



SHORT-TERM ECONOMIC TRENDS



August 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..... | 16 |
| 4. SOCIAL SECTOR..... | 17 |
| Newly Employed and Registered Unemployed Persons in the Employment Service Agency | 17 |
| Wages..... | 18 |
| Pensions..... | 19 |
| 5. MONETARY AND FINANCIAL SECTOR..... | 20 |
| Primary Money..... | 20 |
| Deposit Potential..... | 20 |
| Bank Credits..... | 21 |
| Interest Rates of Deposit Banks..... | 22 |
| Capital Market..... | 22 |
| Reserve Assets..... | 22 |



SUMMARY

OF THE MOST IMPORTANT SHORT-TERM ECONOMIC TRENDS

August 2025

- In August 2025, industrial production recorded a drop of 3.5% compared to the same month previous year.
- In August 2025, the annual inflation rate declined to 4.4 %, marking a slowdown from the 4.8% recorded in July 2025. Inflation recorded growth of 0.2% on monthly basis.
- In the period January - August 2025, export recorded an increase of 1.7%, while import grew by 2.7%, resulting in increase of the trade deficit by 5.0% compared to the same period in 2024.
- In the period January – August 2025, collection of total budget revenues of the Republic of North Macedonia amounted to Denar 213,652 million, accounting for 59.0% of the 2025 projections, i.e. being an increase of 8.2% compared to collected budget revenues for the same period in 2024.
- Total budget expenditures amounted to Denar 241,975 million during the period January – August 2025, representing 59.9% of the annual projections, reflecting an increase of 9.5% compared to same period in 2024.
- Total credits of banks in August 2025 grew by 12.9% compared to August 2024, while total deposit potential of banks surged by 12.4%.
- Average net wage paid in July 2025 amounted to Denar 45,276, recording a nominal increase of 10.5% on annual basis and a real growth of 5.5%. The highest average net wage, amounting to Denar 102,689, was recorded in the Computer programming activity.



1. REAL SECTOR

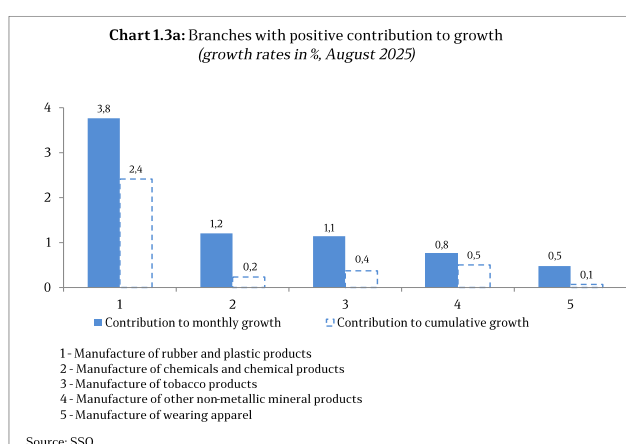
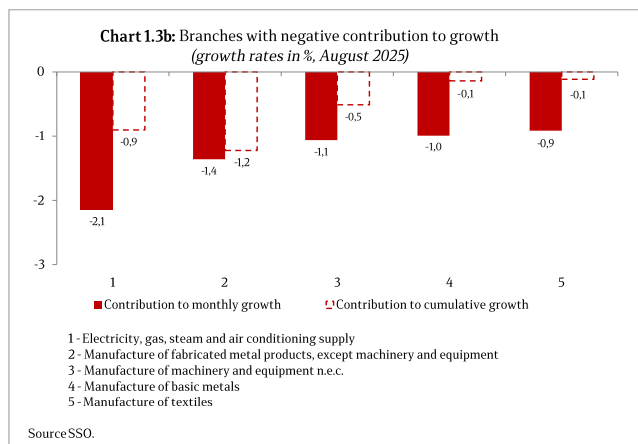
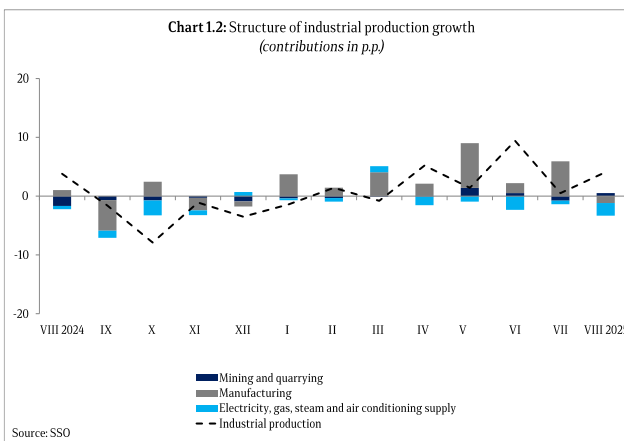
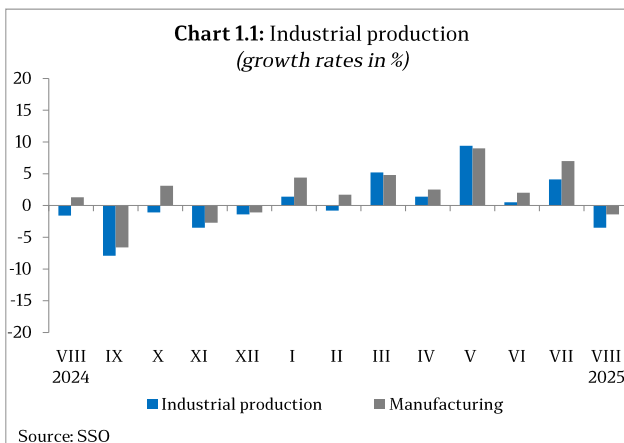
Industrial Production

In August 2025, industrial production recorded a drop of 3.5% compared to the same month previous year. Such drop was due to the reduced production in the sectors, as follows: Manufacturing by 1.4% and Electricity, gas, steam and air-conditioning supply by 26.8%, whereas an increase in production was recorded in Mining and quarrying by 7.0%.

In August 2025, growth in production was registered only at 12 out of total of 27 industrial branches, comprising 48.3% in the total industry.

In August 2025, with respect to branches with higher added value, an increase was recorded in the following branches: Manufacture of electrical equipment by 0.1% with contribution of 0.0 percentage points, Manufacture of motor vehicles, trailers and semi-trailers by 1.5% with contribution of 0.3 percentage points, while drop was recorded in Manufacture of machinery and equipment by 19.3% with contribution of -1.1 percentage points and Production of metals by 29.2% and contribution of -1.0 percentage points.

Traditional branches in August 2025 recorded growth in production throughout the following branches: Manufacture of tobacco products by 114,1% and contribution of 0.1 percentage points, Manufacture of leather by 46.5% and contribution of 0.2% percentage points, Manufacture of wearing apparel by 8.4% and contribution of 0.5 percentage points and Manufacture of beverages by 0.3% and contribution of 0.0 percentage points, whereas reduction was recorded in Manufacture of wood, wood and cork products by 23.5% with contribution of -0.2 percentage points, Manufacture of textile by 20.8% and contribution of -0.9 percentage points, and Food Industry by 6.1%, with contribution of -0.7 percentage points.

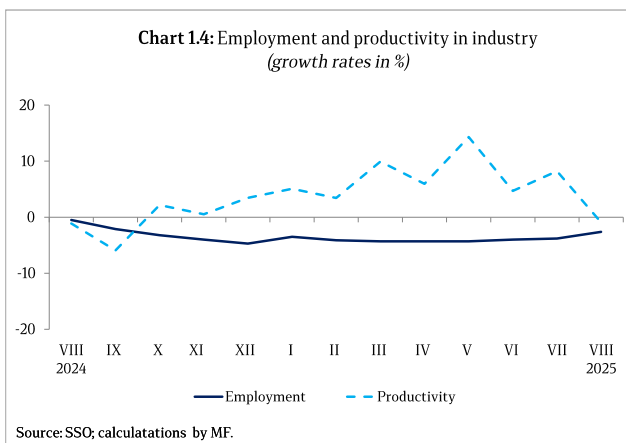




In August 2025, industrial production with respect to purpose of production units and compared to August 2024, increased solely with the Intermediate products, except energy (growth of 14.8% and contribution of 4.4 percentage points), and decreased throughout the following groups: Energy (drop by 23.7% and contribution of -2.1 p.p.), Capital goods, (decreasing by 12.0% and contribution of -3.1 p.p.), Consumer durables (drop by 9.1%, contribution of -0.4 p.p.), and Consumer non-durables (dropping by 5.7% and contribution of -1.8 p.p.) As per the purpose of production units, in the period January – August 2025, growth was seen at the following groups: Intermediate goods, except energy (14.0%) and Durable consumer goods industry (0.1%), whereas drop was recorded at: Energy (by 10.2%), Capital goods (by 2.4%), and Consumer non-durables (by 1.1%).

Number of Employees in the Industry

In August 2025, number of employees in the industry decreased by 2.6% 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 1.7%, Manufacturing by 2.7% and Electricity, gas, steam and air-conditioning supply by 0.6%. Increase in the number of employees was seen at the following branches: Manufacture of tobacco products by 42.5%, Manufacture of machinery and equipment by 8.8% and Manufacture of rubber and plastic products by 6.1%.



