



# *SHORT-TERM ECONOMIC TRENDS*



**January 2026**



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## SUMMARY

### OF THE MOST IMPORTANT SHORT-TERM ECONOMIC TRENDS

#### January 2026

- Industrial production slowed down by 6.6% in January 2026 compared to the same month previous year.
- Inflation rate in January 2026 accounted for 3.2% on annual basis, marking a slight deceleration compared to previous month (4.1% in December 2025). On monthly basis, inflation recorded a drop of 0.7%.
- In January 2026, export dropped by 8.3%, while import decreased by 6.4%, resulting in decrease of the trade deficit by 2.3% compared to January 2025.
- In January 2026, execution of total budget revenues of the Republic of North Macedonia's budget amounted to Denar 22,433 million, accounting for 6.0% of the 2026 projections, i.e. a decrease of 2.4% compared to executed budget revenues compared to the corresponding month in 2025.
- In January 2026, total budget expenditures were executed in the amount of Denar 32,263 million, accounting for 7.8% of annual projections and marking a 17.0% increase relative to January 2025.
- Total credits of banks in January 2026 grew by 13.6% compared to January 2025, while total deposit potential of banks surged by 10.5%.
- Average net wage paid in December 2025 amounted to Denar 46,889, recording a nominal increase of 7.6% on annual basis and a real growth of 3.3%. The highest average net wage, amounting to Denar 108,124, was recorded in the Computer programming activity.



## 1. REAL SECTOR

### Industrial Production

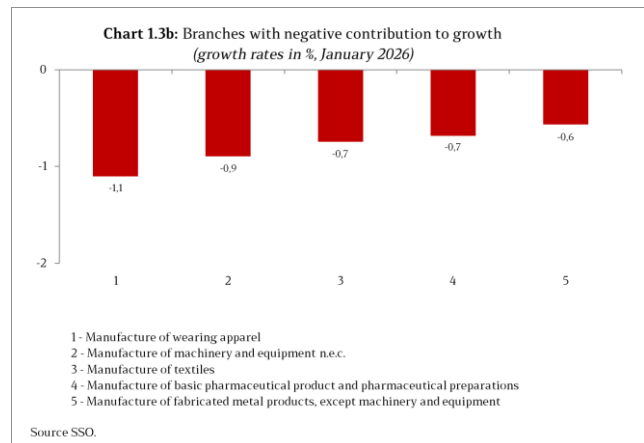
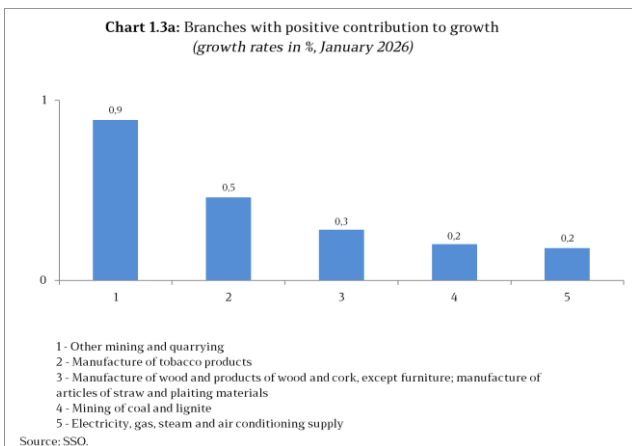
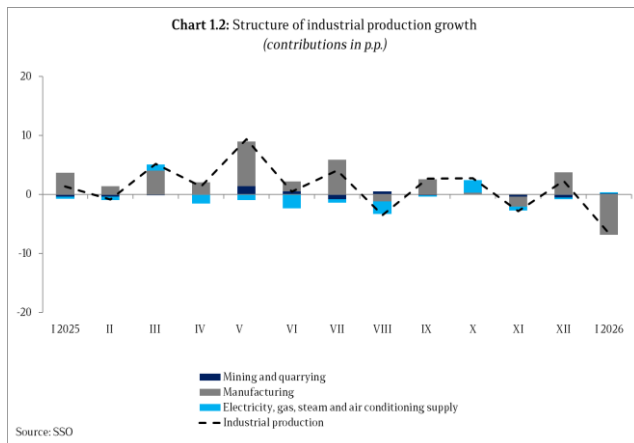
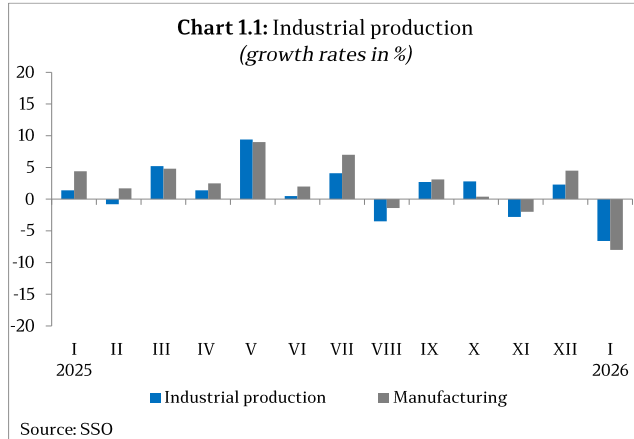
In January 2026, industrial production slowed down by 6.6% compared to the same month previous year. Drop was due to decreased production of 8.0% in Manufacturing, while increase in production was recorded in the sectors, as follows: Mining and quarrying by 2.5% and Electricity, gas, steam and air-conditioning supply by 2.8%.

In January 2026, decrease in production was registered at 16 out of total of 27 industrial branches, comprising 63.7% of the total industry.

