



SHORT-TERM ECONOMIC TRENDS



June 2025



CONTENTS

SUMMARY	2
1. REAL SECTOR.....	3
Industrial Production	3
Number of Employees in the Industry	4
Industrial Producer Prices on the Domestic Market	4
Industrial Turnover Index	5
Number of Issued Building Permits and Expected Value of Constructions	6
Number of Completed Construction Works by Types of Constructions	7
Trade Sector Turnover	7
Inflation	8
Stock Market Prices	9
2. FOREIGN TRADE	11
Export	11
Import	12
Trade Balance	13
Currency Structure	13
3. FISCAL SECTOR	13
Budget Revenues and Expenditures according to the Economic Classification	13
Expenditures by Budget Users	15
4. SOCIAL SECTOR	17
Newly Employed and Registered Unemployed Persons in the Employment Service Agency	17
Wages	17
Pensions	18
5. MONETARY AND FINANCIAL SECTOR	19
Primary Money	19
Deposit Potential	19
Bank Credits	21
Interest Rates of Deposit Banks	21
Capital Market	21
Reserve Assets	21



SUMMARY

OF THE MOST IMPORTANT SHORT-TERM ECONOMIC TRENDS

June 2025

- In June 2025, industrial production surged by 0.5% compared to the same month last year.
- In June 2025, inflation rate accounted for 4.5% on annual basis, resuming its upward trend compared to the previous month (3.3% in May 2025). Inflation recorded growth of 0.8% on monthly basis.
- Export in the period January - June 2025 surged by 2.9%, while import grew by 2.4%, resulting in increase in the trade deficit by 1.1% compared to the same period in 2024.
- In the period January – June 2025, collection of total budget revenues of the Republic of North Macedonia's budget amounted to Denar 156,534 million, accounting for 43.2% of the 2025 projections, i.e. an increase of 8.5% compared to collected budget revenues during the corresponding period in 2024.
- Total budget expenditures were executed in the amount of Denar 182.249million in the period January – June 2025, accounting for 45.1% of the annual projections, i.e. an increase of 8.4% compared to same period of 2024.
- Total credits of banks in June 2025 grew by 13.0% compared to June 2024, while total deposit potential of banks surged by 12.9%.
- Average net wage paid in May 2025 amounted to Denar 45,796, recording a nominal increase of 11.0% on annual basis and a real growth of 7.5%. The highest average net wage, amounting to Denar 101,765, was recorded in the Computer programming activity.



1. REAL SECTOR

Industrial Production

In June 2025, industrial production surged by 0.5% compared to the same month last year. Growth was due to increased production in the following sectors: Mining and quarrying by 6.9% and Manufacturing by 2.0%, whereas Electricity, gas, steam and air-conditioning supply recorded a decrease of 29.3%.

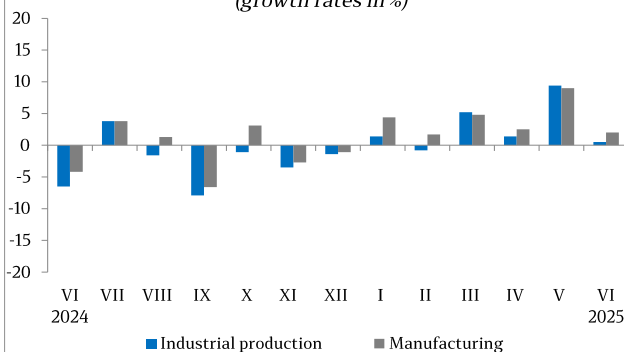
In June 2025, growth in production was registered at 15 out of total of 27 industrial branches, comprising 58.0% in the total industry.

In June 2025, with respect to branches with higher added value, an increase was recorded at the following branches: Manufacture of electrical equipment by 16.1% with contribution of 1.2 percentage points, and Manufacture of motor vehicles, trailers and semi-trailers by 7.0% with contribution of 1.2

percentage points, while drop was recorded at Manufacture of machinery and equipment by 1.2% with contribution of -0.1 percentage points and Production of metals by 12.8% and contribution of -0.4 percentage points.

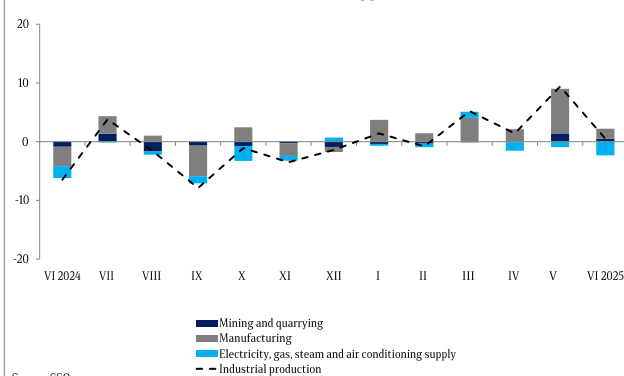
Traditional branches in June 2025 recorded growth in production throughout the following branches: Manufacture of tobacco products by 35.4% and contribution of 0.4 percentage points, Manufacture of leather by 13.0% and contribution of 0.1% percentage points, Food industry by 9.8% and contribution of 1.1 percentage points and Manufacture of textile by 2.5% and contribution of 0.1 percentage points, whereas reduction was recorded in Manufacture of wearing apparel by 10.5% with contribution of -0.6 percentage points, 5.0% with contribution of -0.1 percentage points, Manufacture of wood and wood and cork products by 7.5% and contribution of -0.1 percentage points, and Manufacture of beverages by 3.0%, with contribution of -0.1 percentage points.

Chart 1.1: Industrial production
(growth rates in %)



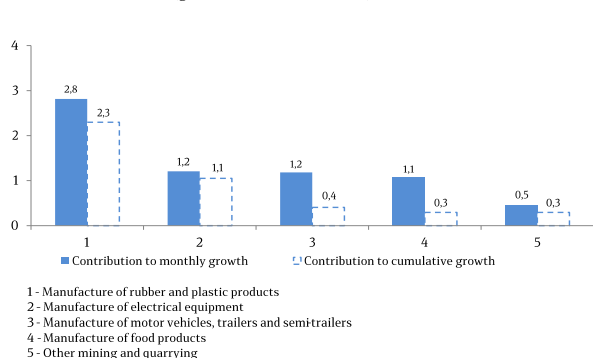
Source: SSO

Chart 1.2: Structure of industrial production growth
(contributions in p.p.)



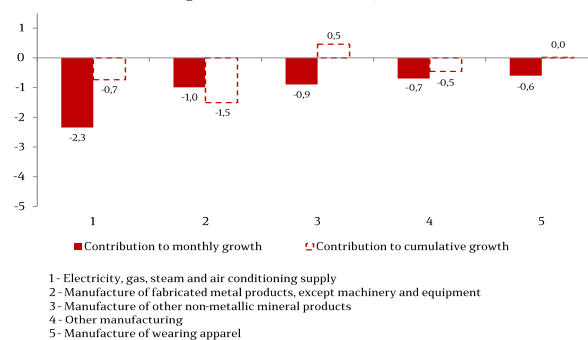
Source: SSO

Chart 1.3a: Branches with positive contribution to growth
(growth rates in %, June 2025)



Source: SSO.

Chart 1.3b: Branches with negative contribution to growth
(growth rates in %, June 2025)



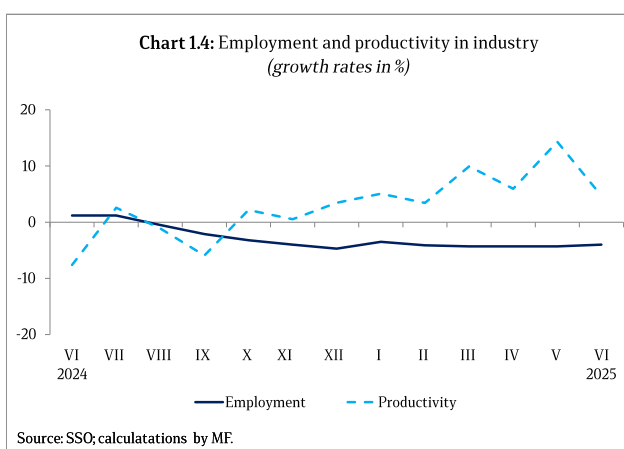
Source: SSO.



In June 2025, industrial production, categorized by the purpose of production units, increased compared to the same month last year across the following groups: Intermediate goods, except for energy (increasing by 4.6% and contribution of 1.4 p.p.), Capital goods (picking up by 2.0% and contribution of 0.5 p.p.) and Non-durable consumer goods industry (increasing by 1.9% and contributing 0.6 p.p.), while it decreased in the groups as follows: Energy (dropping by 24.4% and contribution of -2.1 p.p.) and Durable consumer goods (dropping by 4.3% and contribution of -0.2 p.p.). As per the purpose of production units, in the period January – June 2025, growth was recorded at the following groups: Intermediate goods except energy (by 14.1%), Consumer durables (by 1.0%), and Consumer non-durables (by 1.2%), whereas drop was recorded at groups: Energy (by 8.4%) and Capital goods (by 3.8%).

Number of Employees in the Industry

In June 2025, number of employees in the industry decreased by 4.0% compared to the same month in the previous year. Such decline was due to the reduced number of employees throughout all sectors, as follows: Mining and quarrying by 2.5%, Manufacturing by 4.3% and Electricity, gas, steam and air-conditioning supply by 1.4%. Increase in the number of employees was seen at the following branches: Manufacture of tobacco products. by 6.1%, Manufacture of electrical equipment by 4.8% and Manufacture of rubber and plastic products, n.e.c by 4.7%.