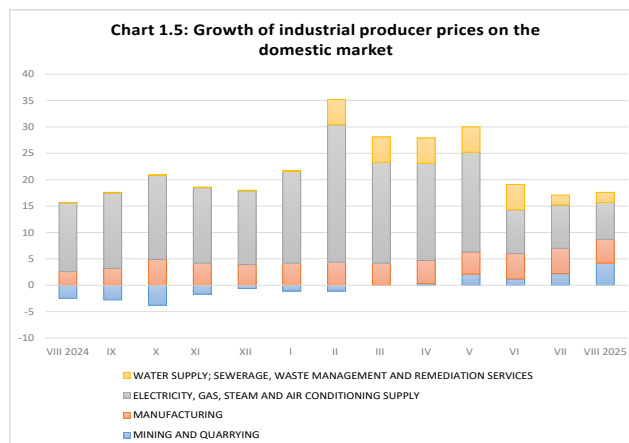
In August 2025, data on number of employees in the industry by target groups compared to the same month last year showed increase of number of employees at the following groups: Intermediate goods, except energy by 1.0% and Consumer durables by 7.3%.

On cumulative basis, the number of employees in the industry in the period January – August 2025 recorded a drop of 3.8% due to the decreased number of employees across all sectors: Mining and quarrying by 2.2%, Manufacturing by 4.1% and Electricity, gas, steam and air-conditioning supply by 1.5%.

As regards target groups, number of employees in the industry in the period January - August in 2025 increased only at Consumer durables by 13.1%.

Industrial producer prices on the domestic market

In August 2025, industrial producer prices on the domestic market were higher by 4.9% compared to the same month last year. Increase was due to raised prices throughout all sectors: Mining and quarrying by 4.2%, Manufacturing by 4.5%, Electricity, gas, steam and air-conditioning supply by 7.0% and Water supply; Sewerage, waste management and remediation activities by 1.9%.





In August 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 6.5%, Intermediate goods, except energy by 4.4%, Consumer goods by 4.8% and Consumer non-durables by 5.1%.

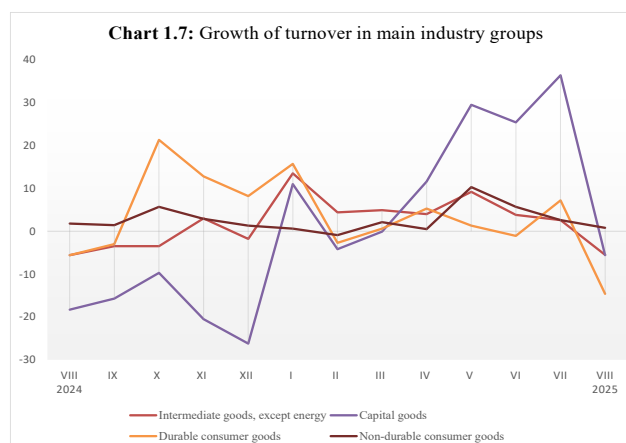
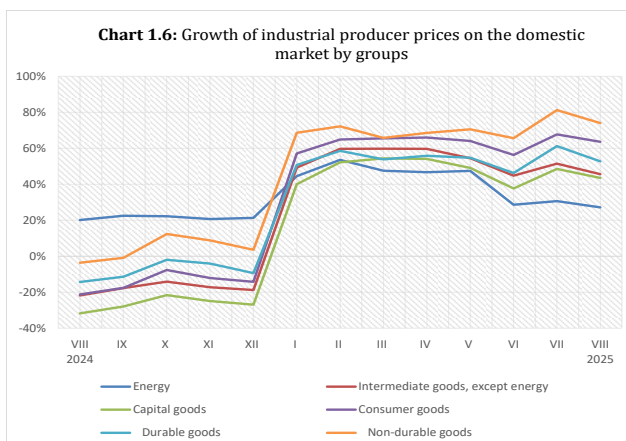
In the period between January and August 2025 compared to the same period last year, industrial producer prices on the domestic market were higher by 6.0% on cumulative basis, due to increased prices throughout all sectors: Mining and quarrying by 1.0%, Manufacturing by 4.4%, Electricity, gas, steam and air-conditioning supply by 15.0% and Water supply; Sewerage, waste management and remediation activities by 4.0%.

In the period between January and August 2025 compared to the same period in 2024, industrial producer prices on the domestic market were higher in the groups as follows: Energy by 13.8%, Intermediate goods, except energy by 3.8%, Consumer goods by 5.0% and Consumer non-durables by 5.3%.

Industrial turnover index

In August 2025, the industrial turnover, compared to August 2024, recorded a drop of 3.9% as per the State Statistical Office's data. The drop was due to the decreased turnover in both Manufacturing and Mining and quarrying sectors by 3.9% and 2.7%, respectively.

In August 2025, compared to August in 2024, industrial turnover decreased in the groups: Intermediate goods, except energy – 5.5%, Capital goods – 5.6%, Consumer durables – 14.6%, whereas it only increased in Consumer non-durables – 0.8%.



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

- Manufacture of tobacco products (recording growth of 58.7%);
- Manufacture of rubber and plastic products (increasing by 13.8%).
- Manufacture of computer, electronic and optical products (growing by 12.3%).

On cumulative basis, in the period between January and August 2025, compared to the same period last year, turnover in industry recorded an increase of 6.7%, due to increase in turnover in both sectors - Mining and quarrying sector and Manufacturing sector by 0.4% and 6.9%, respectively.

In the period between January and August 2025, compared to the same period in 2024, industrial turnover increased across all groups: Intermediate goods, except energy – 4.4%, Capital goods – 11.5%, Consumer durables – 1.4%, and Consumer non-durables – 2.8%.



Number of Issued Building Permits and Expected Value of Constructions

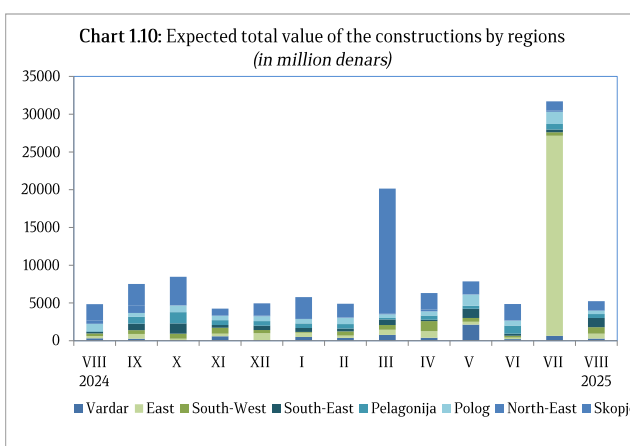
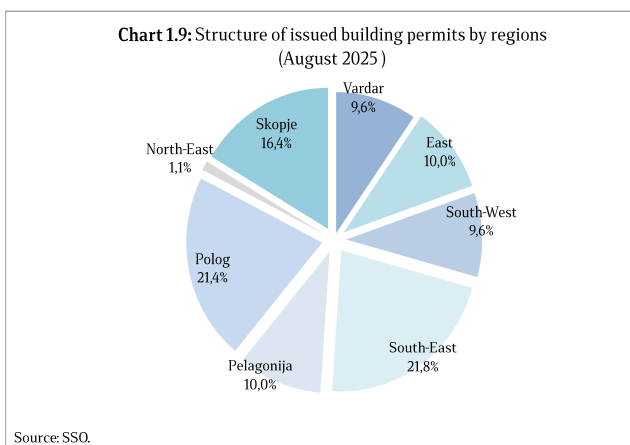
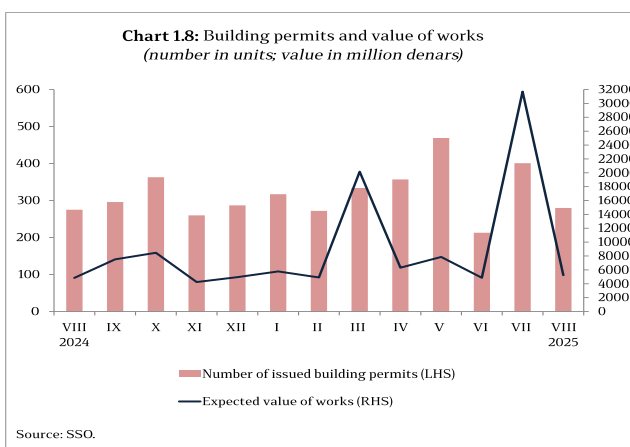
In August 2025, a decrease in the number of building permits was recorded, following last month's increase (401 building permits issued in July 2025). Hence, 280 building permits were issued, marking a 1.8% increase compared to the same month in 2024, rise which was due to the annual increase of issued building permits for buildings by 8.5% (participating with 63.9% in the total number of issued building permits) and reconstruction by 7.7%, whereas the number of permits issued for civil engineering structures recorded a drop of 31.1%. A notable rise was evident among business entities as investors. When observed across regions, it was also notable that the number of issued building permits increased in most regions, with the most significant growth recorded in the Polog, Southeastern, Eastern, and Pelagonija regions.

Compared to July 2025, number of issued building permits dropped by 30.2%. Expected value of works, according to the issued building permits in August 2025, picked up by 8.0% on annual basis, while compared to the previous month, it declined by 83.5%.

Analysed by types of constructions, out of the total number of issued building permits, 179 (or 63.9%) were intended for buildings, 31 (or 11.1%) with respect to civil engineering structures and 70 (or 25.0%) for reconstruction purposes.

Analysed by types of investors, out of total 280 issued building permits, individuals were investors in 166 facilities (or 59.3%), while business entities were investors in 114 facilities (or 40.7%).

In August 2025, construction of 646 flats was envisaged, with total usable area of 64,251 m². Number of flats envisaged for construction declined by 3.1% on monthly basis, while increasing by 21.7 % on annual basis.