As for branches with higher added value, in January 2026, a broad-based drop was recorded through branches as follows: Manufacture of machinery and equipment by 16.0% with contribution of -0.9 p.p., Production of metals by 17.7% with contribution of -0.5 p.p., Manufacture of motor vehicles, trailers and semi-trailers by 3.1% with contribution of -0.5 p.p. and Manufacture of Electrical Equipment by 4.0% with contribution of -0.3 p.p..

Traditional branches in January 2026 recorded growth of production, as follows:

Manufacture of tobacco goods grew by 20.1% and contribution of 0.5 p.p., Manufacture of wood and wood and cork products increased by 31.2% and contribution of 0.3 p.p., Food industry increased by 0.3% and contribution of 0.03 p.p., while Manufacture of beverages remained the same, whereas drop in production was seen at the branches: Manufacture of wearing apparel, down by 19.3% with contribution of -1.1 p.p., Manufacture of textile, down by 18.2% and contribution of -0.7 p.p. and Manufacture of leather and related products, down by 5.4% and contribution of -0.03 p.p..



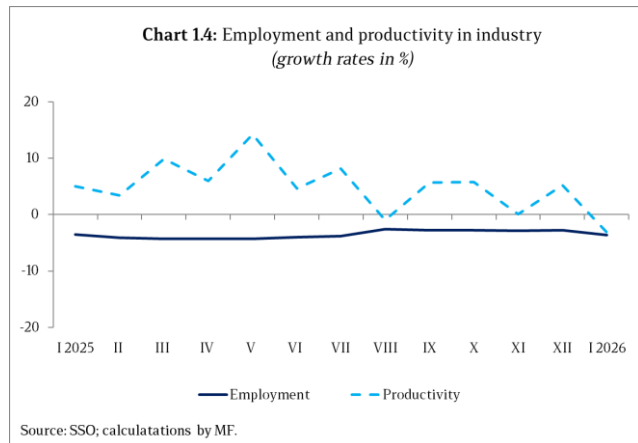
In January 2026, industrial production with respect to purpose of production units and compared to January 2025, increased solely with the Energy (growth of 2.5% and contribution of 0.2 percentage points), and decreased throughout the following groups: Non-durable consumer goods (decreasing by



11.9% and contribution of -3.9 p.p.), Intermediate goods industry, except energy (declining by 4.2% and contribution of -1.3 p.p.), Capital goods (dropping by 5.2% and contribution of -1.3 p.p.) and Durable consumer goods (dropping by 10.5% and contribution of -0.4 p.p.).

### Number of Employees in the Industry

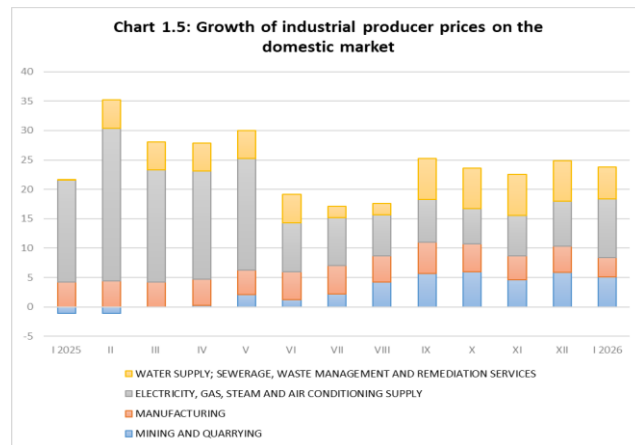
In January 2026, number of employees in the industry decreased by 3.6% compared to the same month in the previous year. Such decline was due to the reduced number of employees throughout all sectors, as follows: Mining and quarrying by 6.2%, Manufacturing by 3.6% and Electricity, gas, steam and air-conditioning supply by 0.5%. Increase in the number of employees was seen at the following branches: Manufacture of computer, electronic and optical products, up by 11.0%, Manufacture of beverages, up by 4.0% and Manufacture of rubber and plastic products, up by 3.8%.



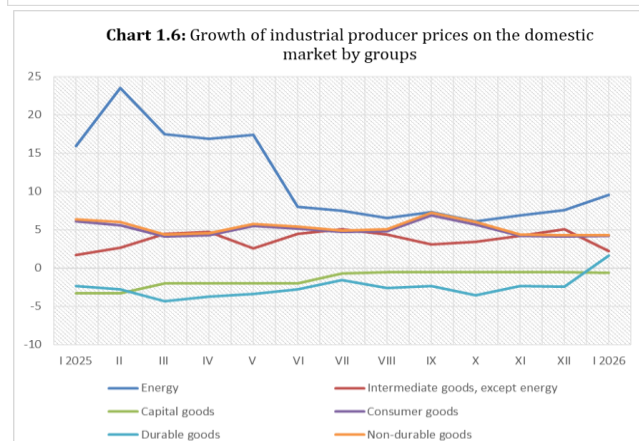
In January 2026, compared to the same month last year, data on the number of employees in the industry by target groups showed increase in the number of employees only at Consumer durables, up by 1.9%.

### Industrial Producer Prices on the Domestic Market

In January 2026, industrial producer prices on the domestic market were higher by 4.5% compared to the same month last year. Increase was due to increased prices throughout all sectors: Mining and quarrying by 5.1%, Manufacturing by 3.3%, Electricity, gas, steam and air-conditioning supply by 10% and Water supply; Sewerage, waste management and remediation activities by 5.4%.



In January 2026 compared to the same period in 2025, the industrial producer prices on the domestic market were higher in the groups as follows: Energy by 9.6%, Intermediate goods, except energy by 2.2%, Consumer goods by 4.2%, Consumer durables by 1.6% and Consumer non-durables by 4.3%, while decline in prices was registered only at the Capital goods group by 0.6%.