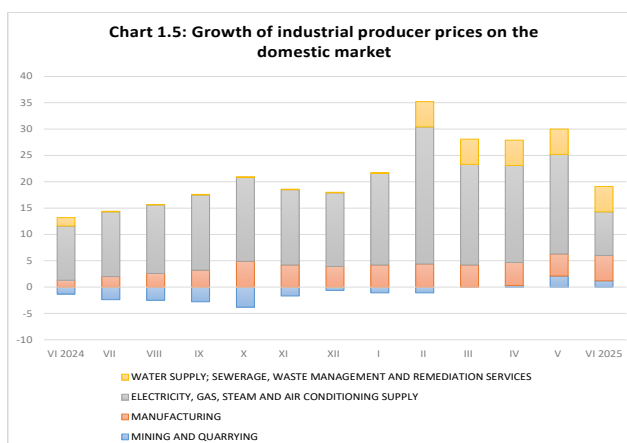
Data on the number of employees in the industry by target groups in June 2025, compared to the same period last year, showed increase in the number of employees at the following groups: Intermediate goods, except energy by 0.4% and Consumer durables by 11.4%.

On cumulative basis, the number of employees in the industry in the period January - June 2025 recorded a drop of 4.1% due to the decreased number of employees across all sectors: Mining and quarrying by 2.2%, Manufacturing by 4.3% and Electricity, gas, steam and air-conditioning supply by 1.8%.

As regards target groups, number of employees in the industry in the period January - June in 2025 increased only at Consumer durables by 14.7%.

Industrial producer prices on the domestic market

In June 2025, industrial producer prices on the domestic market were higher by 5.3% compared to the same month last year. Increase was due to raised prices throughout all sectors: Mining and quarrying by 1.2%, Manufacturing by 4.8%, Electricity, gas, steam and air-conditioning supply by 8.3% and Water supply; Sewerage, waste management and remediation activities by 4.8%.





In June 2025, the industrial producer prices on the domestic market compared to the same month in 2024 were higher in the groups as follows: Energy by 8.0%, Intermediate products, except energy by 4.5%, Consumer goods by 5.2% and Consumer non-durables by 5.4%.

In the period between January and June 2025 compared to the same period last year, industrial producer prices on the domestic market were higher by 6.3% on cumulative basis, due to increased prices throughout the following sectors: Mining and quarrying by 0.2%, Manufacturing by 4.4%, Electricity, gas, steam and air-conditioning supply by 17.8% and Water supply; Sewerage, waste management and remediation activities by 4.8%.

In the period between January and June 2025 compared to the corresponding period in 2024, the industrial producer prices on the domestic market were higher in the groups as follows: Energy by 16.3%, Intermediate goods, except energy by 3.4%, Consumer goods by 5.1% and Consumer non-durables by 5.4%.

Industrial turnover index

As per the State Statistical Office's data, the industrial turnover in June 2025 increased by 12.3% compared to June 2024. Growth was due to the increased turnover in both Mining and quarrying by 8,5% and Manufacturing by 12.4%.

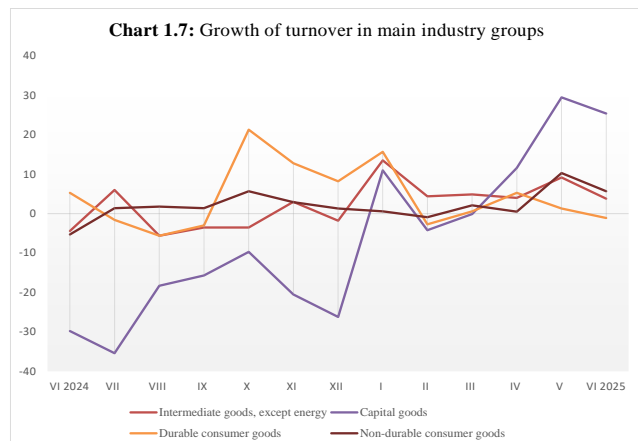
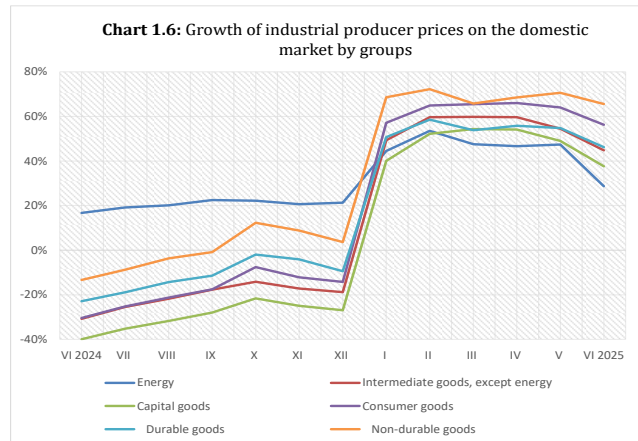
In June 2025 compared to July 2024, industrial turnover increased in the groups as follows: Intermediate goods, except energy by 3.8%, Capital goods by 25.4%, and Consumer non-durables by 5.7%. A decline in turnover was recorded only in the group Consumer durables, accounting for 1.1%.

Branches with highest turnover growth in the industry in June 2025 compared to the same month last year were the following:

- Manufacture of motor vehicles, trailers and semi-trailers (picking up by 94.9%),
- Manufacture of tobacco products (recording growth of 42.8%) and
- Manufacture of other transport equipment (recording growth of 26.6%).

On cumulative basis, in the period between January and June 2025, compared to the same period last year, turnover in industry recorded an increase of 7.2%, due to increase in turnover in both sectors - Mining and quarrying sector and Manufacturing sector by 4.7% and 7.2%, respectively.

In the period between January and June 2025, compared to the same period in 2024, industrial turnover increased throughout all groups: Intermediate goods, except energy – 6.4%, Capital goods – 10.6%, Consumer durables – 2.7%, and Consumer non-durables – 3.1%.





Number of Issued Building Permits and Expected Value of Constructions

In June 2025, a decrease in the number of building permits was recorded, following last month's increase (469 building permits issued in May 2025). However, 213 building permits were issued, marking a 15.1% increase compared to the same month in 2024. Such increase was due to the annual increase of issued building permits for buildings by 11.1% (participating with 56.3% in the total number of issued building permits) and reconstruction by 40.0%, whereas no change was recorded in the number of permits issued for civil engineering structures. A notable rise was evident across both individuals and legal entities. When observed across regions, it is also notable that the number of issued building permits increased in most regions, with the most significant growth recorded in the Vardar, Pelagonija and Polog regions.

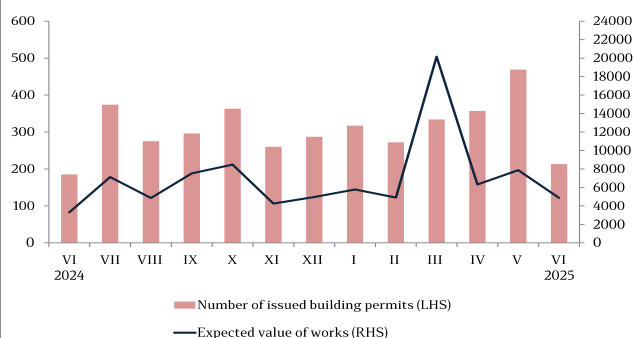
Compared to May 2025, number of issued building permits dropped by 54.6%. Expected value of constructions, according to the issued building permits in June 2025, picked up by 47.1% on annual basis, while compared to the previous month, it declined by 38.3%.

Analysed by types of constructions, out of the total number of issued building permits, 120 (or 56.3%) were intended for buildings, 37 (or 17.4%) with respect to civil engineering structures and 56 (or 26.3%) for reconstruction purposes.

Analysed by types of investors, out of total 213 issued building permits, individuals were investors in 110 facilities (or 51.6%), while business entities were investors in 103 facilities (or 48.4%).

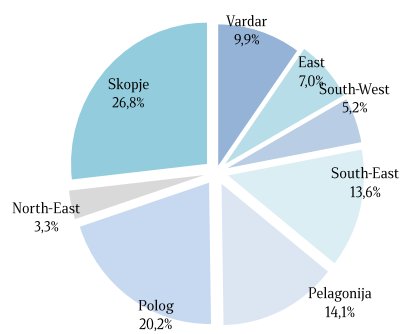
In June 2025, construction of 260 flats was envisaged, with total usable area of 25,680 m². Number of flats envisaged for construction declined by 74.9% on monthly basis, while dropping by 35.0% on annual basis.

Chart 1.8: Building permits and value of works
(number in units; value in million denars)



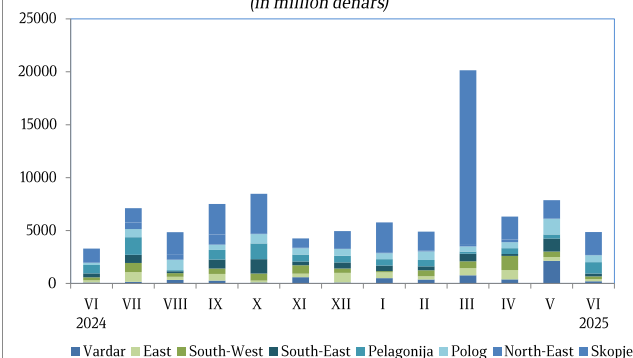
Source: SSO.

Chart 1.9: Structure of issued building permits by regions
(June 2025)



Source: SSO.