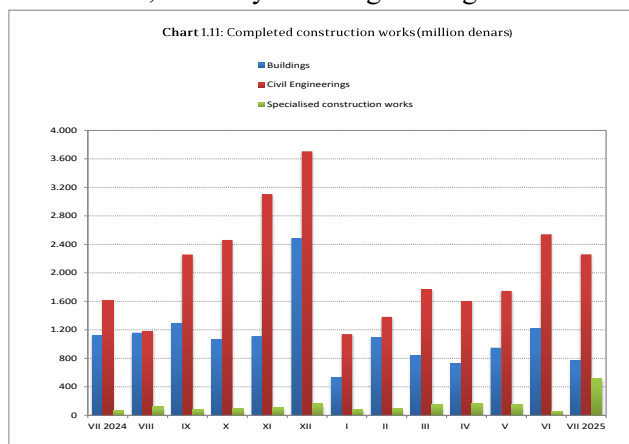




Number of Completed Construction Works by Types of Constructions

Total value of completed construction works in July 2025 amounted to Denar 3,545 million, representing an annual growth of 26.8% in nominal terms, whereby civil engineering structures and specialised construction works grew by 40.1% and 722.9%, respectively, while buildings recorded a drop of 31.3%. Compared to June 2025, total value of completed construction works dropped by 7.2%, with buildings declining by 36.7%, and civil engineering structures by 11.1%, whereas specialised construction works recorded an increase of 758.3%. In cumulative terms, in the period

January – July 2025, value of completed construction works amounted to Denar 19,800 million, being higher by 12.6% compared to the same period last year.



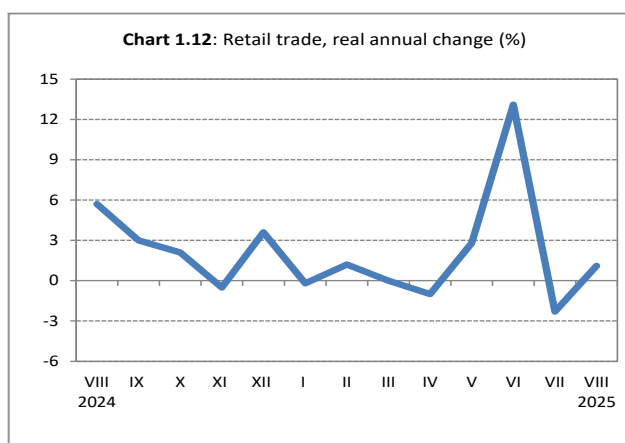
Most of the completed construction works pertained to civil engineering construction, with construction works amounting to Denar 12,437 million completed during January - July 2025, representing an increase of 9.6% compared to the same period last year. During this period, the value of completed building construction works increased by 9.5%, amounting to Denar 6,136 million, whereas the value of completed specialised construction works amounted to Denar 1,227 thousand, being higher by 96.1% as compared to the same period last year.

In real terms, in the period January - July 2025, value of completed construction works decreased by 13.2%, with buildings (10.2%) specialised construction works (97.0%) and civil engineering structures (10.1%) recording growth.

Trade Sector Turnover

In August 2025, data on domestic trade showed an annual increase in turnover of 1.1% in nominal terms, following the 0.4% decline in July this year. In August 2025, value of turnover amounted to Denar 69,899, whereby in cumulative terms, in the period January - August 2025, value of total turnover in the trade amounted to Denar 535,780 million, being by 1.8% higher compared to the same month last year.

In the period January - August 2025, in cumulative terms, positive growth in turnover was seen at the sectors: Retail trade, which turnover value amounted to Denar 217,870 million, being higher by 4.3% compared to the same period last year, Trade in motor vehicles and repair, which turnover value amounted to Denar 32,570 million, being 6.3% higher compared to the same period last year, while at Wholesale Trade, the turnover value, amounting to Denar 285,340 million, was lower by 0.4% compared to the same period last year.



In real terms, retail trade in August 2025 recorded annual increase of 1.1%, following the drop of 2.3% in July 2025. When analysed by groups and classes, increase was seen across the groups: Retail trade in food products, beverages and tobacco rose by 3.8%, while Retail trade in automotive fuels



increased by 4.8%. In contrast, Retail trade in non-food products was the only group to record a decline, falling by 3.7%.

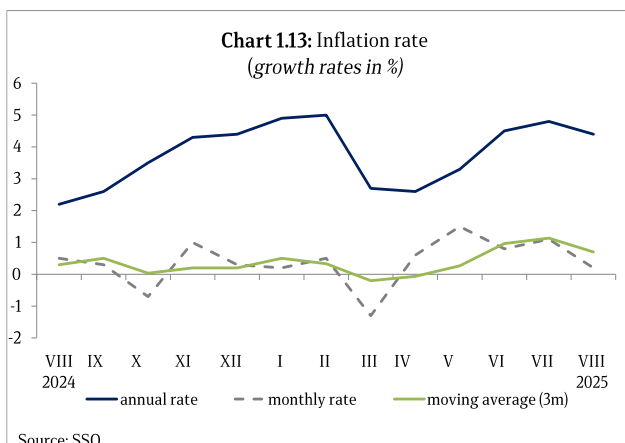
In August 2025, Wholesale trade (51.9%) accounted for the most in the Trade sector, followed by Retail trade (42.5%) and Trade in motor vehicles and motorcycles, repair and their maintenance (5.6%).

Inflation

In August 2025, the annual inflation rate declined to 4.4 %, marking a slowdown from the 4.8% recorded in July 2025. Inflation this month was primarily driven by the food and the core component, even though both decelerated compared to the previous month.

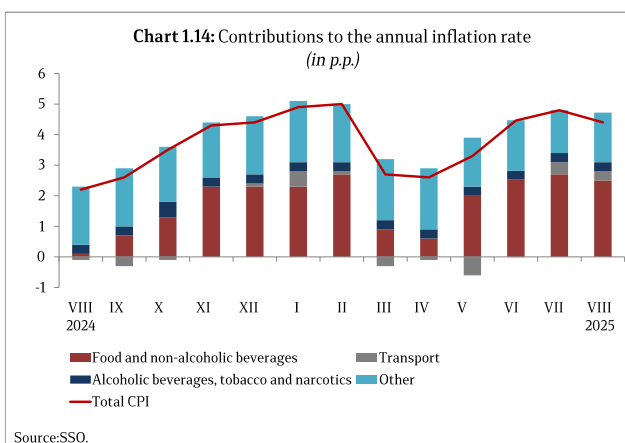
Average inflation rate in the period January - August 2025 stood at 4.0% on annual basis.

In August 2025, core inflation (inflation, wherefrom the impact of prices of food and energy products is excluded) recorded a slowdown compared to the previous month and accounted for 5.0% on annual basis (5.5% in July).



Prices in the Food and non-alcoholic beverages category increased by 6.2%, recording slowdown of growth compared to the previous month (6.8% in July), whereby contributing with 2.5 percentage points in the total inflation in August, while decreasing by 0.2 percentage points compared to the previous month. Following sub-categories: Fruits (25.4% annual growth and contribution of 0.5 percentage points), Meat (4.5% annual growth and contribution of 0.4 p.p.), Coffee, tea and cocoa (28.7% annual growth and contribution of 0.4 p.p.) and Vegetables (5.8% annual growth and contribution of 0.3 p.p.) had the biggest contribution to growth in the Food and non-alcoholic beverages category.

Observed by components, following the price increase in the Food and non-alcoholic beverages category, highest annual price growth in August 2025 was recorded in the categories Recreation and culture and Alcoholic beverages, tobacco and narcotics both increasing by 5.8%¹. Price increase was also recorded in the following categories: Furnishings, household equipment and routine household maintenance by 5.3%, Restaurants and hotels by 4.4%, Miscellaneous goods and services by 4.1%, Transport by 3.6%, Clothing and footwear by 3.3%, Health protection by 2.0%, Housing, water, electricity, gas and other fuels by 1.2%, Communications by 0.6% and Education by 0.1%.



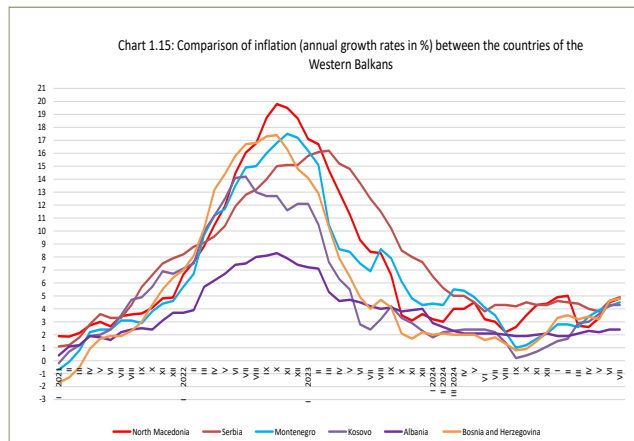
¹ Tobacco product price is increased in accordance with the adopted amendments of the Law on Excise, cigarette excise duty is to increase by Denar 0.23 per piece each year until 2030. New tobacco price was introduced in October 2024.



In August, consumer prices increased by 0.2% on monthly basis (last month prices increased by 1.1%) driven by growth across multiple categories, with the Food and non-alcoholic beverages category contributing the most. Price increase was also observed in the following categories: Restaurants and hotels 2.1%, 1.5%, Furnishings, household equipment and routine maintenance of the house by 0.7%, Food and non-alcoholic beverages and Miscellaneous goods and services by 0.6% each, Recreation and culture by 0.3% and Alcoholic beverages, tobacco and narcotics by 0.1%. Prices in the Transport category decreased by 3.1%, in the Clothing and Footwear category by 0.6%, and in both the Health Protection and Education categories by 0.1%. On a monthly basis, prices remained unchanged in the categories Communication and Housing, water, electricity, gas and other fuels.

