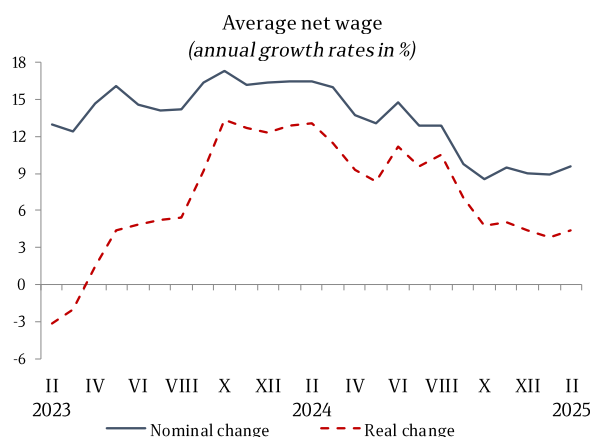


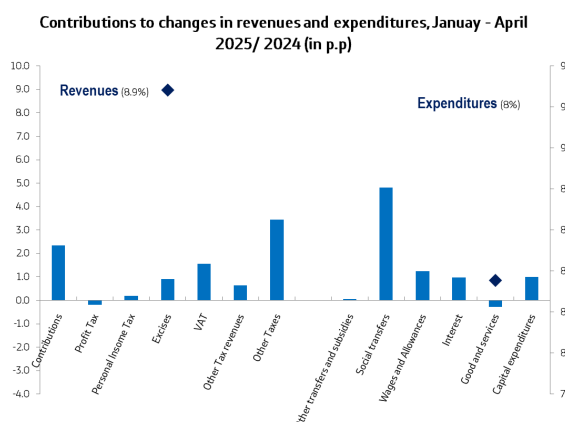


MONTHLY NEWSLETTER – APRIL 2025

- **Industrial production** in March 2025 increased by 5.2% annually. In the first three months of 2025, industrial production increased by 2.0%, as a result of a 3.6% growth registered in Manufacturing, while Mining and Electricity decreased.
- **Inflation** in April 2025 recorded a 2.6% annual growth. The annual inflation results from the core inflation (5.3% annual growth), while the prices of food increased by 1.5%, which is a significant slowdown compared to previous months. In January – April 2025, the inflation rate was 3.8%.
- In the first quarter of 2025, **exports of goods** dropped by 0.04% on annual basis, while **import of goods** grew by 1.3%, which led to an **increase of the trade deficit** by 4.4% compared to the same quarter of 2024.
- In the period January-February 2025, **average net wage** recorded an annual growth of 9.6% in nominal terms and a 4.4% increase in real terms. In February 2025, the average net wage amounted to Denar 43,053 (EUR 699), with the average gross wage amounting to Denar 64,634 (EUR 1,049).
- In March 2025, **credit activity** increased by 12.3% on annual basis, with household lending up by 9.6% and lending to enterprises increasing by 15.3%. **Total deposits** were higher by 12.7% (y/y), reflecting growth in both household deposits by 12.9%, and corporate deposits by 13.3%.



Source: SSO



- In the period January-April 2025, total budget revenues were realized 29.8% of the Budget for 2025. **Budget revenues** grew by 8.9% y/y, whereby tax revenues picked up by 5.4 y/y, while social contributions increased by 6.8% y/y. Higher tax revenues were driven by PIT, VAT, excises and import duties. Other tax revenues and profit tax recorded lower execution by 24.3% and 2.2%.
- Total expenditures in the period January-April 2025 were realized 30.4% of the Budget for 2025. **Budget expenditures** increased by 8% y/y. Current expenditures surged by 7.5% y/y, while capital expenditures recorded higher execution by 14.1%. **Budget deficit** stood at 1.4% of MoF- projected GDP for 2025.



Key macroeconomic indicators and projections

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
Real GDP growth, %	2.8	1.1	2.9	3.9	-4.7	4.5	2.8	2.1	2.8	3.7
Nominal GDP, million EUR	9,657	10,038	10,744	11,262	10,852	11,836	13,243	14,583	15,421	16,611
Average annual inflation, %	-0.2	1.4	1.5	0.8	1.2	3.2	14.2	9.4	3.5	2.2
Budget balance, % of GDP	-2.7	-2.7	-1.8	-2.0	-8.0	-5.3	-4.4	-4.6	-4.4	-4.0
General government debt, e.o.p., % of GDP	39.9	39.4	40.4	40.5	50.8	51.4	49.7	49.8	53.8	50.1***
Current account balance, % of GDP	-2.6	-0.8	0.2	-3.0	-2.9	-2.8	-6.0	0.4	-2.3	-1.8
Average unemployment rate, %	23.7	22.3	20.6	17.1	16.2	15.4	14.4	13.1	12.4	11.2
Average exchange rate MKD/EUR	61.6	61.6	61.5	61.5	61.7	61.6	61.6	61.6	61.5	61.6
Key monetary policy rate, %	3.73	3.27	2.92	2.29	1.65	1.29	2.46	5.84	6.13	5.40**
Foreign reserves, e.o.p., % of GDP	27.1	23.3	26.7	29.0	31.0	30.8	29.6	33.2	32.6	28.7***