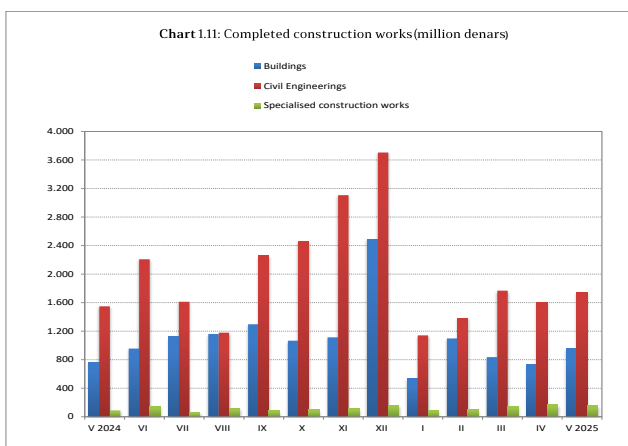
Chart 1.10: Expected total value of the constructions by regions
(in million denars)





Number of Completed Construction Works by Types of Constructions

Total value of performed construction works in May 2025 amounted to Denar 2,847 million, representing an annual growth of 18.4% in nominal terms, whereby growth of 12.7%, 23.8% and 69.7% was recorded in civil engineering structures, buildings and specialised construction works, respectively. Compared to April 2025, total value of completed construction works increased by 14.0%, with buildings rising by 30.4%, and civil engineering structures by 9.0%, while specialised construction works recorded a decline of 9.2%. In cumulative terms, in the period January – May 2025, value of performed construction works amounted to Denar 12,436 million, being higher by 8.4% compared to the same period last year.



Most of the completed construction works pertained to civil engineering construction, wherein construction works amounting to Denar 7,637 million were completed during January - May 2025, i.e. being higher by 1.4% compared to the same period last year. During this period, the value of completed building construction works increased by 17.6%, amounting to Denar 4,147 million, whereas the value of completed specialised construction works amounted to Denar 652 thousand, being higher by 55.1% as compared to the same period last year.

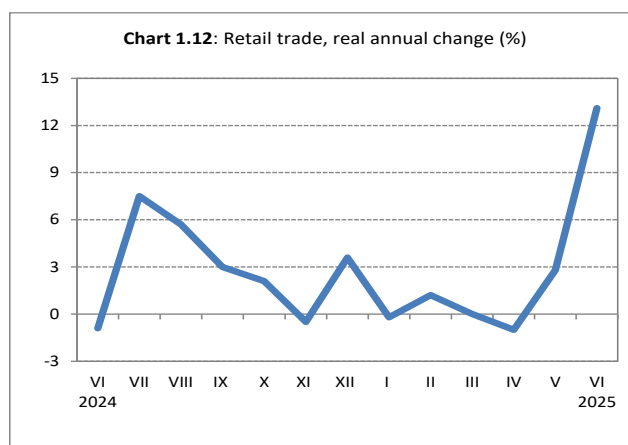
In real terms, in the period January - May 2025, value of completed construction works increased by 9.5%, with buildings (19.0%) specialised construction works (57.1%) and civil engineering structures (2.5%) recording growth.

Trade Sector Turnover

In June 2025, data on domestic trade showed a nominal annual growth in the turnover of 7.7%, following the 3.0% growth in May this year. In May 2025, value of turnover amounted to Denar 69,926 million, whereby in cumulative terms, in the period January - June 2025, value of total turnover in the trade amounted to Denar 393,598 million, being by 2.4% higher compared to the same period last year.

In the period January - June 2025, in cumulative terms, positive growth in turnover was seen at the sectors: Wholesale trade, which turnover value amounted to Denar 210,505 million, i.e. higher by 0.6% compared to the same period last year, Retail trade, which turnover value amounted to Denar 158,840 million, being 4.9% higher compared to the same period last year and at Trade in motor vehicles and repair, which turnover value amounted Denar 24,253 million, being higher by 2.7% compared to the same period last year.

In real terms, retail trade in June 2025 recorded an annual increase of 13.1%. When analysed by groups and classes, growth was observed across all groups: Retail trade in non-food products rose by 8.3%, Retail trade in automotive fuels by 5.2%, and Retail trade in food products, beverages and tobacco by 22.5%.





In June 2025, Wholesale trade (50.7%) accounted for the most in the Trade sector, followed by Retail trade (43.6%) and Trade in motor vehicles and motorcycles, repair and their maintenance (5.7%).

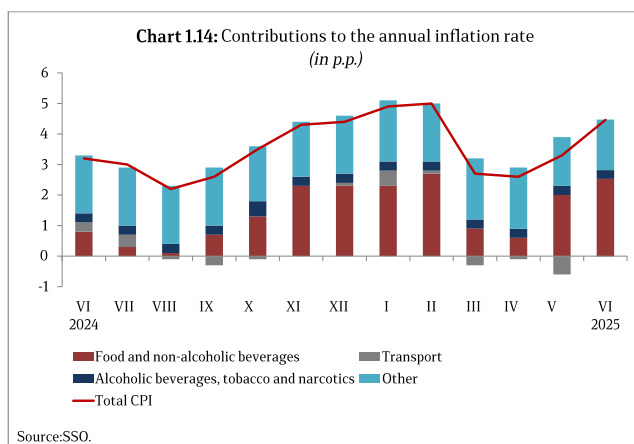
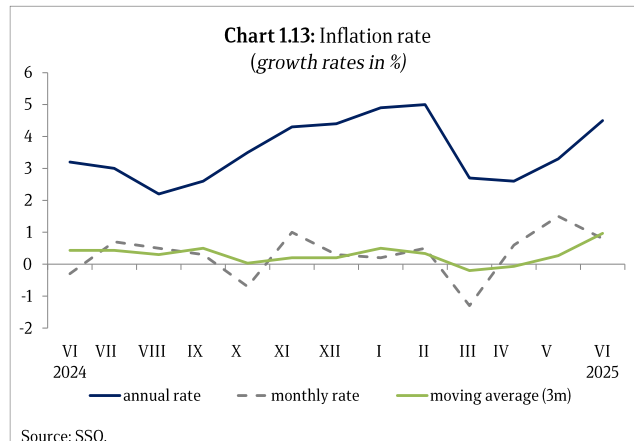
Inflation

In June 2025, inflation rate accounted for 4.5% on annual basis, resuming its upward trend compared to the previous month (3.3% in May 2025). This month's inflation growth was primarily driven by the acceleration of the food component and the core component. Average inflation rate in the period January - June 2025 amounted to 3.8% on annual basis.

In June 2025, core inflation (inflation, wherefrom the impact of prices of food and energy products is excluded) recorded acceleration compared to the previous month and accounted for 5.1% on annual basis (4.2% in May).

Prices in the Food and non-alcoholic beverages category recorded more substantial acceleration in growth of 6.3% (4.9% in May), whereby contributing with 2.5 percentage points to the total inflation in April, representing a 0.5 percentage point increase compared to the previous month. The rise in food prices followed the expiration of the Government's measures¹ to cap margins on basic food products, which was in effect until the end of April. Following sub-categories: Vegetables (annual growth of 9.7% and contribution of 0.5 p.p.), Non-alcoholic beverages (annual growth of 18.1%, contribution of 0.5 p.p.), Fruit (annual growth of 21.8% and contribution of 0.4% p.p.), Coffee, tea and cocoa (annual growth of 28.5% and contribution of 0.4 p.p.), and Meat (annual growth of 3.8% and contribution of 0.3 p.p.).

Observed by components, highest annual price growth in June 2025 was recorded at the Restaurants and hotels category, with an increase of 7.6%, contributing 0.5 percentage points to total inflation growth.



¹ Since 20th February 2025, the Decision on the margin cap of 102 groups of basic food and hygiene products and price cap to 8 groups of most essential food products has been effective. Measures remained valid through 30th April 2025, inclusive. The decision to cap the gross profit margin in Wholesale and Retail Trade applied to 102 categories of products, in particular:

- 5% gross profit margin set for eight basic food products,

- 10% gross profit margin is applied to food products, covering a total of 55 food products (meat and meat products, sugar, milk products, margarine, butter, canned fruit and vegetables, beans, rice and pasta),

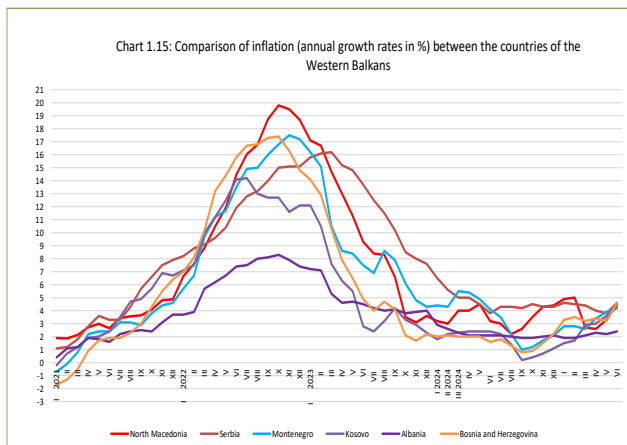


Price increase was also recorded in the following categories: Alcoholic beverages, tobacco and narcotics by 5.9%², Recreation and culture by 5.6%, Furnishings, household equipment and routine maintenance of the house by 4.3%, Miscellaneous goods and services by 3.9%, Health protection by 3.2%, Clothing and footwear by 2.9%, Transport by 1.6%, Housing, water, electricity, gas and other fuels by 2.0%, Communications by 1.0%, and Education by 0.3%. Price drop was recorded in the Transport category by 0.1%.

In June, consumer prices grew by 0.8% on monthly basis (last month prices surged by 1.5%), primarily due to upward pressure from the food component. This month food prices recorded an increase of 1.1%, partly due to the expiration of government measures that have capped profit margins¹ on basic food products.

In June 2025, the Eurozone inflation rate slowed to 2.0%³ compared to the previous month.