In August 2025, the Eurozone inflation rate increased by 0.1% p.p. compared to July, accounting for 2.1%².

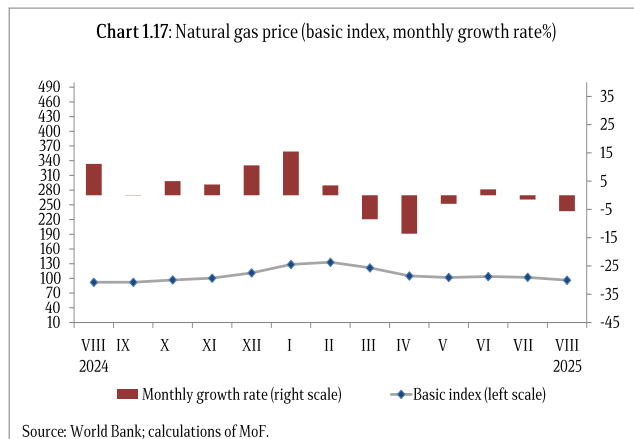
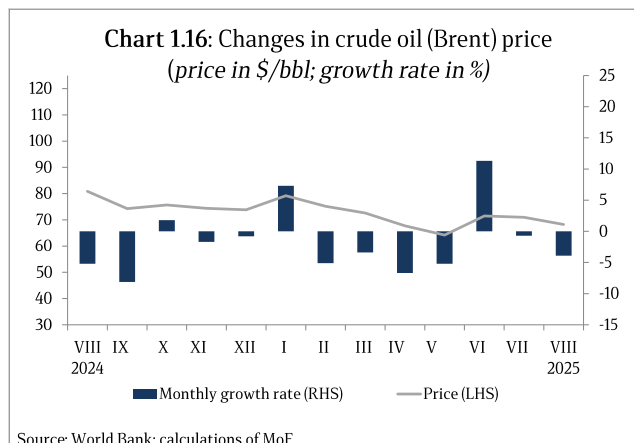
As per the ECB's projections, the inflation rate in 2025 is expected to decrease slightly to 2.0% in the short run, followed by further reductions to 1.6% in 2026 and 2.0% in 2027. Total inflation is expected to fall below 2% in the second quarter of 2025 and continue its downward trend, reaching a minimum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



Stock Market Prices

In August 2025, crude oil price (Brent) on the global stock markets dropped by 3.9% on monthly basis, amounting to US\$ 68.2 per barrel. The decline was driven by the easing of pressures that had previously contributed to upward correction, specifically the de-escalation of tensions in the Middle East - the conflict between Israel and Iran, and the fluctuating supply and demand dynamics. Oil price was lower by 15.7% on annual basis.

Price of natural gas³ in August 2025 decreased by 5.6% on monthly basis. The decrease in gas prices was driven by several factors, including lower demand due to weather conditions and high level of reserves in European storage facilities, as well as increased supply and easing of geopolitical



² The data is estimated by Eurostat.

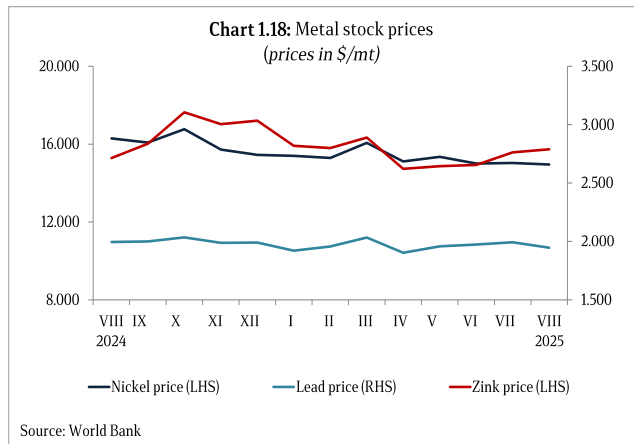
³ Natural gas index (2010=100)



tensions. In August 2025, the natural gas price increased by 4.7% on annual level.

In August 2025, price of electricity, as per the Hungarian Power Exchange (HUPX), amounted to EUR 80.51 per megawatt/hour, decreasing by 22% on monthly basis. In August, electricity prices decreased by 33.4% on annual basis.

This month, prices of most basic metals decreased on monthly basis, as follows: lead by 2.3%, copper by 1.0%, nickel by 0.6% and zinc by 0.3%. In contrast, prices of zinc and tin increased by 1.0% and 0.7%, respectively. Price of iron ore registered a monthly increase of 2.5%.



In August 2025, price of gold grew by 0.8% on monthly basis. Among other precious metals, the price of silver increased by 1.3%, while the price of platinum recorded a decline of 3.5%.

In August, corn and maize prices dropped by 3.4% and 4.9%, respectively, on monthly basis. The price of sunflower oil picked up by 4.9% on monthly basis.

Table 1.1. Stock market 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 |
| VII | 103.3 | 71.0 | 411.2 |
| VIII | 80.5 | 68.2 | 394.4 |

Source: World Bank, Hungarian Power Exchange



2. FOREIGN TRADE

Total foreign trade in the first eight months in 2025 amounted to EUR 12,816.3 million, increasing by 2.3% compared to the same period last year.

In the period January - August 2025, share of trade with the EU (EU 27), as the largest trading partner, decreased by 2.2 p.p. compared to the same period last year, accounting for 59.8%. 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 the first eight months of 2025, accounted for 21.1%, dropping by 2.6 p.p. compared to the same period in 2024.

Export

In the first eight months of 2025, value of exported goods amounted to EUR 5,278.1 million, surging by 1.7% (EUR 87.9 million) compared to the same period in 2024, while the physical output of export decreased by 2.2%, compared to the same period last year.

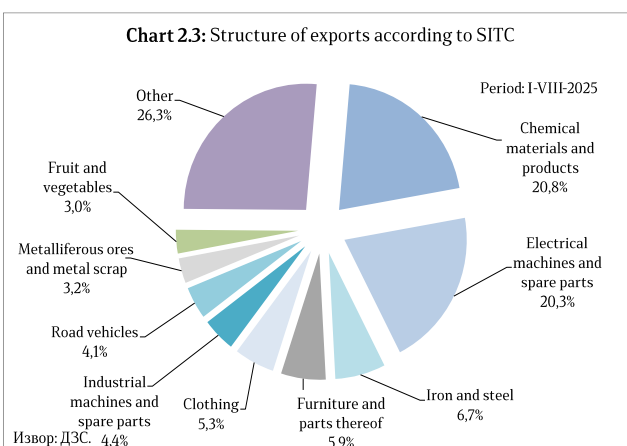
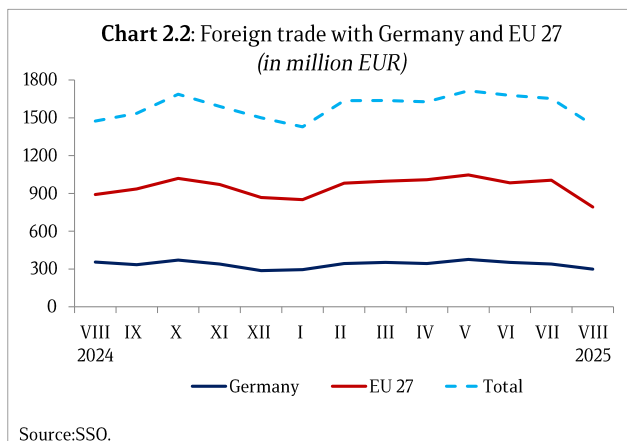
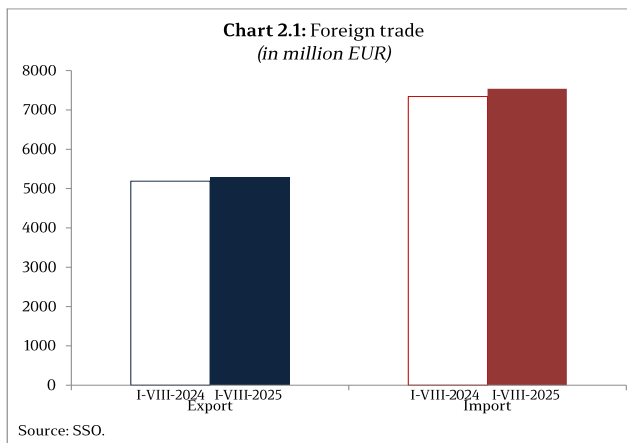
Value of exported goods amounted to EUR 568.3 million in August 2025, dropping by 8.7% (EUR 54.2 million) compared to the same month of the previous year, while physical output of export decreased by 0.7% compared to August 2024.

Analysed on monthly basis, in August 2025, export dropped by 14.7% (EUR 98.0 million), compared to the previous month, and, after applying the seasonal adjustment to exports, it registered a monthly drop of 5.9%, showing negative effects of the seasonal factor (8.8 p.p.) on export this month.

Value of export of food in the first eight months of 2025 increased by EUR 24.5 million, picking up by 7.1% compared to the same period in 2024, while quantity of exported food decreased by 12.5%. As for total foreign trade structure of our country, share of the food in first eight months in 2025, accounted for 7.0%, increasing by 0.4 p.p. compared to the same period in 2024. In the total food export, the following products were the most exported: Fruit and vegetables (43.5%), Cereals and cereal products (22.2%), Milk products and eggs (9.5%), and Meat and meat products (8.5%).