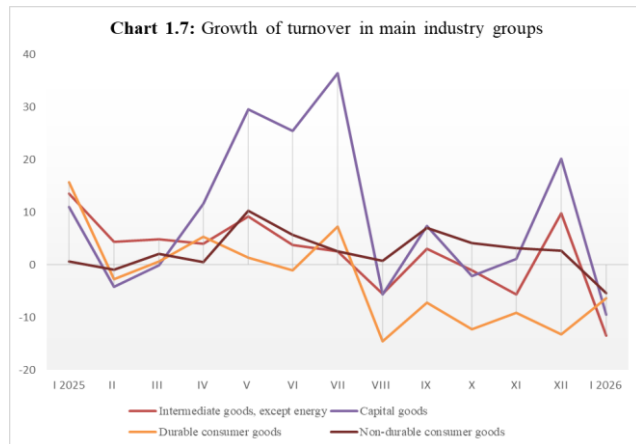
## Industrial Turnover Index

In January 2026, the industrial turnover, compared to January 2025, recorded a drop of 9.4% as per the State Statistical Office's data. Such decline was due to the reduced turnover in sectors, as follows: Manufacturing by 9.1% and Mining and quarrying by 17.7%.

In January 2026 compared to January 2025, industrial turnover decreased in the groups as follows: Intermediate goods, except energy – 13.5%, Capital goods – 9.5%, Consumer durables – 6.4%, and Consumer non-durables – 5.4%.

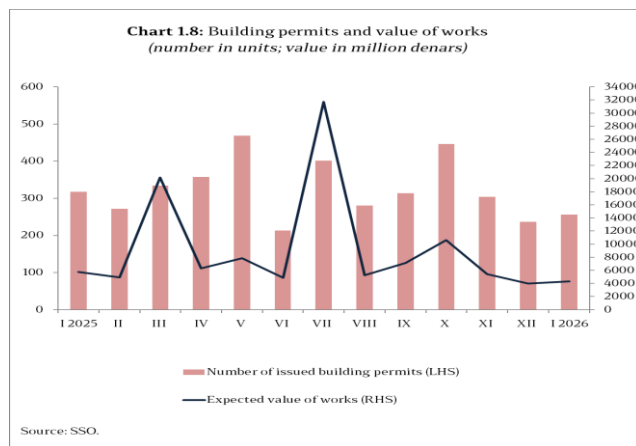
Branches with highest turnover drop in the industry in January 2026 compared to the same month last year were the following:

- Production of metals (down by 24.4%),
- Manufacture of motor vehicles, trailers and semi-trailers (down by 23.3%), and
- Repair and installation of machinery and equipment (down by 18.2%).



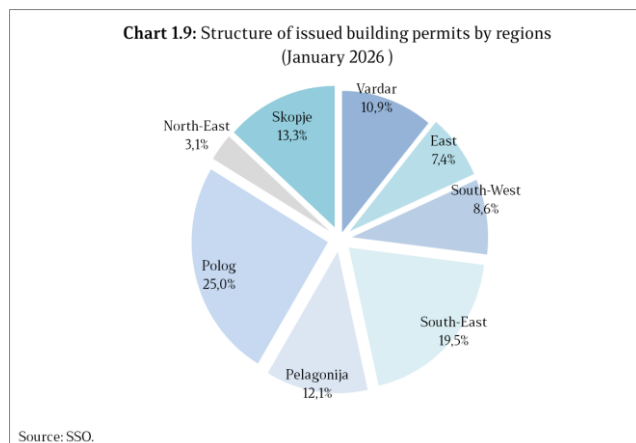
## Number of Issued Building Permits and Expected Value of Constructions

In January 2026, compared to December 2025, an increase in the number of building permits was recorded (237 building permits in December 2025). In total, 256 building permits were issued, marking a 19.2% drop compared to the same month in 2025. This was due to an 8% annual decline in the number of building permits issued for buildings (which accounted for 62.5% of the total number of permits issued), while permits for civil engineering structures and reconstruction facilities decreased by 38.0% and 30.1%, respectively. Such drop was



recorded with both investors as individuals and as business entities. 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 Vardar, Southwestern and Northeastern regions.

Compared to December 2025, number of issued building permits increased by 8.0%. Expected value of works, according to the issued building permits in January 2026, dropped by 25.2% on annual basis, while compared to the previous month, it experienced an 8.4% growth.

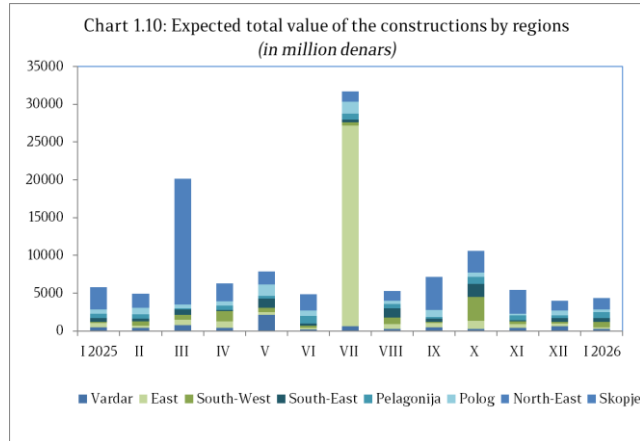




Analysed by types of constructions, out of the total number of issued building permits, 160 (or 62.5%) were intended for buildings, 31 (or 12.1%) with respect to civil engineering structures and 65 (or 25.4%) for reconstruction purposes.