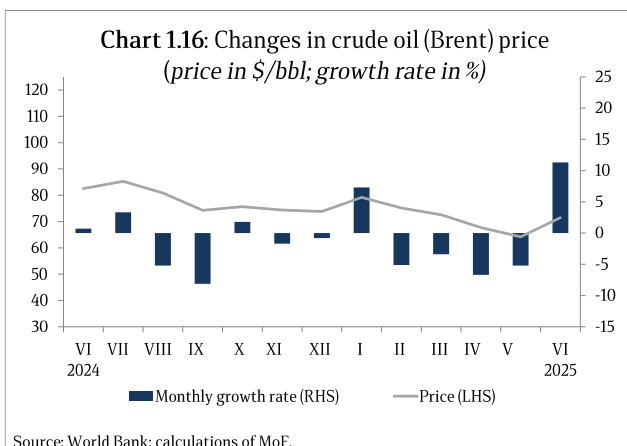
As per the ECB's projections, the inflation rate in 2025 is expected to decrease slightly to 2.0% in the short run, followed by further reductions to 1.6% in 2026 and 2.0% in 2027. Total inflation is expected to fall below 2% in the second quarter of 2025 and continue its downward trend, reaching approximately 1.4% in early 2026. The increase in total inflation to 2.0% in 2027 reflects the temporary upward movement in energy prices, resulting from measure related to the energy transition.



Stock Market Prices

In June 2025, crude oil price (Brent) on the global stock markets increased by 11.3% on monthly basis, reaching the price of US\$ 71.5 per barrel. The increase was due to several factors, primarily due to geopolitical tensions in the Middle East – particularly the conflict between Israel and Iran and the fluctuating supply and demand dynamics. Oil price was lower by 13.5% on annual basis.

In June 2025, the natural gas price⁴ increased by 2.1% on monthly basis. The increase in gas prices was impacted by several factors, including weather conditions, supply disruptions and geopolitical tensions. In June 2025, the natural gas price increased by 14.8% on annual level.



² Tobacco product price is increased in accordance with the adopted amendments of the Law on Excise, cigarette excise duty is to increase by Denar 0.23 per piece each year until 2030. New tobacco price was introduced in October 2024.

³ The data is estimated by Eurostat.

⁴ Natural gas index (2010=100)



In June 2025, price of electricity, as per the Hungarian Power Exchange (HUPX), amounted to EUR 84.10 per megawatt/hour, increasing by 4.0% on monthly basis. This month's increase in electricity prices was driven to several factors, including weather conditions – specifically higher temperatures, reduced production from renewable energy sources and rising gas prices. In June, electricity prices decreased by 8.3% on annual basis.

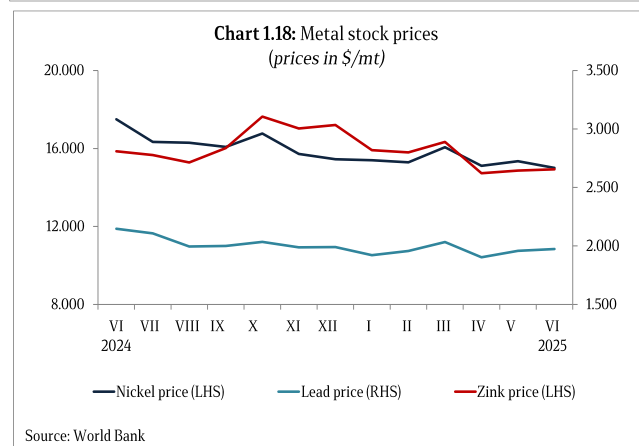
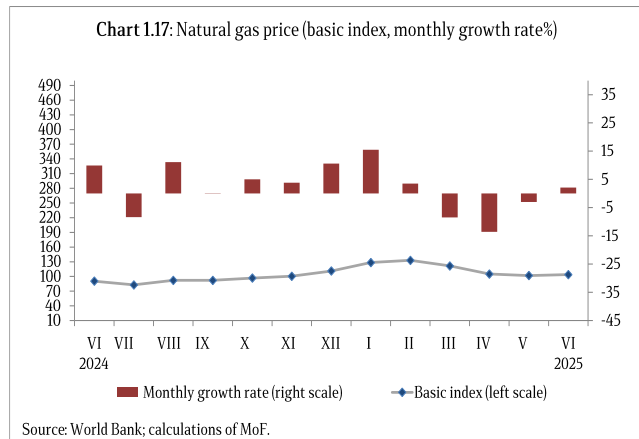
This month, prices of most basic metals increased on monthly basis, as follows: both copper and aluminium by 3.2%, tin by 1.8%, lead by 0.8%, and zinc by 0.4%. On a monthly basis, nickel and iron ore recorded price declines of 2.2% and 4.8%, respectively.

In June 2025, the prices of precious metals increased on monthly basis: gold rose by 1.3%, silver by 9.9%, and platinum by 27.8%. The platinum price recorded the highest growth rate, driven by reduced supply and a sudden surge in demand across multiple sectors.

In June, price of maize and wheat dropped by 3.8% and 1.8%, respectively, on monthly basis. The price of the sunflower oil dropped by 2.1% on monthly basis.

T 1.1. Power Exchange Prices of Energy Products (monthly data)

	Electricity (EUR/MWh)	Crude Oil, Brent (\$/bbl)	Natural GAS, Europe (\$/1000 m3)
2024 I	85.73	80.2	338.2
II	69.35	83.8	288.3
III	65.12	85.5	302.6
IV	61.96	90.5	321.4
V	72.2	82.0	358.2
VI	91.7	82.6	384.6
VII	135.5	85.3	366.1
VIII	120.8	80.9	437.8
IX	106.1	74.3	416.94
X	92.2	75.7	457.1
XI	163.7	74.4	492.7
XII	143.9	73.8	490.3
2025 I	140.2	79.2	518.8
II	158.9	75.2	542.8
III	109.0	72.6	468.3
IV	85.5	67.6	410.1





V	80.9	64.2	412.7
VI	84.1	71.5	437.6

Source: World Bank, Hungarian Power Exchange

2. FOREIGN TRADE

Total foreign trade in the first six months in 2025 amounted to EUR 9,719.2 million, increasing by 2.6% compared to the same period last year.

In the period January - June 2025, share of trade with the EU (EU 27), as the largest trading partner, decreased by 1.9 p.p. compared to the same period last year, accounting for 60.4%. Germany was the major trading partner of our country. As for total foreign trade structure of our country, share of the trade with Germany in first six months in 2025, accounted for 21.2%, decreasing by 2.9 p.p. compared to the same period in 2024.

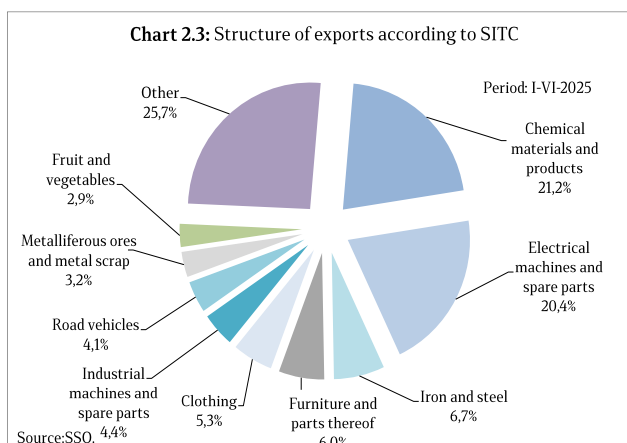
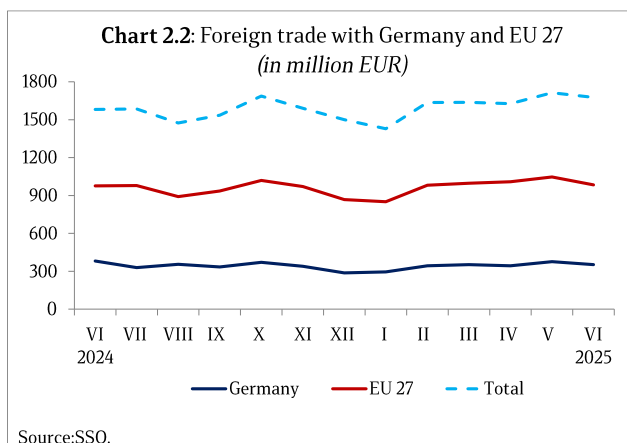
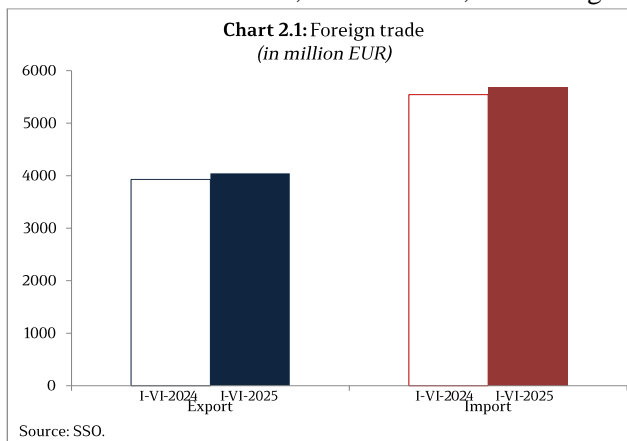
Export

In the first six months of 2025, value of exported goods amounted to EUR 4,043.4 million, surging by 2.9% (EUR 113.9 million) compared to the same period in 2024, and the physical output of export decreased by 2.8%, compared to the same period last year.

Value of exported goods amounted to EUR 695.5 million in June 2025, surging by 1.7% (EUR 11.3 million) compared to the same month of the previous year, while physical output of export decreased by 5.3% compared to June 2024.