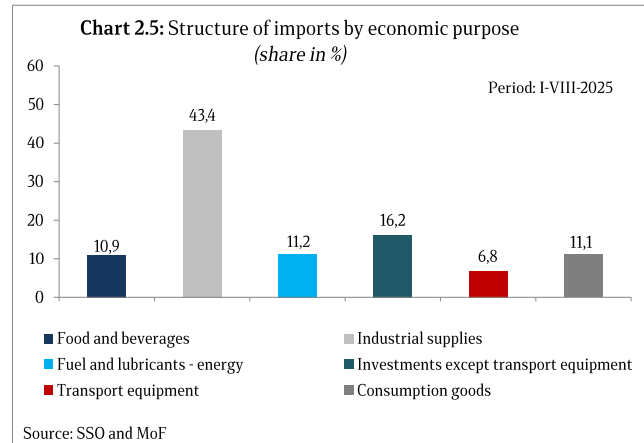
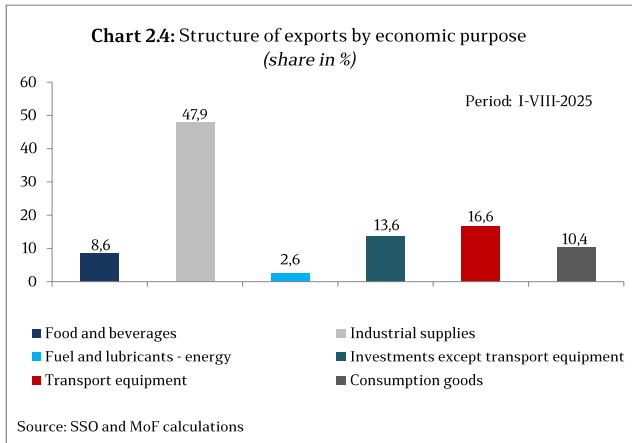
Import

In the first eight months of 2025, value of imported goods amounted to EUR 7,538.2 million, surging by 2.7% (EUR 195.9 million) compared to the same period in 2024, while the physical output of import increased by 6.0%.





In August 2025, import value amounted to EUR 874.6 million, representing growth of 2.8% (EUR 23.5 million) compared to the same month in 2024, while imported quantities of goods increased by 1.8% compared to August 2024.



Analysed on monthly basis, in August 2025, import dropped by 11.3% (EUR 111.7 million), compared to the previous month, and, after applying seasonal adjustment of the import, it registered a monthly decrease of 4.7%, showing negative effects of the seasonal factor (6.6 p.p.) on import this month.

Value of import of food in the first eight months of 2025 increased by EUR 43.3 million, picking up by 6.2% compared to the same period in 2024, while quantity of imported food increased by 2.7%. As for our country's total import, share of the food in first eight months in 2025, accounted for 9.8%, increasing by 0.3 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 (21.6%), Fruit and vegetables (15.9%), Cereals and cereal products (13.1%), Coffee, tea, cocoa and herbs (11.5%) and Milk products and eggs (11.3%).

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

| Export of petroleum and petroleum products*) | | | | |
|--|-------------|-------------|---------|--------|
| | I-VIII-2024 | I-VIII-2025 | Balance | % rate |
| 000 T | 85,9 | 51,4 | -34,5 | -40,1 |
| EUR mil. | 61,2 | 35,9 | -25,3 | -41,4 |
| \$ mil. | 66,3 | 39,9 | -26,4 | -39,9 |

*)Previous data

| Export of chemical products*) | | | | |
|-------------------------------|-------------|-------------|---------|--------|
| | I-VIII-2024 | I-VIII-2025 | Balance | % rate |
| 000 T | 42,6 | 49,2 | 6,6 | 15,5 |
| EUR mil. | 1.278,4 | 1.098,8 | -179,6 | -14,1 |
| \$ mil. | 1.385,4 | 1.220,5 | -164,9 | -11,9 |

*)Previous data

| Export of iron and steel*) | | | | |
|----------------------------|-------------|-------------|---------|--------|
| | I-VIII-2024 | I-VIII-2025 | Balance | % rate |
| 000 T | 446,4 | 465,3 | 18,9 | 4,2 |
| EUR mil. | 347,1 | 351,2 | 4,0 | 1,2 |
| \$ mil. | 376,4 | 389,0 | 12,6 | 3,4 |

*)Previous data

| Import of petroleum and petroleum products*) | | | | |
|--|-------------|-------------|---------|--------|
| | I-VIII-2024 | I-VIII-2025 | Balance | % rate |
| .000 T | 776,5 | 751,6 | -24,9 | -3,2 |
| EUR mil. | 560,0 | 468,7 | -91,3 | -16,3 |
| \$ mil. | 607,1 | 521,2 | -85,9 | -14,1 |

*)Previous data

| Import of chemical products*) | | | | |
|-------------------------------|-------------|-------------|---------|--------|
| | I-VIII-2024 | I-VIII-2025 | Balance | % rate |
| .000 T | 20,4 | 22,3 | 1,9 | 9,3 |
| EUR mil. | 118,8 | 117,0 | -1,8 | -1,5 |
| \$ mil. | 128,7 | 129,9 | 1,2 | 0,9 |

*)Previous data

| Import of iron and steel*) | | | | |
|----------------------------|-------------|-------------|---------|--------|
| | I-VIII-2024 | I-VIII-2025 | Balance | % rate |
| .000 T | 466,6 | 562,9 | 96,3 | 20,6 |
| EUR mil. | 321,0 | 351,0 | 30,0 | 9,3 |
| \$ mil. | 347,9 | 389,9 | 42,0 | 12,1 |

*)Previous data



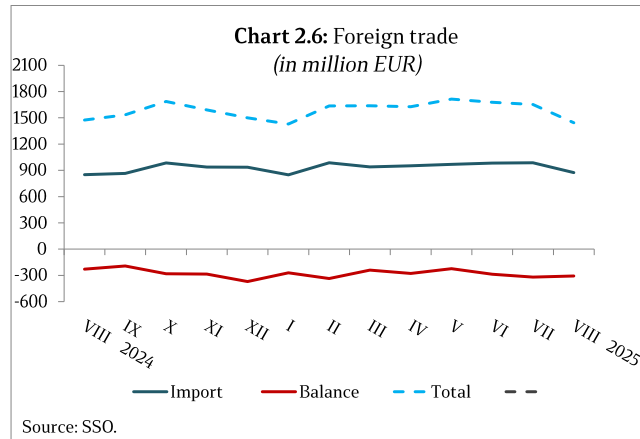
Trade Balance

In August 2025, trade deficit increased by 34.0%, i.e. EUR 77.7 million compared to August 2024.

In the period January - August 2025, trade deficit increased by 5.0%, i.e. by EUR 108.1 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 eight months of 2025, 89.5% of the trade deficit of the country was realized in the trade with Great Britain, China and Türkiye, followed by: Greece, Serbia, Italy, Poland, Bulgaria, and others. Surplus was realized in trade with Germany, Hungary and others.



Currency Structure

Observed by currency structure, 90.7% of the trade in the period January - August 2025 was realized in euros and, compared to the same period in 2024, it decreased by 1.3 p.p.. On export and import side, euro accounted for 93.1% and 89.0%, respectively, whereby share of the euro in export was lower by 1.7 percentage points, while share of the euro in import lower by 1.0 percentage points compared to the period January – August 2024.

| Table 2.2 Foreign trade of the Republic of North Macedonia (by currency); calculations: MoF | | | | | | | | | | | | |
|---|-----------------|--------------------|---|-------------------|-------------------|-----------------|-----------------------|---|-------------------|-------------------|--------------------------------------|---|
| import | I - VIII - 2024 | | | | | I - VIII - 2025 | | | | | absolute change in currency value | relative change in currency value (in %) |
| currency | .000 T | import in currency | average Denar exch. Rate in relation to currencies | import in Denar | structure in % | .000 T | import in currency | average Denar exch. Rate in relation to currencies | import in Denar | structure in % | | |
| EUR | 3.970.2 | 6.614.333.026,6 | 61,6 | 407.117.489.255,3 | 90,1 | 4.139,4 | 6.711.813.391,9 | 61,6 | 413.419.515.323,6 | 89,0 | 97.480.365,3 | 1,5 |
| USD | 386,0 | 716.769.851,1 | 56,8 | 40.703.639.596,0 | 9,0 | 479,2 | 844.817.592,5 | 55,5 | 46.924.294.912,5 | 10,1 | 128.047.741,4 | 17,9 |
| GBP | 1,9 | 15.870.703,3 | 72,2 | 1.145.571.171,0 | 0,3 | 1,3 | 14.252.020,7 | 72,6 | 1.035.179.849,3 | 0,2 | -1.618.682,6 | -10,2 |
| EUR+USD +GBP | 4.358,2 | | | 448.966.700.022,3 | 99,1 | 4.619,9 | | | 461.378.990.085,5 | 99,4 | | |
| tot. import | 4.371,8 | | | 451.939.270.767,7 | 100,0 | 4.634,8 | | | 464.340.007.285,4 | 100,0 | | 2,7 |
| Source: SSO and NBRNM | | | | | | | | | | | | |

3. FISCAL SECTOR

Budget Revenues and Expenditures according to the Economic Classification

In the period January – August 2025, collection of total budget revenues of the Republic of North Macedonia amounted to Denar 213,652 million, accounting for 59.0% of the 2025 projections, i.e. being an increase of 8.2% compared to collected budget revenues for the same period in 2024. As regards total revenues, Denar 196,390 million was collected on the basis of tax revenues and social contributions, accounting for 61.5% of 2025 projected amount, being a 6.7% increase in relation to the previous year. Thereby, tax revenues were collected in the total amount of Denar 121,486 million (i.e. 61.2% of the amount projected for 2025), while social contributions were collected in the amount



of Denar 73,941 million (annual increase of 8.4%, i.e. 63.1% of the amount projected for 2025). As regards tax revenues, increased collection was recorded at PIT revenues growing by 7.1%, followed by CIT revenues picking up by 5.4%, VAT revenues increasing by 3.2%, excise duties and import duties increasing by 9.4% and 15.5%, respectively, while collection at other tax revenue recorded a drop of 8.6%. During this period, non-tax revenues grew by 22.9%, capital revenues increased by 44.3%, and foreign donation revenues surged by 64.9%.