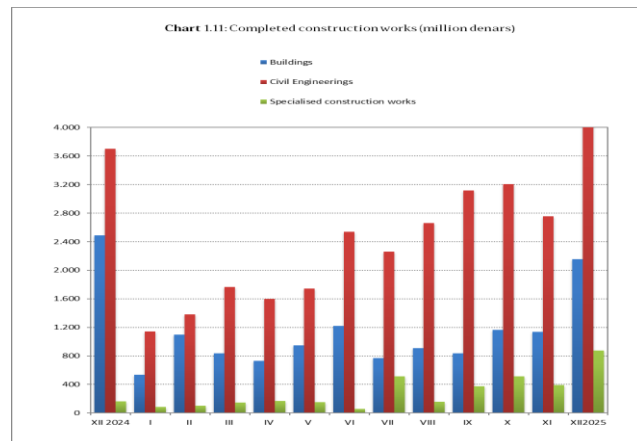
Analysed by types of investors, out of total 256 issued building permits, individuals were investors in 155 constructions (or 60.5%), while business entities were investors in 101 constructions (or 39.5%).

In January 2026, construction of 618 flats was envisaged, with total usable area of 54,359 m<sup>2</sup>. Number of flats envisaged for construction increased by 50.4% on monthly basis, while dropping by 18.6% on annual basis.



### Number of Completed Construction Works by Types of Constructions

Total value of completed construction works in December 2025 amounted to Denar 7,439 million, representing an annual growth of 17% in nominal terms, whereby growth of 18.9% and 438,6% was recorded in civil engineering structures and specialised construction works, respectively, while drop of 13.3% was recorded in building construction. Compared to November 2025, total value of completed construction works recorded an increase of 73.4%, with growth of 89.5% in buildings, 59.7% in civil engineering structures and 123.2% in specialised construction works. In



cumulative terms, in the period January – December 2025, value of completed construction works amounted to Denar 44,470 million, being higher by 17.1% compared to the same period last year. Most of the completed construction works pertained to civil engineering construction, with construction works amounting to Denar 28,589 million completed during January - December 2025, representing an 18.8% increase compared to the same period last year. During this period, the value of completed works in specialised construction surged by 195.6%, amounting to Denar 3,543 million, while completed works in building construction amounted to Denar 12,338 thousand, a 3.1% decrease compared to the same period last year.

In real terms, in the period January–December 2025, the value of completed construction works increased by 17.5%, with growth recorded in specialised construction works (196.7%) and civil engineering structures (19.3%), while a decline was observed in building construction (2.6%).

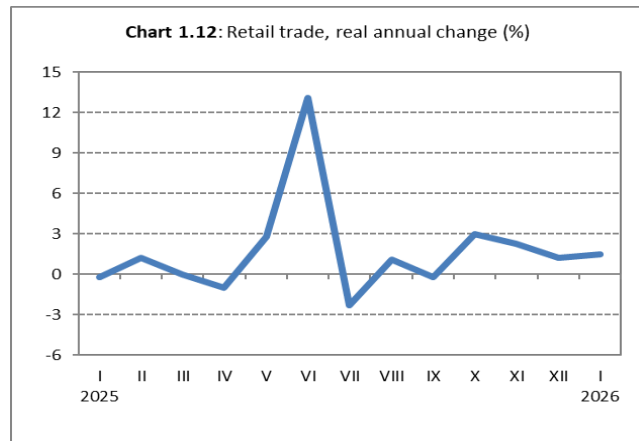


## Trade Sector Turnover

In January 2026, data on domestic trade demonstrated nominal annual growth in the turnover by 0.1%, following the growth of 14.7% in December 2025. Turnover value in January 2026 amounted to Denar 61,346 million.

In real terms, retail trade in January 2026 recorded an annual increase of 1.5%. When analysed by groups and classes, growth was observed only in Retail trade in food products, beverages, and tobacco, which rose by 13.1%. In contrast, Retail trade in automotive fuels declined by 16.3%, while Retail trade in non-food products decreased by 0.5%.

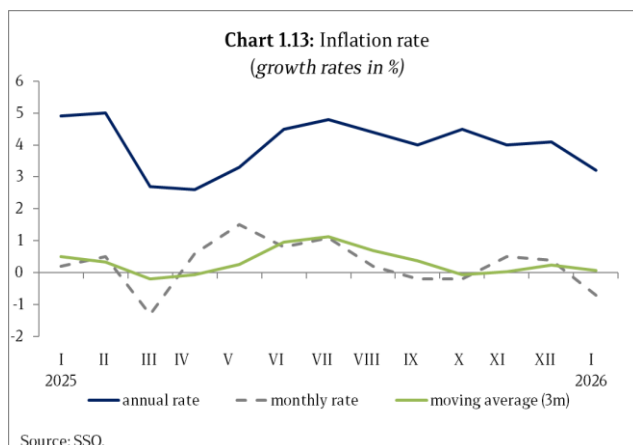
In January 2026, Wholesale trade (51.0%) accounted for the most in the Trade sector, followed by Retail trade (44.4%) and Trade in motor vehicles and motorcycles, repair and their maintenance (4.5%).



## Inflation

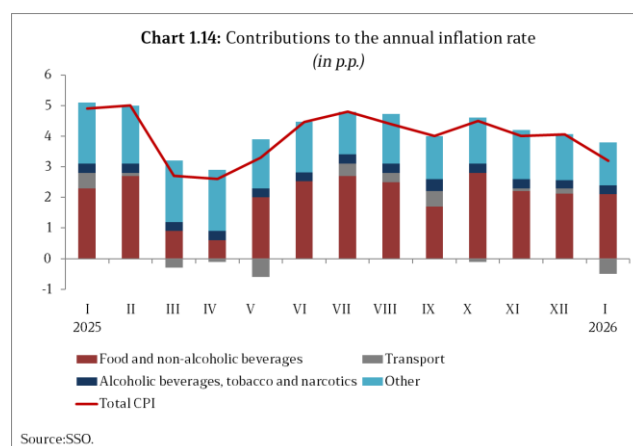
Inflation rate in January 2026 accounted for 3.2% on annual basis, marking a deceleration compared to previous month (4.1% in December 2025). This month, inflation was driven primarily by the food component, while the core component recorded a significant deceleration.

