foreign assets	20,858.5	-12.9	232.6	-408.8	2.9	1.9	-0.7
1.2 Foreign liabilities	-1,822.5	38.2	9.4	-68.7	-6.7	-6.6	0.0
2. Net domestic assets	13,785.7	141.8	-145.1	486.2	11.1	10.7	16.0
2.1. Claims on central government (net) cantons and municipalities	216.8	88.6	-47.5	460.1	6.9	-5.1	-171.5
2.2 Claims on local sectors	20,939.9	37.8	102.1	20.3	4.8	5.1	4.9
2.3 Other items	-7,371.1	15.4	-199.6	5.9	-5.4	-3.5	-5.2
Liabilities							
1 Money supply (M2)	32,821.8	167.1	96.9	8.7	6.7	5.8	5.7
1.1 Money (M1)	19,394.3	176.1	-91.6	62.5	13.6	11.4	11.4
1.2 Quasi money (QM)	13,427.5	-9.0	188.5	-53.8	-1.9	-1.2	-1.6

Loans

At the end of November 2022, total loans to domestic sectors amounted to KM 21.97 billion, having increased by KM 25.3 million (0.1%) compared to the previous month. The growth of loans was registered in the household sector by KM 17.5 million (0.2%), non-financial public companies by KM 11.8 million (2.1%) and private companies by KM 11 million (0.1%). A decrease in loan growth, on a monthly basis, was recorded with government institutions by KM 5.6 million (0.5%) and in other domestic sectors by KM 9.3 million (5.3%).

The annual growth rate of total loans in November 2022 amounted to 4.3%, nominally KM 911.5 million. The annual growth of loans was registered in the household sector by KM 514.3 million (4.9%), private companies by KM 377.9 million (4.3%), non-financial public companies by KM 69.6 million (13.6%) and other domestic sectors by KM 0.6 million (0.4%). The annual decrease in loan growth was registered with government institutions by KM 50.8 million (4.3%).

Sectorial structure of loans in BH

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	XI 2022	IX 2022	X 2022	XI 2022	IX 2022	X 2022	XI 2022
Total	21,966.7	40.8	93.1	25.3	4.2	4.5	4.3
Out of it:							
Households	10,955.4	45.9	34.3	17.5	5.3	5.1	4.9
Private companies	9,139.6	-22.4	30.5	11.0	3.9	4.2	4.3
Government institutions	1,125.1	4.3	-4.2	-5.6	-4.2	-3.5	-4.3
Public companies	581.8	2.0	37.3	11.8	5.3	15.5	13.6
Loans to other domestic sectors	164.8	11.1	-4.8	-9.3	6.9	3.3	0.4

Deposits

At the end of November 2022, total deposits of domestic sectors amounted to KM 28.73 billion, having decreased by KM 145.6 million (0.5%) compared to the previous month. The monthly growth of deposits was registered in the household sector by KM 35.7 million (0.3%), non-financial public companies by KM 7.6 million (0.4%) and other domestic sectors by KM 98.7 million (5.3%). Deposits have decreased by KM 6.2 million (0.1%) for private companies, as well as for government institutions by KM 281.6 million (5.9%).

The annual growth rate of total deposits in November 2022 was 4.2%, having to be KM 1.17 billion in the absolute amount. The annual growth of deposits was registered with government institutions by KM 396.9 million (9.7%), private companies by KM 557.3 million (10.2%), non-financial public companies by KM 209.7 million (11.9%) and other domestic sectors by KM 264.8 million (15.5%). The annual decrease in a deposit growth rate was noted in the household sector by 1.8%, i.e. KM 262.1 million.

Sectorial structure of deposits in BH

	Balance in mil. KM	Monthly changes in mil. KM			Annual growth rate in %		
	XI 2022	IX 2022	X 2022	XI 2022	IX 2022	X 2022	XI 2022
Total	28,732.5	106.8	192.5	-145.6	5.7	6.0	4.2
Out of it:							
Households	14,278.3	109.8	24.0	35.7	-1.9	-2.0	-1.8
Private companies	6,017.7	45.5	145.9	-6.2	10.1	11.8	10.2
Government institutions	4,487.4	-41.1	46.7	-281.6	23.0	23.4	9.7
Public companies	1,972.5	-46.0	-16.7	7.6	14.8	14.3	11.9
Deposits of other domestic sectors	1,976.6	38.5	-7.4	98.7	8.8	8.2	15.5

Foreign Exchange Reserves

At the end of November 2022, the foreign exchange reserves of the Central Bank of BiH amounted to KM 15.91 billion. Compared to the previous month, foreign currency reserves have decreased by KM 352.9 million (2.2%), and on the annual level foreign exchange reserves of the Central Bank of BiH are decreased by KM 214.2 million (1.3%).