Total budget expenditures amounted to Denar 241,975 million during the period January – August 2025, representing 59.9% of the annual projections, reflecting an increase of 9.5% compared to same period in 2024. Thereby, current expenditures were executed in the amount of Denar 224,822 million, i.e. 63.1% of the amount projected for the whole year, being an increase of 9.9% compared to the same period in 2024. Increase was recorded at expenditures related to wages and allowances by 10.5%, at goods and service-related expenditures by 6.3%, and at interest-related expenditures, surging by 9.5%. Transfers, as the largest category of current expenditures, increased by 10.1%, driven by the growth of social transfers by 12.4%, health care expenditures by 10.8%, and block and earmarked grants by 10.2%. Expenditures related to subsidies and transfers saw a reduction of 5.0%. Capital expenditures were executed in the amount of Denar 17,153 million, accounting for 36.2% of the projected amount.

Table 3.1. State Budget Execution for the period January – August 2025

| | 2025 Budget | 2025 Supplementary Budget | January - August 2025 | | |
|--------------------------------|--------------------|---------------------------------|-----------------------|------------------------------|--|
| | (Denar million) | (Denar million) | (Denar million) | Annual growth rate (%) | % of collection/execution rate (%) |
| TOTAL REVENUES | 358,838 | 362,377 | 213,652 | 8.2% | 59.0% |
| Taxes and contributions | 319,234 | 319,196 | 196,390 | 6.7% | 61.5% |
| Taxes | 198,607 | 198,607 | 121,486 | 6.0% | 61.2% |
| Personal Income Tax | 35,676 | 35,676 | 21,292 | 7.1% | 59.7% |
| Corporate Income Tax | 23,287 | 23,287 | 15,293 | 5.4% | 65.7% |
| VAT | 86,692 | 86,692 | 53,949 | 3.2% | 62.2% |
| Excise duties | 35,388 | 35,388 | 20,804 | 9.4% | 58.8% |
| Import duties | 16,255 | 16,255 | 9,556 | 15.5% | 58.8% |
| Other tax revenues | 1,309 | 1,309 | 592 | -8.6% | 45.2% |
| Contributions | 117,095 | 117,096 | 73,941 | 8.4% | 63.1% |
| Non-tax revenues | 26,302 | 30,608 | 13,607 | 22.9% | 44.5% |
| Capital revenues | 3,510 | 2,830 | 863 | 44.3% | 30.5% |
| Foreign Donations | 9,792 | 9,743 | 2,792 | 64.9% | 28.7% |
| | | | | | |
| TOTAL EXPENDITURES | 400,188 | 403,728 | 241,975 | 9.5% | 59.9% |
| Current expenditures | 353,032 | 356,377 | 224,822 | 9.9% | 63.1% |
| Wages and | 48,141 | 49,189 | 31,328 | 10.5% | 63.7% |

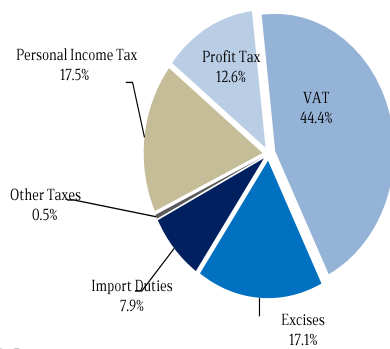


| | | | | | |
|--|----------------|----------------|----------------|--------------|--------------|
| allowances | | | | | |
| Goods and services | 26,325 | 28,025 | 14,493 | 6.3% | 51.7% |
| Transfers | 257,721 | 258,546 | 164,574 | 10.1% | 63.7% |
| Social transfers | 191,046 | 193,296 | 123,856 | 12.4% | 64.1% |
| Pension and Disability Insurance Fund of North Macedonia | 119,995 | 122,515 | 79,863 | 15.8% | 65.2% |
| Employment Agency | 3,439 | 3,434 | 986 | -33.1% | 28.7% |
| Social protection | 15,080 | 14,831 | 9,941 | 0.0% | 67.0% |
| Health protection | 52,531 | 52,516 | 33,066 | 10.8% | 63.0% |
| Other transfers | 64,211 | 61,664 | 39,295 | 3.0% | 63.7% |
| Interest payments | 20,845 | 20,617 | 14,427 | 9.5% | 70.0% |
| Capital expenditures* | 47,156 | 47,351 | 17,153 | / | 36.2% |
| BUDGET BALANCE | -41,350 | -41,350 | -28,323 | 20.0% | 68.5% |

Source: Ministry of Finance

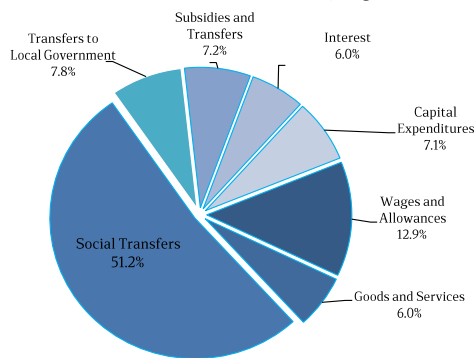
*The methodology for recording and reporting capital expenditures was revised in 2025, rendering direct comparisons with the capital expenditure figures for the corresponding period in 2024 invalid.

Chart 3.1: Structure of Collected Tax Revenues, January-August 2025



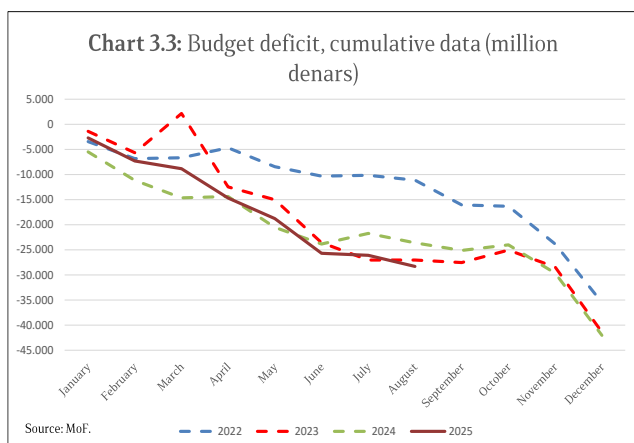
Source: MoF

Chart 3.2: Structure of Executed Expenditures according to Economic Classification, January-August 2025



Source: MoF.

In the period January – August 2025, the state budget deficit amounted to Denar 28,323 million, accounting for 2.8% of the GDP projected for 2025, i.e. 68.5% of the budget deficit projections.



Expenditures by Budget Users

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

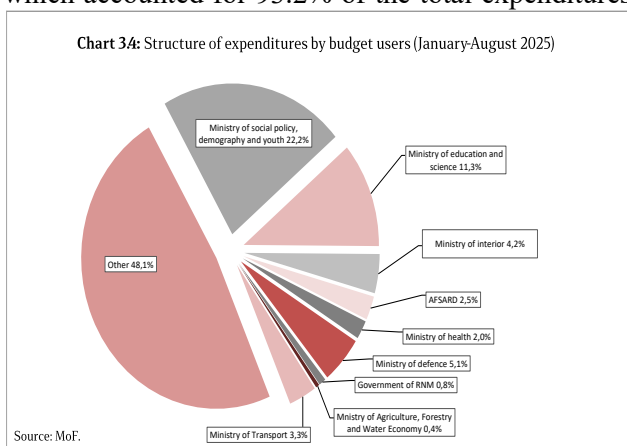
In the period January – August 2025, Ministry of Social Policy, Demographics and Youth executed funds in the amount of Denar 53,895 million or 75.0% of its total budget for the current year. Thereby, most of the expenditures (73.6%) were allocated for current transfers to Budget Funds, for which Denar 39,683 million was spent, i.e. 78.6% of the funds allocated for 2025. The second highest expenditure item was the social benefits, participating with 18.1% in the total expenditures, whereby 68.8% (Denar 9,778 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 27,492 million, representing 61.4% of its total 2025 Budget. Current transfers to LGUs accounted for the most of the expenditures (57.7%), Denar 15,873 million being spent therefore or 66.3% of total projected funds. Wages and allowances category was the second highest item, accounting for 23.0%, for which an amount of Denar 6,332 million, accounting for 64.7%, being executed out of total projected funds.

In the period January – August 2025, Ministry of Internal Affairs executed expenditures in the total amount of Denar 10,205 million, accounting for 61.5% of its 2025 budget. Wages and allowances was the highest expenditure item, participating with 68.8%, Denar 7,016 million being spent therefor, accounting for 64.5% of the projected ones. Second highest expenditure item was Goods and services, accounting for 16.2%, with Denar 1,649 million being spent therefore, accounting for 58.9% of the annual projections.

During this period, the Agency for Financial Support in Agriculture and Rural Development executed expenditures in the amount of Denar 6,192 million, accounting for 75.5% of the funds projected for the current year. As for subsidies and transfers, which accounted for 93.2% of the total expenditures, 80.5%, or Denar 5,768 million of the funds planned for the whole year, were spent therefore.