In January 2026, core inflation (inflation, wherefrom the impact of prices of food and energy products is excluded) recorded a notable deceleration compared to the previous month and accounted for 2.9% on annual basis (4.7% in December).



Prices in the Food and non-alcoholic beverages category increased by 5.2%, recording moderate deceleration from the previous month (5.3% in December). The contribution of this category to total inflation amounted to 2.1 percentage points and remained unchanged compared to the previous month.

Following sub-categories: Meat<sup>1</sup> (annual growth of 9.6% and contribution of 0.9 p.p.), Milk, cheese and eggs (annual increase of 6.8% and contribution of 0.5 p.p.), Fruit (annual growth of 17.6% and contribution of 0.3 p.p.), Coffee and coffee substitutes (annual growth of 23.6%, contribution of 0.3 p.p.), Sugar, confectionery and desserts (annual growth of 11.5% and



<sup>1</sup> Under the new classification, the meat subcategory is defined as Live animals, meat, and other parts of slaughtered terrestrial animals.



contribution of 0.2 p.p.) and Cereals and cereal products (annual 2.1% growth and contribution of 0.2 p.p.) contributed most positively in the Food and non-alcoholic beverages category. This month, vegetables exerted a negative contribution of 0.4 percentage points to food price growth, reflecting an 8.5% decline on annual basis.

Observed by components, price increase was also recorded in the following categories: Furnishings, household equipment and routine household maintenance (5.8%), Alcoholic beverages, tobacco and narcotics (5.3%), Recreation, sport and culture (4.3%), Restaurants and accommodation services (4.8%), Housing, water, electricity, gas and other fuels (3.0%), Health (2.9%), Information and communication (2.0%), Insurance and financial services (1.7%), Clothing and footwear (1.2%), and Personal care, social protection and miscellaneous goods and services (1.0%). Prices in the Transport and Education services categories decreased by 6.5% and 0.1%, respectively.

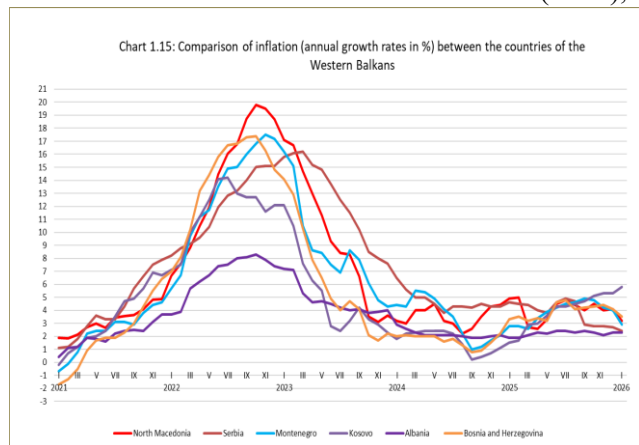
In January, consumer prices dropped by 0.7% on monthly basis (prices increased by 0.4% in the previous month). This decrease was mainly driven by lower transport prices, which made the largest contribution to the overall fall in consumer prices.

Price decline was recorded at multiple categories, as follows: Transport (9.3%), Recreation, sport and culture (1.6%), Information and communication (1.6%), Clothing and footwear (1.2%), and Personal care, social protection and miscellaneous goods and services (0.5%).

Price increase was recorded at the following categories: Housing, water, electricity, gas and other fuels (1.0%), Furnishings, household equipment and routine household maintenance (1.0%), Restaurants and accommodation services (0.7%), Alcoholic beverages, tobacco and narcotics (0.1%), and Education services (0.1%). Prices in the remaining categories remained the same.

In January 2026, the Eurozone inflation rate decreased to 1.7%<sup>2</sup>, down from 2% in December 2025.

According to the latest macroeconomic projections of the European Central Bank (ECB), euro area inflation has gradually stabilised and is expected to converge towards around 2% over the medium term. Inflation is projected at around 1.9% in 2026 and 1.8% in 2027, suggesting convergence towards the European Central Bank's 2% target. While overall inflation is on a declining path, moderate price pressures persist in certain components, notably food and services. Future inflation trends will remain contingent on energy price developments, geopolitical uncertainties, and price dynamics.



<sup>2</sup> The data is estimated by Eurostat.



## Stock Market Prices

In January 2026, crude oil price (Brent) on the global stock markets dropped by 2.3% on monthly basis, amounting to US\$ 66.8 per barrel. In January 2026, oil prices rose amid elevated geopolitical tensions in the Middle East, supply risks, restrictive OPEC production policy, and higher seasonal demand during the winter period. Oil price was lower by 15.7% on annual basis.

In January 2026, the natural gas price<sup>3</sup> surged by 49.2% on monthly basis. Natural gas prices increased in January, driven by stronger seasonal demand during the winter period, reduced supplies in Europe, and heightened geopolitical risks, which contributed to greater supply uncertainty. In addition, limited availability of liquefied natural gas (LNG) and competition from Asian markets exerted additional pressure on prices. In January, the natural gas price increased by 21.3% on annual level. In January 2026, price of electricity, as per the Hungarian Power Exchange (HUPX), amounted to EUR 150.41 per megawatt/hour,

growing by 29.8% on monthly basis. In January, electricity prices increased by 7.3% on annual basis. In January 2026, prices of basic metals increased on monthly basis, as follows: tin by 20.2%, nickel by 19.4%, copper by 10.4%, aluminium by 9.3%, lead by 2.8% and zinc by 1.4%. The iron ore price increased by 0.9%.