Analysed on monthly basis, in June 2025, export dropped by 6.7% (EUR 49.9 million), compared to the previous month, and, after applying the seasonal adjustment to exports, it registered a monthly drop of 3.4%, showing negative effects of the seasonal factor (3.3 p.p.) on export this month.

Value of export of food in the first six months of 2025 increased by EUR 18.1 million, picking up by 7.0% compared to the same period in 2024, while quantity of exported food decreased by 11.7%. As for our country's total export structure, share of the food in the first six months of 2025, accounted for 6.8%, increasing by 0.3 p.p. compared to the same period in 2024. In the total food export, the following products were the most exported: Fruit and vegetable (43.1%), Cereals and cereal products (22.5%), Meat and meat products (9.0%), and Milk products and eggs (8.5%).

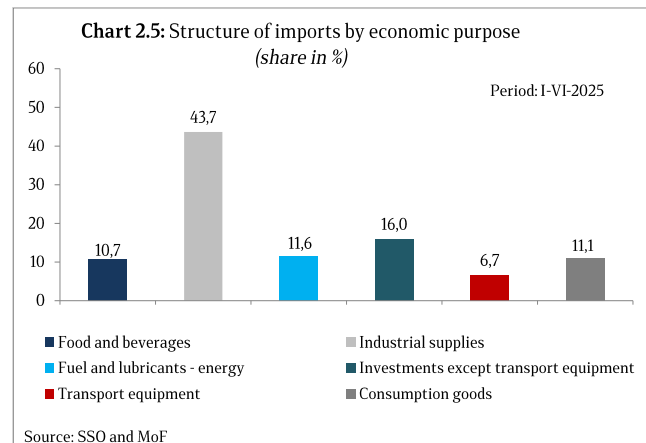
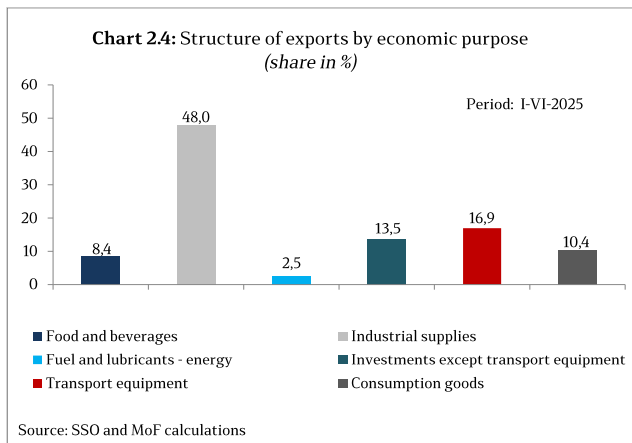




Import

In the first six months of 2025, value of imported goods amounted to EUR 5,675.8 million, surging by 2.4% (EUR 131.5 million) compared to the same period in 2024, and the physical output of import increasing by 8.8%. In June 2025, import value amounted to EUR 981.5 million, representing growth of 9.4% (EUR 84.1 million) compared to the same month in 2024, while imported quantities of goods increased by 17.5% compared to June 2024.

Analysed on monthly basis, in June 2025, import increased by 1.4% (EUR 13.5 million), compared to the previous month, and, after applying the seasonal adjustment of import, it registered a monthly increase of 3.3%, showing negative effects of the seasonal factor (1.9 p.p.) on import this month.



Value of import of food in the first six months of 2025 increased by EUR 33.6 million, picking up by 6.5% compared to the same period in 2024, while quantity of imported food increased by 2.9%. As for our country's total import, share of the food in first six months in 2025 accounted for 9.7%, increasing by 0.4 p.p. compared to the same period in 2024. As per the total food import, the following products were the most imported: Meat and meat products (21.3%), Fruit and vegetable (16.8%), Cereals and cereal products (13.0%), Coffee, tea, cocoa and herbs (11.4%) and Milk products and eggs (10.6%).

Table 2.1. Review of export and import of selected groups of products

Export of petroleum and petroleum products*)				
	I-VI-2024	I-VI-2025	Balance	% rate
000 T	72,0	38,6	-33,4	-46,4
EUR mil.	50,4	26,7	-23,6	-46,9
\$ mil.	54,5	29,2	-25,3	-46,4

*)Previous data

Export of chemical products*)				
	I-VI-2024	I-VI-2025	Balance	% rate
000 T	29,8	38,5	8,7	29,3
EUR mil.	991,4	855,8	-135,6	-13,7
\$ mil.	1.071,4	936,9	-134,5	-12,6

*)Previous data

Export of iron and steel*)				
	I-VI-2024	I-VI-2025	Balance	% rate
000 T	341,2	357,7	16,5	4,8
EUR mil.	266,2	271,6	5,3	2,0
\$ mil.	288,1	296,2	8,2	2,8

*)Previous data

Import of petroleum and petroleum products*)				
	I-VI-2024	I-VI-2025	Balance	% rate
.000 T	555,1	556,7	1,7	0,3
EUR mil.	409,0	340,5	-68,4	-16,7
\$ mil.	442,2	371,8	-70,4	-15,9

*)Previous data

Import of chemical products*)				
	I-VI-2024	I-VI-2025	Balance	% rate
.000 T	15,6	16,5	0,9	5,8
EUR mil.	92,3	89,1	-3,2	-3,4
\$ mil.	99,7	97,3	-2,4	-2,4

*)Previous data

Import of iron and steel*)				
	I-VI-2024	I-VI-2025	Balance	% rate
.000 T	343,9	413,7	69,9	20,3
EUR mil.	239,3	260,4	21,0	8,8
\$ mil.	258,8	284,2	25,5	9,8

*)Previous data



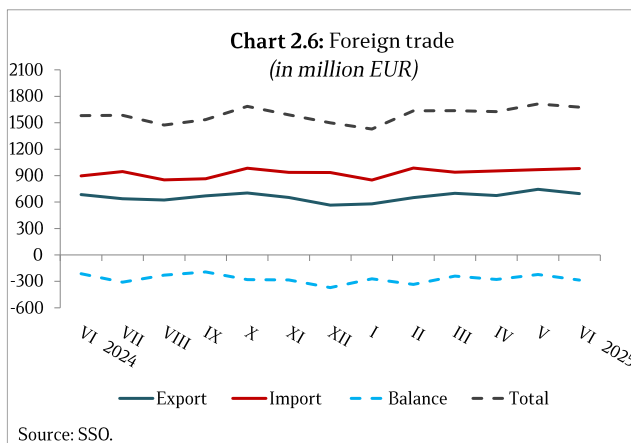
Trade Balance

In June 2025, trade deficit increased by 34.2% or EUR 72.8 million compared to June 2024.

In the period January - June 2025, trade deficit increased by 1.1%, i.e. by EUR 17.6 million, compared to the same period last year.

If we analyse the balance of export and import of goods by economic purpose, deficit increase was a result of the widened deficit of the trade in industrial supplies, consumer goods, fuels and lubricants, and food and beverages. On the other hand, reduction of the deficit in the trade in investment goods without transport equipment, as well as increase of the positive balance in the trade in transport equipment, contributed to reducing the negative balance.

In the first six months of 2025, 92.6% of the trade deficit of the country was realized in the trade with Great Britain, China and Greece, followed by: Türkiye, Serbia, Italy, Poland, Bulgaria, and others. Surplus was realized in trade with Germany, Hungary and others.



Currency Structure

Observed by currency structure, 90.9% of the trade in the period January - June 2025 was realized in euros and compared to the same period in 2024, it decreased by 1.5 percentage points. On export and import side, euro accounted for 93.0% and 89.4%, respectively, whereby share of the euro in export was lower by 2.4 percentage points, while share of the euro in import decreased by 0.9 percentage points compared to the period January - June 2024.

3. FISCAL SECTOR

Budget Revenues and Expenditures according to the Economic Classification

In the period January - June 2025, collection of total budget revenues of the Republic of North Macedonia's budget amounted to Denar 156,534 million, accounting for 43.2% of the 2025 projections, i.e. increase of 8.5% compared to collected budget revenues during the corresponding period in 2024. As regards total revenues, Denar 142.370 million was collected on the basis of tax revenues and social contributions, accounting for 44.6% of 2025 projected amount, being a 6.3% increase in relation to the previous year. Thereby, tax revenues were collected in the total amount of Denar 86,972 million (i.e. 43.8% of the amount projected for 2025), while social contributions were collected in the amount of Denar 54,655 million (representing an 8.9% annual increase, i.e. 46.7% of the amount projected for 2025). As regards tax revenues, increased collection was recorded at personal income tax by 6.6%, followed by corporate income tax by 0.9%, VAT by 2.8%, excise duties and import duties increasing by 8.1% and by 16.1%, respectively, while other tax revenue collection dropped by 16.2%. During this period, non-tax revenues grew by 27.0%, capital revenues increased by 37.9%, and foreign donation revenues surged by 108.9%.

Total budget expenditures were executed in the amount of Denar 182,249 million in the period January - June 2025, accounting for 45.1% of the annual projections, i.e. an increase of 8.4% compared to same period of 2024. Thereby, current expenditures were executed in the amount of Denar 169,629 million, i.e. 47.6% of the amount projected for the whole year, being an increase of 9.3% compared to the same period in 2024. Increase was recorded at expenditures related to wages



and allowances by 10.4%, at goods and service-related expenditures by 0.8% and at interest-related expenditures, which surged by 9.3%. Transfers, as the largest category of current expenditures, increased by 9.8%, driven by the growth of social transfers by 12.0%, health care expenditures by 8.3%, and block and earmarked grants by 9.8%. Expenditures related to subsidies and transfers saw a reduction of 4.1%. Capital expenditures were executed in the amount of Denar 12,620 million, accounting for 26.7% of the projected amount.