*MoF projections, unless otherwise noted

**Actual for January-April 2025

***Actual for April 2025, ratio based on MoF projections

***Actual for Q1 2025

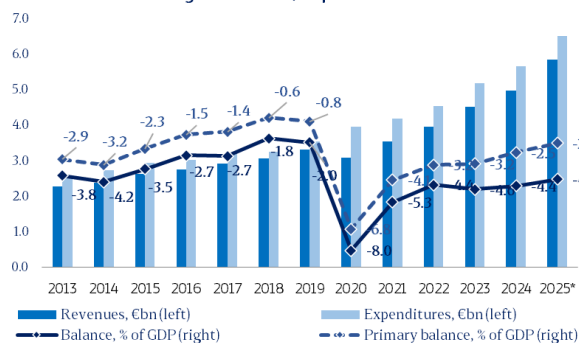
Latest GDP and inflation estimates and forecasts

	Real GDP growth, %		Average inflation, %	
	2024	2025	2024	2025
IMF, WEO (April 2025)	2.8	3.2	3.5	3.4
European Commission (November 2024)	2.0	2.6	3.4	2.2
World Bank (January 2025)	2.4	3.0	3.5	2.8
National Bank (November 2024)	2.3	3.3	3.5	2.5
MoF, North Macedonia (September 2024)	2.1	3.7	3.5	2.2

Credit rating, latest

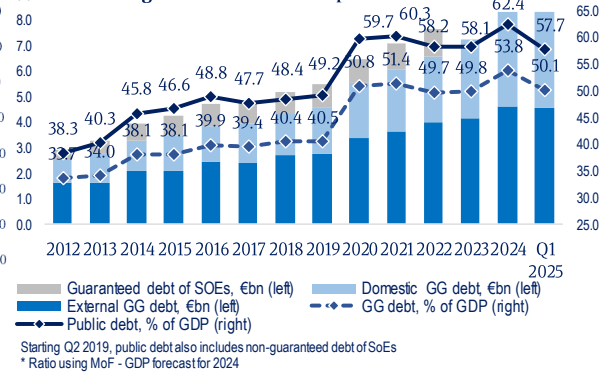
	Rating	Outlook
Standard & Poor's, January 2025	BB-	Stable
Fitch, March 2025	BB+	Stable

Budget revenues, expenditures and deficit

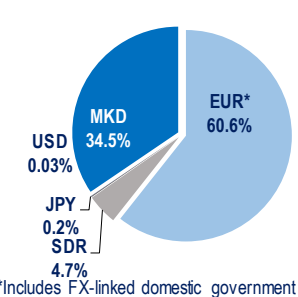


*2025 Budget data and MoF GDP forecast

General government and total public debt

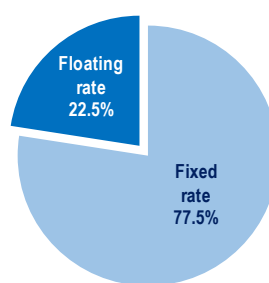
Starting Q2 2019, public debt also includes non-guaranteed debt of SOEs
* Ratio using MoF - GDP forecast for 2024

GG debt - Currency structure, Q1 2025

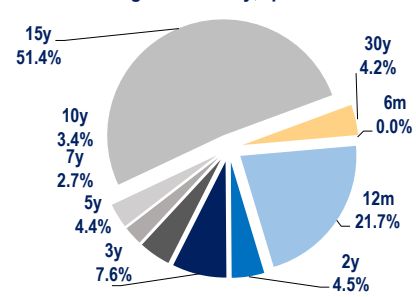


*Includes FX-linked domestic government

GG debt - Interest rate structure, Q1 2025



Domestic government securities - original maturity, April 2025



Domestic government securities, EUR m

Outstanding, April 30th 2025	3,795.2
- Of which without FX clause	2,911.7
- Of which with FX clause	883.6
Total planned net issuance for 2025	580.0
Of which net issued by April 2025	161.3

* includes roll-over of T-Bonds + net issuance of GS

Yields on domestic government securities issued on the primary market during April 2025

in %	3m	6m	12m	2y	3y	5y	7y	10y	15y	30y
Without FX clause			3.25		3.40				4.85	
With FX clause										

Republic of North Macedonia outstanding eurobonds, 30.04.2025

Maturity date	Rating		Original/outstanding size (mn)	Coupon	Price	Yield	Bid Spread	
	S&P	F					vs. BM	Bid z-Spread vs. MS
Jun-26	BB-	BB+	€ 700	3.675%	99.29	4.362	263	241
Mar-28	BB-	BB+	€ 700	1.625%	91.54	4.877	312	290
Mar-27	BB-	BB+	€ 500	6.960%	103.68	4.829	282	264