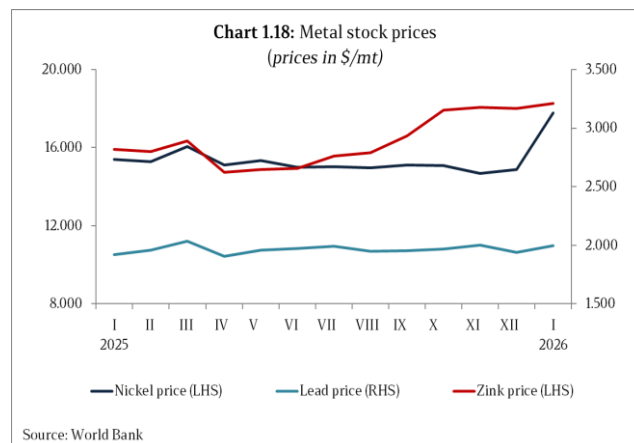
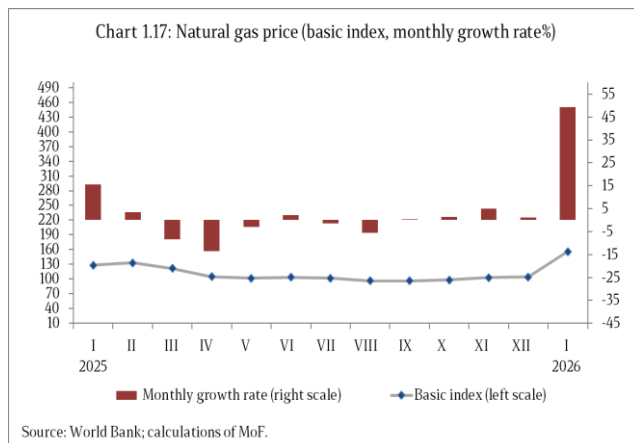
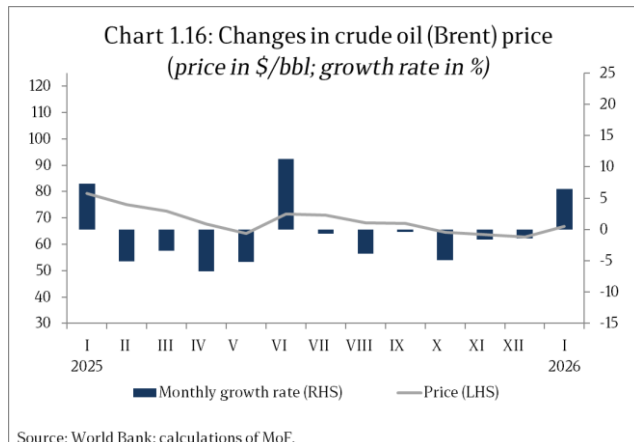
In January 2026, price of gold grew by 10.3% on monthly basis. Silver and platinum prices continued their upward monthly trend, increasing by 47.7% and 28.5%, respectively.

In January, price of maize decreased by 0.6% on monthly basis, while price of wheat dropped by 2.5%. The price of sunflower oil picked up by 6.6% on monthly basis.

Table 1.1. Stock market prices of energy products (monthly data)

	Electricity (EUR/MWh)	Brent crude oil (\$/bbl)	Natural GAS, Europe (\$/1000 m <sup>3</sup> )

<sup>3</sup>Natural gas index (2010=100)





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
IX	101.9	68.0	393.3
X	122.1	64.7	385.2
XI	124.4	63.6	368.7
XII	115.88	62.7	335.5
2026	150.41	66.8	415.9

Source: World Bank, Hungarian Power Exchange

## 2. FOREIGN TRADE

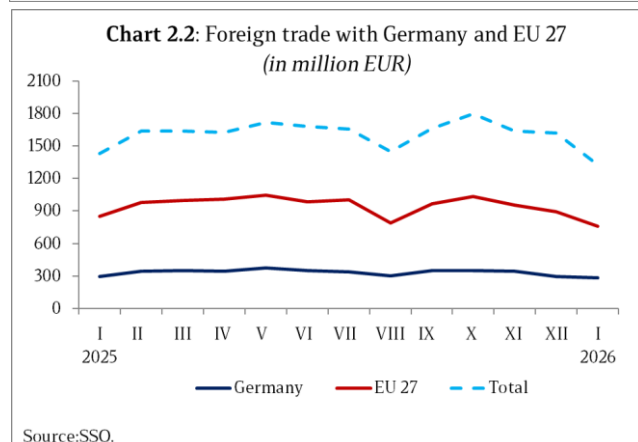
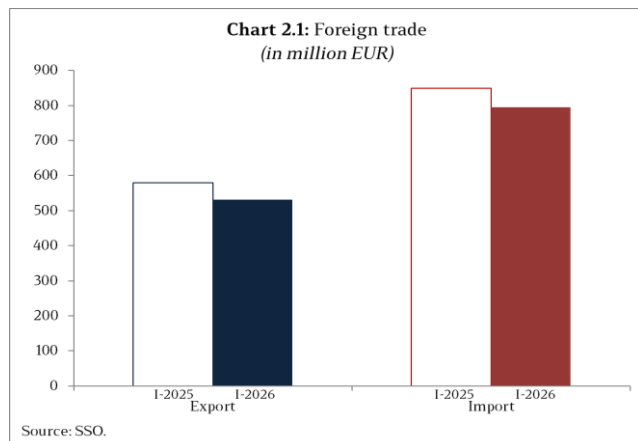
In January 2026, total foreign trade amounted to EUR 1,325.6 million, decreasing by 7.2% compared to January 2025.