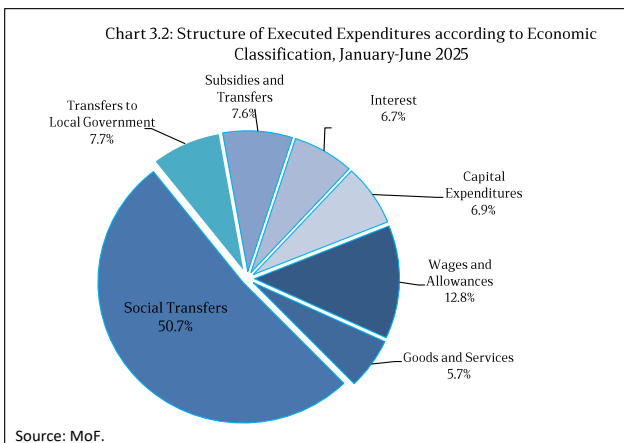
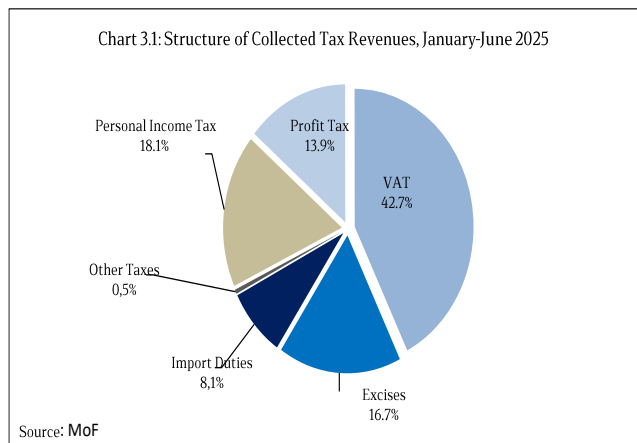
Table 3.1. Budget Execution for the period January – June 2025

	2025 Budget	2025 Supplementary Budget	January - June 2025		
	(Denar million)	(Denar million)	(Denar million)	Annual growth rate (%)	% of collection/execution rate (%)
TOTAL REVENUES	358,838	362,377	156,534	28.3%	43.2%
Taxes and contributions	319,234	319,196	142,370	26.0%	44.6%
Taxes	198,607	198,607	86,972	23.6%	43.8%
Personal Income Tax	35,676	35,676	15,700	26.6%	44.0%
Corporate Income Tax	23,287	23,287	12,065	15.9%	51.8%
VAT	86,692	86,692	37,165	19.8%	42.9%
Excise duties	35,388	35,388	14,540	32.1%	41.1%
Import duties	16,255	16,255	7,063	38.4%	43.5%
Other tax revenues	1,309	1,309	439	4.3%	33.5%
Contributions	117,095	117,096	54,655	30.5%	46.7%
Non-tax revenues	26,302	30,608	11,189	45.3%	42.5%
Capital revenues	3,510	2,830	477	51.4%	13.6%
Foreign Donations	9,792	9,743	2,498	139.3%	25.5%
TOTAL EXPENDITURES	400,188	403,728	182,249	26.5%	45.1%
Current expenditures	353,032	356,377	169,629	28.7%	47.6%
Wages and allowances	48,141	49,189	23,253	33.5%	48.3%
Goods and services	26,325	28,025	10,477	17.3%	39.8%
Transfers	257,721	258,546	123,629	30.3%	48.0%
Social transfers	191,046	193,296	92,441	34.0%	48.4%
Pension and Disability Insurance Fund of North Macedonia	119,995	122,515	60,196	38.1%	50.2%
Employment Agency	3,439	3,434	746	12.9%	21.7%
Social protection	15,080	14,831	7,484	18.7%	49.6%
Health protection	52,531	52,516	24,015	30.2%	45.7%
Other transfers	64,211	61,664	30,014	19.1%	46.7%
Interest	20,845	20,617	12,270	16.1%	58.9%

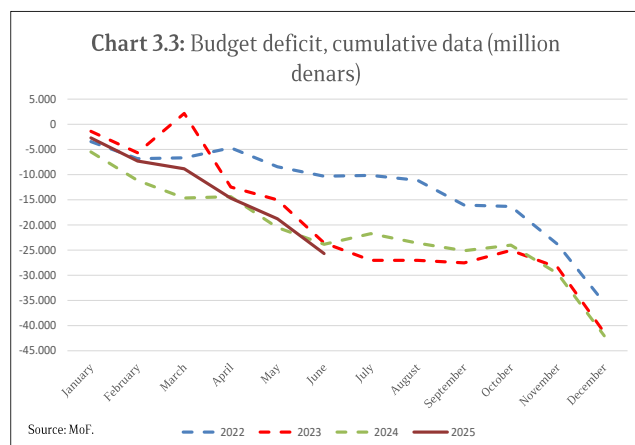


Capital expenditures ⁵	47,156	47,351	12,620	/	26,8%
BUDGET BALANCE	-41,350	-41,350	-25,715	16,8%	62,2%

Source: Ministry of Finance



In the period January – June 2025, the state budget deficit amounted to Denar 25,715 million, accounting for 2.5% of 2025 projected GDP, i.e. 62.2% of the annual projections.



Expenditures by Budget Users

Review of budget expenditures for the largest budget users is given below.

In the period January – June 2025, Ministry of Social Policy, Demographics and Youth executed funds in the amount of Denar 40,586 million or 56.5% of its total budget for the current year. Thereby, most of the expenditures (74.5%) were allocated for current transfers to Budget Funds, for which Denar 30,253 million was spent, i.e. 59.9% of the funds allocated for 2025. The second highest expenditure item was the social benefits, participating with 18.1% in the total expenditures, whereby 51.7% (Denar 7,359 million) of the projected 2025 funds was executed for this purpose.

During the analysed period, Ministry of Education and Science executed budget funds in the amount of Denar 20,487 million, representing 45.7% of its total 2025 Budget. Current transfers to LGUs accounted for the most of the expenditures (57.6%), Denar 11.805 million being spent therefore or 49.3% of total projected funds. Wages and allowances category was the second highest expenditure

⁵ The methodology for recording and reporting capital expenditures was revised in 2025, rendering direct comparisons with the capital expenditure figures for the corresponding period in 2024 invalid.



item, accounting for 22.8%, for which an amount of Denar 4,671 million, accounting for 47.7%, being executed out of total projected funds.

In the period January – June 2025, Ministry of Internal Affairs executed expenditures in the total amount of Denar 7,667 million, accounting for 46.2% of its 2025 budget. Wages and allowances were the highest expenditure item, participating with 67.2%, Denar 5,156 million being spent therefor, accounting for 47.4% of the projected ones. Second highest expenditure item was Goods and services, accounting for 14.2%, with Denar 1,088 million being spent therefore, accounting for 39.6% of the annual projections.

During this period, the Agency for Financial Support in Agriculture and Rural Development executed expenditures in the amount of Denar 5,511 million, accounting for 67.2% of the funds projected for the current year. As for subsidies and transfers, accounting for 94.4% of the total expenditures, 72.6%, with Denar 5,204 million of the funds planned for the whole year, being spent therefore.

In the period January – June 2025, Ministry of Defence executed budget funds in the amount of Denar 10,362 million, accounting for 50.7% of this year's total budget. Capital expenditures accounted for the most with 43.1%, Denar 4,461 million being spent therefore, accounting for 53.0% of the total funds projected for the current year. Wages and allowances accounted for 30.1% of total expenditures, Denar 3,121 million being spent therefore during the analysed period, i.e. 48.0% execution of the total projected funds.

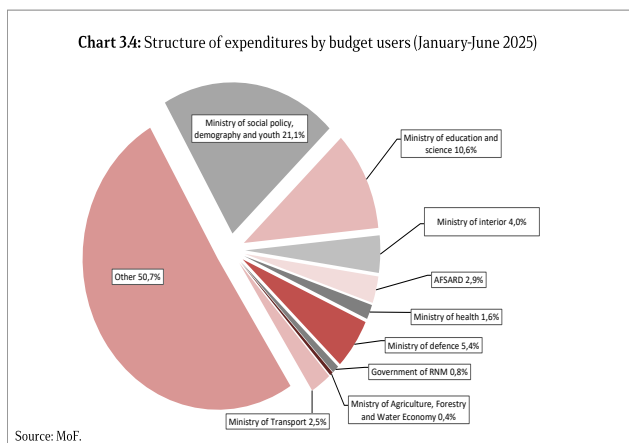
In the period January – June 2025, Government of the Republic of North Macedonia spent total of Denar 1,601 million, i.e. 34.6% of the funds projected for 2025. Thereby, subsidies and transfers accounted for 51.4% of total expenditures of this budget user, Denar 822 million (31.6% of the projected funds) being spent therefore.

During the analysed period, Ministry of Health executed budget funds in the amount of Denar 3,013 million, accounting for 37.6% of its total 2025 Budget. Goods and services accounted for the most in the expenditures with 49.0%, Denar 1,478 million being executed therefore, i.e. 40.3% of the funds allocated for 2025. Second most significant item were the current transfers to Budget Funds, Denar 1,354 million (38.7% of the projections for the year) being spent therefore, accounting for 44.9% of total expenditures.

In the period January – June 2025, Ministry of Transport executed funds in the amount of Denar 4,859 million, i.e. 27.0% of its total budget for the current year. Execution of capital expenditures, as main item, accounted for 90.3% of the total spent funds of this budget user (Denar 4,390 million or 26.3% of total projected funds).