In the period January – August 2025, Ministry of Defence executed budget funds in the amount of Denar 12,430 million, accounting for 60.8% of its total budget this year. Capital expenditures accounted for the most with 37.3%, Denar 4,637 million being spent therefore, accounting for 55.1% of the total funds projected for the current year. Wages and allowances accounted for 33.5% of total expenditures, Denar 4,160 million being spent therefore during the analysed period, i.e. 63.9% execution of the total projected funds.





Government of the Republic of North Macedonia spent total of Denar 2,060 million, i.e. 44.5% of the funds projected for 2025, in the period January – August 2025. Thereby, subsidies and transfers accounted for 51.9% of total expenditures of this budget user, Denar 1,069 million (41.4% of the projected funds) being spent therefore.

During the analysed period, Ministry of Health executed budget funds in the amount of Denar 4,861 million, accounting for 60.7% of its total 2025 Budget. Current transfers to Budget Funds accounted for the most of the expenditures with 52.8%, for which Denar 2,567 million were spent or 73.4% of the funds projected for 2025. Second highest item was Goods and services, Denar 2,073 million (56.6% of the projections for the year) being spent therefore, accounting for 42.6% of total expenditures.

In the period January – August 2025, Ministry of Transport executed funds in the amount of Denar 8,060 million, i.e. 44.8% of its total budget for the current year. Execution of capital expenditures, as main item, accounted for 91.4% of the total spent funds of this budget user (Denar 7,368 million or 44.2% of total projected funds).

During this period, Ministry of Agriculture, Forestry and Water Economy executed funds in the amount of Denar 1,042 million, accounting for 55.1% of the funds projected for 2025. Wages and allowances (Denar 528 million) was, by far, the highest item in the total expenditures of this budget user, accounting for 50.6% of its total expenditures, with 61.2% of the projected expenditures being executed. As regards capital expenditures, they accounted for 26.7% of the total expenditures, Denar 278 million being spent therefore, accounting for 43.3% 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/>).

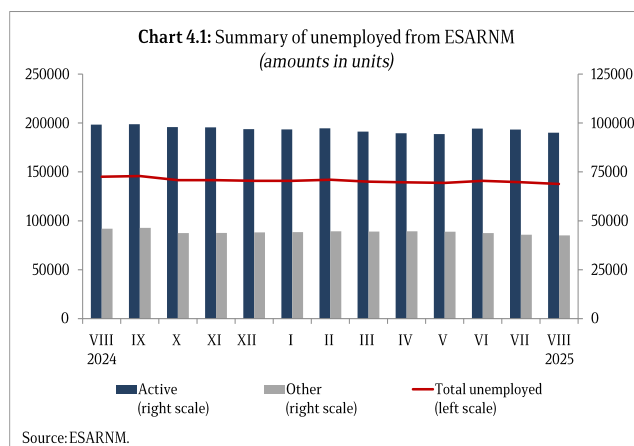
4. SOCIAL SECTOR

Newly Employed and Registered Unemployed Persons in the Employment Service Agency

In August 2025, Employment Service Agency registered a total of 129,298 new employments⁴. Total number of newly employed persons was higher by 5.2% compared to the same period in 2024.

As regards the total number of newly employed, 44.0% was engaged on permanent basis, while the remaining percentage was engaged on temporary basis and as seasonal workers. In August 2025, 14.1% out of the total number of new employments was from the unemployed records.

Total number of unemployed persons in August 2025 was 137,627 comprising 95,032 active job seekers and 42,595 in the “other unemployed” category. On annual basis, total number of unemployed decreased by 5.2%, and has shown a continuous annual decline since May 2021. Compared to July 2025, the number of unemployed decreased by 1,894 people.



⁴ 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).



Urban residents accounted the most (with 59.3%) among the active unemployed persons, whereas with respect to gender, men accounted for 48.4% of the total. Analysed by the level of education, majority, i.e. 67.0% of the unemployed persons were with incomplete secondary education or less, 25.3% were with completed secondary education, while 7.6% of the unemployed persons were with completed community college or higher education level.

Analysed by age structure, 49.9% of the unemployed people belonged to the group aged 25-49 years. With respect to waiting time for employment, 56.6% of the unemployed persons wait for employment from 1 to 7 years, while 13.4% wait for employment for 8 years or more.

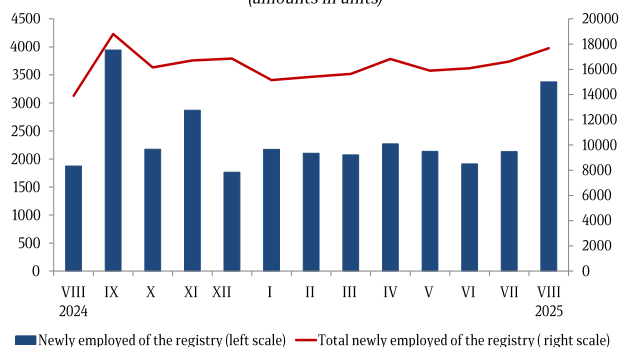
Wages

As per the notification of the State Statistical Office, in July 2025, average net wage amounted to Denar 45,276, in nominal terms, being higher by 10.5% on annual basis, and being lower by 0.4% compared to June 2025. The highest increase of average net wage, in relation to July 2024, was observed at the following sectors:

Administrative and support service activities (16.5%), Education (15.0%) and Human health and social work activities (14.8%). In July 2025, wages increased by 5.5% in real terms on annual basis. Highest average net wage in July 2025 was paid in the sector Information and communications (Denar 82,396), wherein highest amount of net wage was paid in the activity Computer programming, consulting and related activities (Denar 102,689), followed by Financial and insurance activities with Denar 61,623, Mining and quarrying with average net wage of Denar 54,881 and Electricity, gas, steam and air conditioning supply sector in the amount of Denar 54,712.

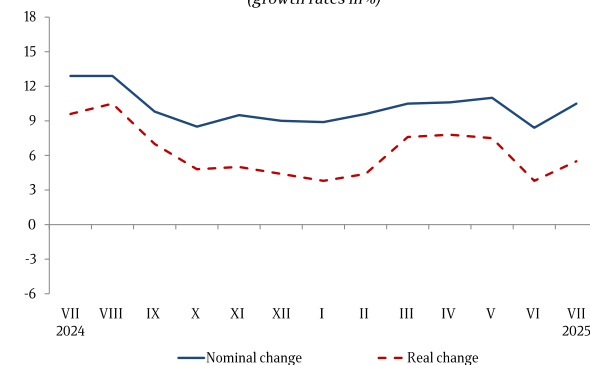
Average nominal gross wage in July 2025 amounted to Denar 68,102, increasing by 10.6%, compared to the same month in 2024, whereas being lower by 0.3% on monthly basis. The highest increase of average gross wage in July 2025, compared to July 2024, was recorded in the following sectors:

Chart 4.2: Summary of new employments
(amounts in units)



Source: ESARNM.

Chart 4.3: Average net-wage
(growth rates in %)



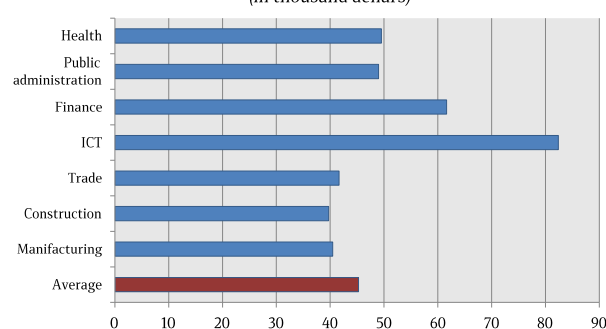
Source: SSO

Chart 4.4: Average net-wages by sectors of activities
(growth rates in %)



Source: SSO.

Chart 4.5: Average monthly net wage paid by sectors, July 2025
(in thousand denars)



Source: SSO.



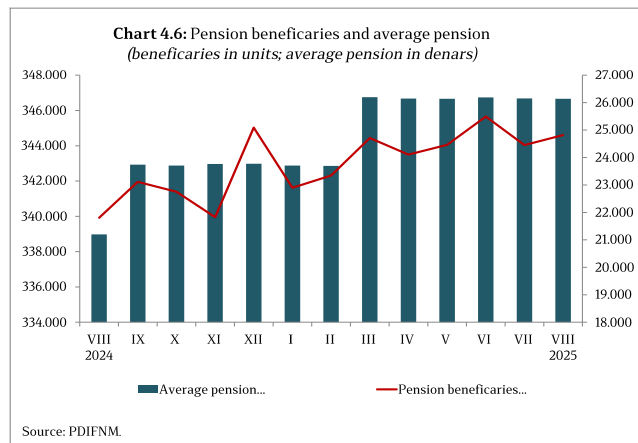
Administrative and support service activities (16.7%), Education and Human health and social work activities (15.0%), and Agriculture, forestry and fishing (12.3%).

Pensions

In August 2025, Pension and Insurance Disability Fund registered 344,603 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, 71.6% are beneficiaries of old-age pension, amounting to 246,567 pensioners, 21.4% of survivor pension, amounting to 73,715 pensioners and 7.1% of disability pension, amounting to 24,321 pensioners.

In August 2025, the average pension amounted to Denar 26,139, being higher by 23.3% compared to the same month in 2024⁵. In August 2025, average old-age pension amounted to Denar 27,761, average disability pension amounted to Denar 23,673, while average survivor pension amounted to Denar 21,527. This month, Denar 8,868 million was spent for payment of pensions, accounting for 61.4% of the total social transfers.