In January 2026, share of trade with the EU (EU 27), as the largest trading partner, decreased by 2.5 p.p., compared to January 2025, and accounting for 57.1%. 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 2026, accounted for 21.2%, increasing by 0.5 p.p., compared to January 2025.

### Export

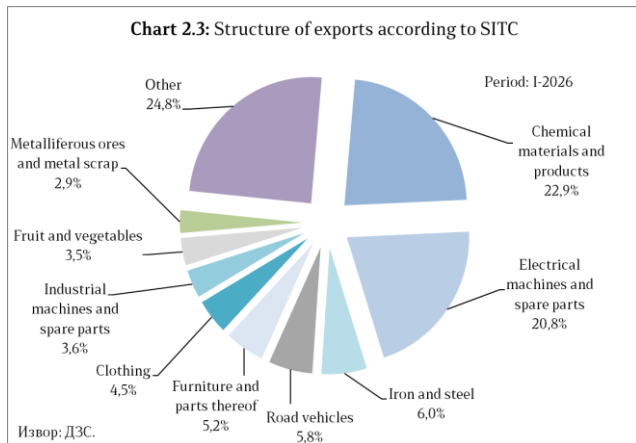
Value of exported goods amounted to EUR 530.7 million in January 2026, dropping by 8.3% (EUR 48.2 million) compared to the same month of the previous year, while physical output of export decreased by 21.8% compared to January 2025.

Analysed on monthly basis, in January 2026, export recorded a drop of 13.4% (EUR 81.9 million), compared to the previous month, and, after applying seasonal export adjustment, it registered monthly drop of 5.3%, showing negative effects of the seasonal factor (8.1 p.p.) on export this month.



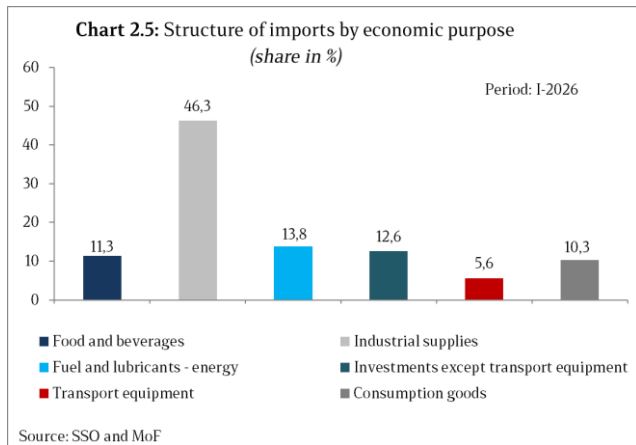
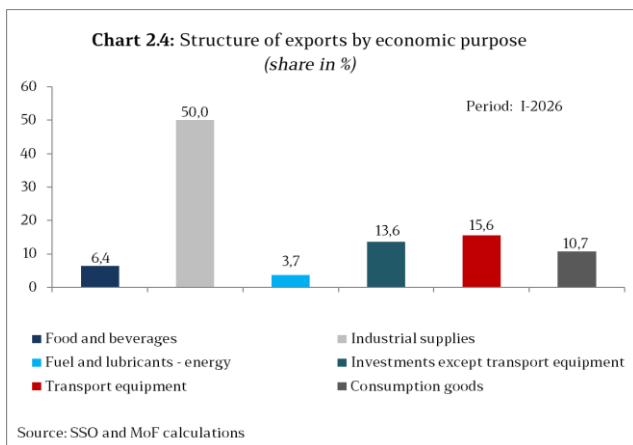


In January 2026, the value of food exports fell by EUR 6.3 million, representing a 19.3% decrease compared to January 2025, alongside a matching 19.3% reduction in export quantity. As for our country's total export structure, share of the food in January 2026, accounted for 5.0%, decreasing by 0.7 p.p. compared to January in 2025. As regards the total export of food, following products were the most exported: Fruit and vegetables (35.6%), Cereals and cereal products (29.8%), Milk products and eggs (10.3%), and Coffee, tea, cocoa and herbs (7.1%).



## Import

In January 2026, import value amounted to EUR 794.9 million, dropping by 6.4% (EUR 54.5 million) compared to the same month in 2025, while imported quantities of goods declined by 29.3% compared to January 2025.



Analysed on monthly basis, in January 2026, import dropped by 21.2% (EUR 214.1 million), compared to the previous month, and, after applying seasonal adjustment to import, it registered a monthly decrease of 6.7%, showing negative effects of the seasonal factor (14,5 p.p.) on import this month.

In January 2026, the value of food imports fell by EUR 8.1 million, representing an 8.9% decrease compared to January 2025, alongside a 14.1% reduction in import food quantity. As for our country's total import structure, share of the food in January 2026, accounted for 10.4%, decreasing by 0.3 p.p. compared to January in 2025. As per the total food import, the following products were the most imported: Meat and meat products (22.8%), Fruit and vegetables (15.7%), Milk products and eggs (13.8%), Coffee, tea, cocoa and herbs (13.8%) and Cereals and cereal products (11.9%).