During this period, Ministry of Agriculture, Forestry and Water Economy executed funds in the amount of Denar 741 million, accounting for 39.2% of the funds projected for 2025. Wages and allowances (Denar 394 million) was, by far, the highest item in the total expenditures of this budget user, accounting for 53.1% of its total expenditures, with 45.7% of the projected expenditures, being executed. As regards capital expenditures, they accounted for 21.6% of the total expenditures, Denar 160 million being spent therefore, accounting for 25.0% of the total budget for this purpose.

In-depth data on each budget user are presented in the statistical annex attached at the following link (<http://finance.gov.mk/краткорочни-економски-движења-кед-ме/>).





4. SOCIAL SECTOR

Newly Employed and Registered Unemployed Persons in the Employment Service Agency

In June 2025, Employment Service Agency registered a total of 95,002 new employments⁶. Total number of newly employed persons was higher by 3.1% compared to the same period in 2024.

As regards the total number of newly employed, 44.4% was engaged on permanent basis, while the remaining percentage was engaged on temporary basis and as seasonal workers. In June 2025, 13.3% out of the total number of newly employed persons was from the unemployed records.

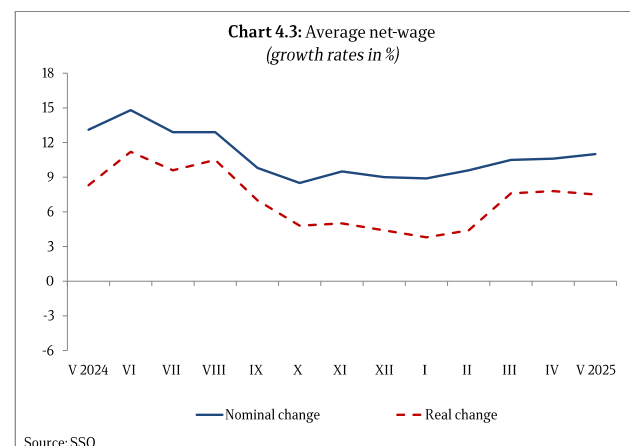
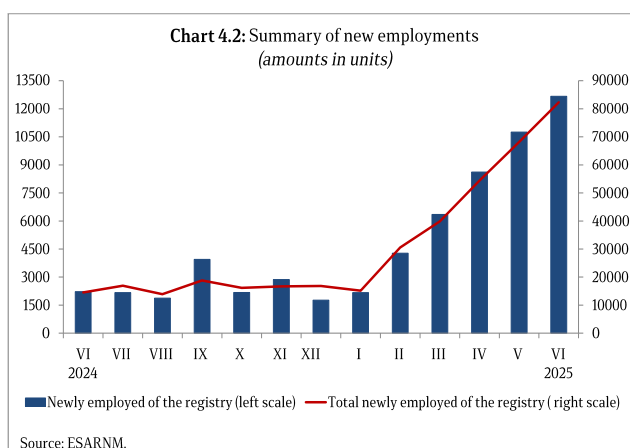
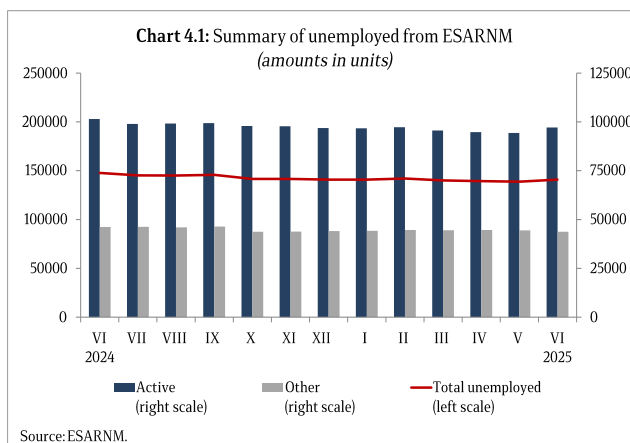
Total number of unemployed persons in June 2025 was 140,896, 97,157 persons out of which were active job seekers, while 43,739 persons were from the category “other unemployed”. On annual basis, total number of unemployed persons decreased by 4.6%, whereas, starting from May 2021, it recorded a continuous annual reduction. Compared to May 2025, number of unemployed persons was higher by 2,068.

Urban residents accounted the most (with 59.4%) among the active unemployed persons, whereas with respect to gender, men accounted for 48.7% of the total. Analysed by the level of education, majority, i.e. 67.4%, of the unemployed persons were with incomplete secondary education or less, 24.8% were with completed secondary education, while 7.8% of the unemployed persons were with completed community college or higher education level.

Analysed by age structure, 50.5% of the unemployed people belonged to the group aged 25-49 years. With respect to waiting time for employment, 57.0% of the unemployed persons wait for employment from 1 to 7 years, while 13.3% wait for employment for 8 years or more.

Wages

As per the notification of the State Statistical Office, in May 2025, average net wage amounted to Denar 45,796, in nominal terms, being higher by 11.0% on annual basis, and



⁶ During the reporting period, it is possible for multiple employment registration forms (M-1) to be submitted for a single individual. Each submission is recorded and included in the total count of registered employment declarations (according to the Employment Agency).



being higher by 0.8% compared to April 2025. The highest increase of average net wage, in relation to May 2024, was observed at the following sectors: Financial and insurance activities (23.9%), Wholesale and

Retail Trade, Repair of motor vehicles and motorcycles (15.1%) and Education (14.4%). In May 2025, wages picked up by 7.5% in real terms on annual basis. Highest average net wage in May 2025 was paid in the sector Information and communications (Denar 81,718), wherein highest amount of net wage was paid in the activity Computer programming, consulting and related activities (Denar 101,765), followed by Financial and insurance activities with Denar 69,434, Mining and quarrying with average

net wage of Denar 57,461 and Electricity, gas, steam and air conditioning supply sector in the amount of Denar 56,637.

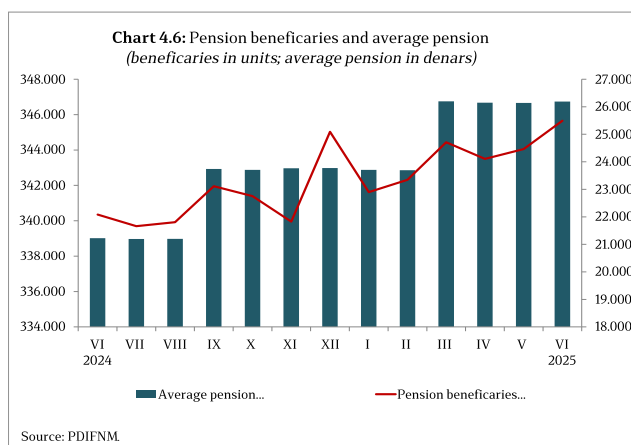
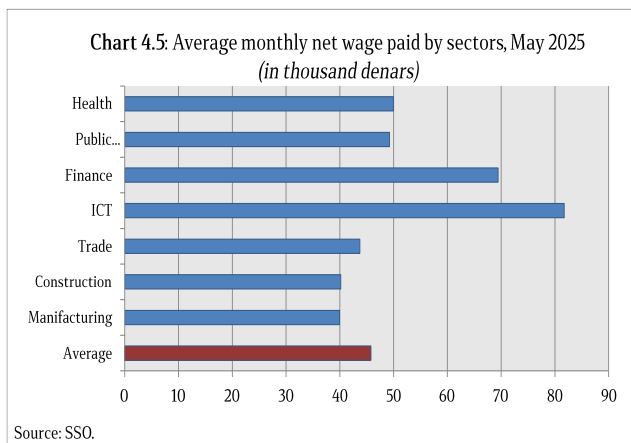
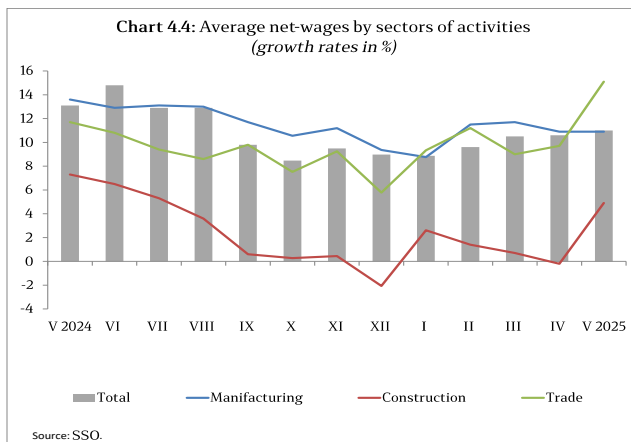
Average nominal gross wage in May 2025 amounted to Denar 68,859 and compared to the same month in 2024, increased by 11.0%, being higher by 0.8% on monthly basis. The highest increase of average gross wage in May 2025, compared to May 2024, was recorded in the following sectors: Financial and insurance activities (24.2%), Education (14.6%) and Wholesale and Retail Trade, Repair of motor vehicles and motorcycles (14.5%).

Pensions

In June 2025, Pension and Disability Insurance Fund registered 345,653 pensioners. In September 2024, the Law on Pension and Disability Insurance was amended, according to which a linear increase of Denar 2,500 was introduced for all types of pensions, starting on 1st October 2024. As regards the total number of pensioners, 71.3% are beneficiaries of old-age pension, amounting to 246,993 pensioners, 21.4% of survivor pension, amounting to 74,009 pensioners and 7.1% of disability pension, amounting to 24,651 pensioners.

In June 2025, the average pension amounted to Denar 26,190, being higher by 23.4% compared to the same month in 2024⁷. In June 2025, average old-age pension amounted to Denar 27,819, average disability pension amounted to Denar 23,720, while average survivor pension amounted to Denar 21,575.