Ratio between the average pension in August 2025 and the average paid wage in July 2025 (the most recent available data) was 57.8%.



| Chart 4.1 August 2025 Pension Data | | | |
|--|---------|-----------|-----------------|
| Pension beneficiaries | Number | Structure | Average pension |
| Old age pension | 246,567 | 71.6% | 27,761.00 |
| Disability pension | 24,321 | 7.1% | 23,673.00 |
| Survivor pension | 73,715 | 21.4% | 21,527.00 |
| Total | 344,603 | 100.0% | 26,139.00 |
| Minimal agricultural pension beneficiaries | 30 | | 15,955.00 |
| Beneficiaries of military pensions | 690 | | 34,572.00 |
| Total | 345,323 | | 26,155.00 |
| Source: Pension and Disability Insurance Fund of North Macedonia | | | |

5. MONETARY AND FINANCIAL SECTOR

In August 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.

⁵ Military and agricultural pensions are not included when calculating the average pension.



In August 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 August 2025, primary money⁶ reduced by 7.3% on monthly basis. Such drop of primary money was a result of decrease of total liquid assets of banks by 15.4%, while currency in circulation increased by 1.0%.

In August 2025, primary money grew by 8.4% on annual basis, as a result of both increased currency in circulation by 13.2% and higher total liquid assets of banks by 3.2%.

Deposit Potential⁷

In August 2025, total deposits of banks grew by 1.4% on monthly basis. Sector analysis showed that, compared to the previous month, deposits of private enterprises grew by 3.0%, while deposits of households increased by 0.4%.

Analysed by currency, in August 2025, compared to the previous month, Denar deposits and foreign currency deposits surged by 1.0% and 1.9%, respectively.

Total deposit potential in August 2025 grew by 12.4% on annual basis. Analysed by currency, domestic currency deposits increased by 18.2%, and foreign currency deposits by 4.6%.

From sectoral point of view, deposits of enterprises grew by 14.5%, and deposits of households increased by 12.4% on annual basis.

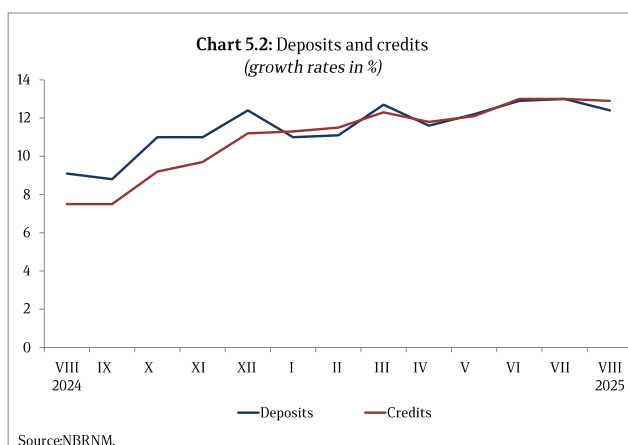
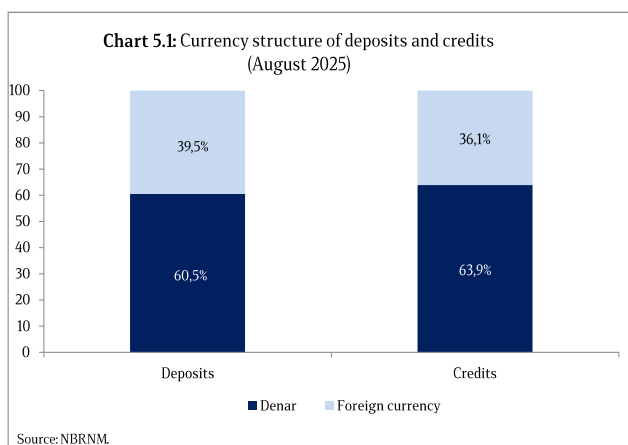


Table 5.1. Deposit potential and credits to the private sector

| Deposit potential and credits to private sector (August 2025) | In Denar million | Monthly change | Annual change |
|---|------------------|----------------|---------------|
| | | | |
| Deposit Potential | 627,082 | 1.4% | 12.4% |

⁶Primary 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.

⁷NBRNM 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.



| | | | |
|---------------------------|----------------|--------------|--------------|
| By currency: | | | |
| <i>Denar</i> | <i>379,680</i> | <i>1.4%</i> | <i>18.2%</i> |
| <i>Foreign currency</i> | <i>247,402</i> | <i>1.9%</i> | <i>4.6%</i> |
| By maturity: | | | |
| <i>Short-term</i> | <i>232,536</i> | <i>2.8%</i> | <i>6.6%</i> |
| <i>Long-term</i> | <i>154,105</i> | <i>0.5%</i> | <i>13.8%</i> |
| | | | |
| Credits to private sector | <i>527,590</i> | <i>0.4%</i> | <i>12.9%</i> |
| By currency: | | | |
| <i>Denar</i> | <i>337,198</i> | <i>0.8%</i> | <i>19.6%</i> |
| <i>Foreign currency</i> | <i>190,391</i> | <i>-0.3%</i> | <i>2.7%</i> |
| By maturity: | | | |
| <i>Short-term</i> | <i>77,579</i> | <i>-1.2%</i> | <i>12.1%</i> |
| <i>Long-term</i> | <i>434,366</i> | <i>0.6%</i> | <i>14.0%</i> |

Source: NBRNM

According to maturity, short-term deposits increased by 6.6%, while long-term deposits surged by 13.8% on annual basis.

Currency structure of deposits remained stable, with the share of domestic currency deposits in the deposit base consistently dominant at 60.5% this month.

Bank Credits

In August 2025, total credits of banks to the private sector surged by 0.4% on monthly basis, as a result of the growth of both credits to enterprises by 0.1%, and credits to households by 0.6%.

Analysed by currency, Denar credits picked up by 0.8%, while foreign currency credits decreased by 0.3% on monthly basis.

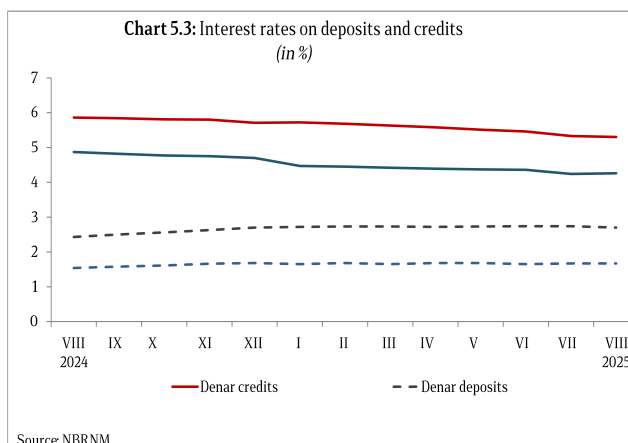
On annual basis, in August 2025 total credits grew by 12.9%, with credits to enterprises rising by 15.4% and credits to households by 10.6%. Denar credits surged by 19.6%, while foreign currency credits increased by 2.7%.

As regards maturity, long-term credits grew by 14.0% on annual basis, and short-term credits picked up by 12.1%.

Interest Rates of Deposit Banks

In August 2025, total interest rate on credits dropped by 0.01 p.p. compared to the previous month, accounting for 4.90%. Interest rate on Denar credits dropped by 0.03 percentage points, accounting for 5.30%, while interest rate on foreign currency credits increased by 0.02 percentage points, accounting for 4.26%.

In August 2025, total interest rate on deposits decreased by 0.02 percentage points,





compared to last month, accounting for 2.19%. Interest rate on Denar deposits decreased by 0.04 percentage points, accounting for 2.70%, while interest rate on foreign currency deposits remained unchanged, accounting for 1.67%.

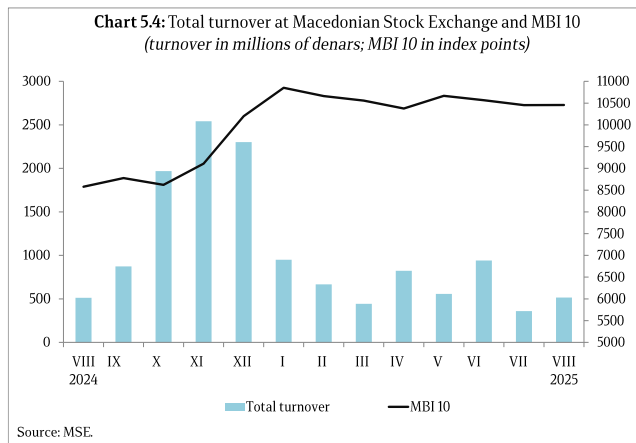
Interest rate on newly granted Denar credits was 4.66%, while interest rate on newly approved foreign currency credits was for 3.68%. Interest rates on newly received Denar and foreign currency deposits accounted for 2.33% and 1.70%, respectively.

Capital Market

As for the capital market, in August 2025, total turnover on the stock exchange surged by 43.4% on monthly basis, as a result of the increase of turnover from block transactions by 387.3%, while the turnover from classical trading in best decreased by 17.9%.

Total turnover on the stock exchange amounted to Denar 515.3 million in August 2025, being an increase of 0.7% on annual basis.

At the end of August 2025, the Macedonian Stock Exchange Index MSEI - 10 stood at 10,456.70 index points. On a monthly basis, the index remained relatively unchanged, recording a marginal increase of 0.02%, while compared to the same month last year, the index was higher by 21.9%.



Reserve Assets

At the end of August 2025, gross reserves amounted to EUR 4,754.44 million, representing an increase of 1.8% compared to the previous month and 6.4% compared to August 2024.