Ratio between the average pension in June 2025 and the average paid wage in May 2025 (the most recent available data) was 57.1%.



Military and agricultural pensions are not included when calculating the average pension.



Chart 4.1 June 2025 Pension Data

Pension beneficiaries	Number	Structure	Average pension
Old age pension	246,993	71.3%	27,819.00
Disability pension	24,651	7.1%	23,720.00
Survivor pension	74,009	21.4%	21,575.00
Total	345,653	100.0%	26,190.00
Minimal agricultural pension beneficiaries	32		15,915.00
Beneficiaries of military pensions	710		34,893.00
Total	346,395		26,207.00

Source: Pension and Disability Insurance Fund of North Macedonia

5. MONETARY AND FINANCIAL SECTOR

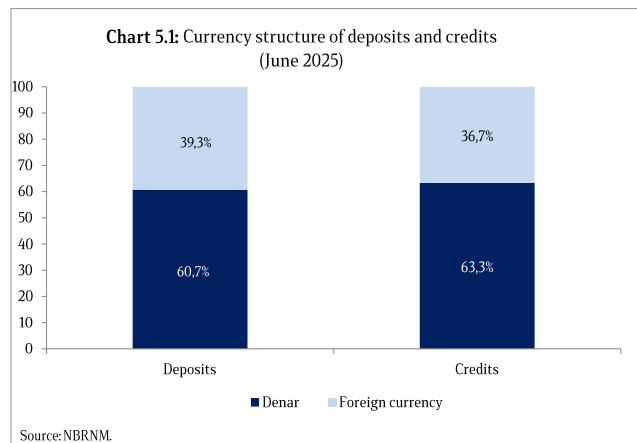
In June 2025, the National Bank retained its policy rate at 5.35%, amid ever more present risks brought about by external factors. The decision on gradual loosening of the monetary policy was based on assessment of inflation and favourable trends on the foreign exchange market.

In June 2025, the National Bank kept the policy rate for the available overnight deposits and the seven-day deposits at the level of 3.95% and 4.00%, respectively.

Primary Money

In June 2025, primary money⁸ grew by 9.6% on monthly basis. Growth of primary money was a result of increase of total liquid assets of banks by 19.5%, while currency in circulation picked up by 0.5%.

In June 2025, primary money grew by 25.6% on annual basis, as a result of both increased total liquid assets of banks by 41.0% and currency in circulation by 12.1%.



Deposit Potential⁹

In June 2025, total deposits of banks grew by 0.9% on monthly basis. Sector analysis showed that, compared to the previous month, deposits of private enterprises increased by 3.1%, while deposits of households remained unchanged.

⁸Primary money is calculated as a sum of currency in circulation (including cash in hand), denar and foreign currency reserve requirement and the surplus of liquid assets over the reserve requirement.

⁹NBRNM published data from monetary statistics, statistics of other financial corporations and statistics of interest rates according to the new methodology. Methodologic changes were made for the purpose of harmonization with the recommendations under the newly published IMF Monetary and Financial Statistics Manual and Compilation Guide as of 2016 (MFSMCG – IMF, 2016) and the IMF Technical Mission in the field of monetary and financial statistics in NBRNM as of 2015.



Analysed by currency, in June 2025, compared to the previous month, Denar deposits increased by 2.1%, while foreign currency deposits decreased by 0.9%.

Total deposit potential in June 2025 surged by 12.9% on annual basis. Analysed by currency, domestic currency deposits increased by 19.7%, and foreign currency deposits by 3.8%.

From sectoral point of view, deposits of enterprises grew by 14.6%, and deposits of households increased by 13.0% on annual basis.

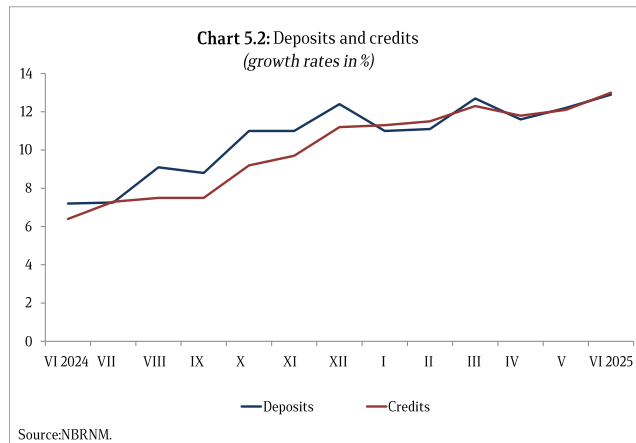


Table 5.1. Deposit potential and credits to the private sector

Deposit potential and credits to private sector (June 2025)	In Denar million	Monthly change	Annual change
Deposit Potential	614,794	0.9%	12.9%
By currency:			
<i>Denar</i>	373,433	2.1%	19.7%
<i>Foreign currency</i>	241,361	-0.9%	3.8%
By maturity:			
<i>Short-term</i>	226,782	-0.5%	5.2%
<i>Long-term</i>	151,521	0.1%	16.7%
Credits to private sector	522,463	1.6%	13.0%
By currency:			
<i>Denar</i>	330,656	2.5%	19.8%
<i>Foreign currency</i>	191,807	0.2%	2.9%
By maturity:			
<i>Short-term</i>	80,518	1.4%	16.5%
<i>Long-term</i>	426,514	1.7%	13.3%

Source: NBRNM

According to maturity, short-term deposits surged by 5.2%, while long-term deposits grew by 16.7%, on annual basis.

Currency structure of deposits remained stable, with the share of domestic currency deposits in the deposit base still dominant at 60.7% this month.



Bank Credits

In June 2025, total credits of banks to the private sector surged by 1.6% on monthly basis, as a result of the growth of both credits to enterprises by 2.1%, and credits to households by 1.2%.

Analysed by currency, Denar credits picked up by 2.5%, and foreign currency credits by 0.2% on monthly basis.

On annual basis, total credits grew by 13.0% in June 2025, in conditions of growth of credits to households of 16.0% and credits to enterprises of 10.3%. Denar credits surged by 19.8%, while foreign currency credits grew by 2.9%.

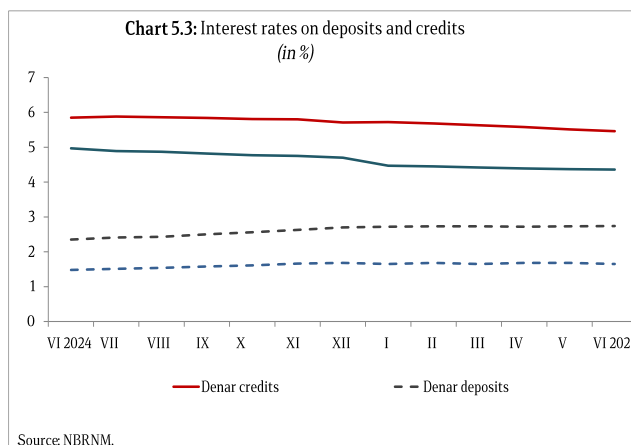
As regards maturity, long-term credits grew by 13.3% on annual basis, and short-term credits picked up by 16.5%.

Interest Rates of Deposit Banks

In June 2025, total interest rate on credits dropped by 0.03 p.p. compared to the previous month, accounting for 5.03%. Interest rate on Denar credits dropped by 0.05 p.p., accounting for 5.46%, while interest rate on foreign currency credits decreased by 0.01 p.p. on monthly basis, accounting for 4.36%.

In June 2025, Total interest rate on deposits decreased by 0.01 percentage points, compared to last month, accounting for 2.20%. Interest rate on Denar deposits increased by 0.01 percentage points, accounting for 2.74%, while interest rate on foreign currency deposits decreased by 0.03 percentage points, accounting for 1.65%.

Interest rate on newly granted Denar credits was 4.55%, while interest rate on newly approved foreign currency credits was for 3.83%. Interest rates on newly received Denar and foreign currency deposits accounted for 2.63% and 2.00%, respectively.

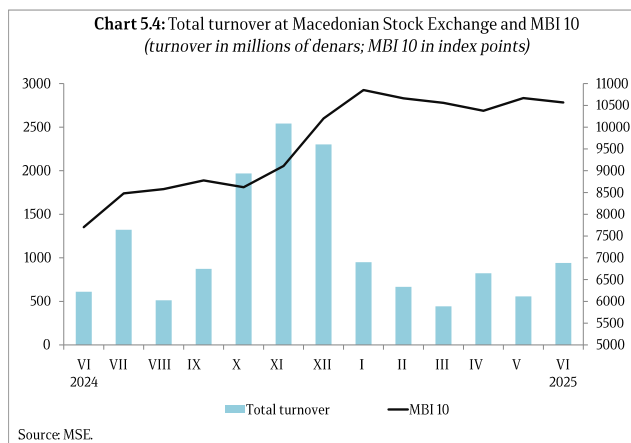


Capital Market

On the capital market, the total turnover on the stock exchange in June 2025 increased by 69% on a monthly basis, as a result of the public offering of securities, while the turnover from classical trading and block transactions decreased by 18.3% and 88.8%, respectively.

Total turnover on the stock exchange amounted to Denar 941 million in June 2025, being an increase of 54% on annual basis.

At the end of June 2025, Macedonian Stock Exchange Index MSEI – 10 amounted to 10,565.34 index points, whereby the index decreased by 1.0% on monthly basis, while, compared to the same month last year, the index was higher by 37.1%.



Reserve Assets

At the end of June 2025, gross reserve assets amounted to EUR 4,697.59 million, being higher by 0.1% compared to the previous month and higher by 8.3% compared to June 2024.