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

Export of petroleum and petroleum products*)					Import of petroleum and petroleum products*)				
	I-2025	I-2026	Balance	% rate		I-2025	I-2026	Balance	% rate
.000 T	6,9	6,4	-0,5	-7,8	.000 T	83,4	79,7	-3,7	-4,5
EUR mil.	5,2	4,1	-1,2	-22,3	EUR mil.	61,1	45,9	-15,2	-24,8
\$ mil.	5,4	4,8	-0,6	-11,9	\$ mil.	63,1	53,8	-9,4	-14,8

\*)Previous data

Export of chemical products*)					Import of chemical products*)				
	I-2025	I-2026	Balance	% rate		I-2025	I-2026	Balance	% rate
.000 T	2,9	2,7	-0,2	-8,4	.000 T	2,1	1,5	-0,5	-26,3
EUR mil.	119,5	121,4	1,9	1,6	EUR mil.	11,0	8,3	-2,7	-24,6
\$ mil.	123,9	142,4	18,5	14,9	\$ mil.	11,3	9,7	-1,7	-14,7

\*)Previous data

Export of iron and steel*)					Import of iron and steel*)				
	I-2025	I-2026	Balance	% rate		I-2025	I-2026	Balance	% rate
.000 T	63,9	46,2	-17,7	-27,7	.000 T	64,8	40,0	-24,8	-38,2
EUR mil.	45,4	31,7	-13,7	-30,1	EUR mil.	39,2	22,9	-16,3	-41,6
\$ mil.	47,0	37,2	-9,9	-21,0	\$ mil.	40,6	26,8	-13,8	-34,0

\*)Previous data

## Trade Balance

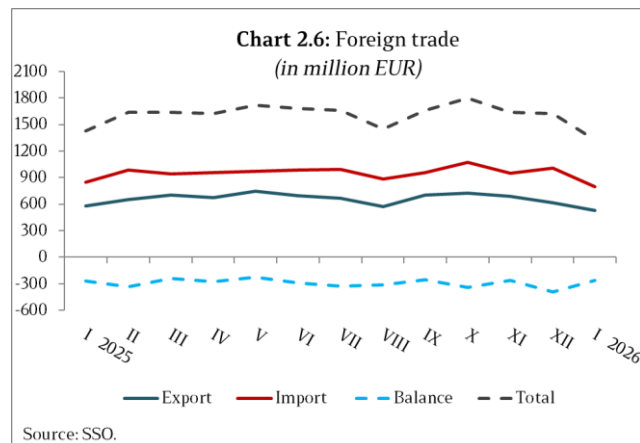
In January 2026, trade deficit decreased by 2.3%, i.e. EUR 6.3 million compared to the same month in 2025.

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

In January 2026, 91.0% of the trade deficit of the country was realized in the trade with Great Britain, and China, followed by: Greece, Türkiye, Serbia, Italy, Poland, etc. Surplus was realized in trade with Germany, Hungary, Bulgaria and others.

## Currency Structure

Observed by currency structure, 91.8% of the trade in January 2026 was realized in euro, representing an increase of 1.3 p.p. compared to January 2025. On export and import side, euro accounted for 94.7% and 89.8%, respectively, whereby share of the euro in export was higher by 3.2 p.p., while share of the euro in import lower by 0.1 p.p. compared to 2025.





import	I - 2025					I - 2026					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		
EUR	516,6	763.307.683,6	61,5	46.976.779.084,1	89,9	353,4	713.901.359,4	61,6	43.959.261.496,3	89,8	-49.406.324,2	-6,5
USD	44,0	82.263.756,4	59,5	4.894.257.508,7	9,4	42,4	83.798.779,7	52,5	4.402.419.172,2	9,0	1.535.023,3	1,9
GBP	0,1	1.164.128,6	73,4	85.449.946,5	0,2	0,1	1.073.205,7	70,9	76.069.248,3	0,2	-90.922,9	-7,8
EUR+USD+GBP	560,7			51.956.486.539,3	99,2	395,9			48.437.749.916,8	98,9		
tot. import	562,2			52.283.263.392,9	100,0	397,4			48.954.018.922,7	100,0		-6,4

Source: SSO and NBRNM

### 3. FISCAL SECTOR

#### Budget Revenues and Expenditures according to the Economic Classification

In January 2026, collection of total budget revenues of the Republic of North Macedonia's budget amounted to Denar 22,433 million, accounting for 6.0% of the 2026 projections, i.e. a decrease of 2.4% compared to budget revenues collected in the corresponding month of 2025. As regards total revenues, Denar 20,005 million was collected on the basis of tax revenues and social contributions, accounting for 6.0% of 2026 projected amount, being a 5.5% decrease in relation to the previous year. Thereby, tax revenues were collected in the total amount of Denar 11,903 million (i.e. 5.6% of the amount projected for 2026 and 9.3% decrease), while social contributions were collected in the amount of Denar 8,017 million (annual increase of 0.8%, i.e. 6.6% of the amount projected for 2026). As regards tax revenues, increased collection was recorded at personal income tax by 6.5%, followed by corporate income tax by 31.2%, import duties by 1.6% and other tax revenues by 2.9%. Decreased collection was recorded at VAT (down by 26.8%) and excise duties (down by 1.7%). During this period, non-tax revenues increased by 34.6%, capital revenues grew by 32.3% and revenues from foreign donations increased by 26.1%.

In January 2026, total budget expenditures were executed in the amount of Denar 32,263 million, accounting for 7.8% of annual projections and marking a 17% increase relative to January 2025. Thereby, current expenditures were executed in the amount of Denar 27,421 million, i.e. 7.3% of the amount projected for the whole year, being an increase of 1.1% compared to the same period in 2025. Expenditures related to wages and allowances and goods and service-related expenditures recorded an increase by 11.2% and 21.1%, respectively, whereas interest-related expenditures declined by 29.2%. Transfers, accounting for the most of current expenditures, increased by 1.4%. Social transfers increased by 12.7%, while health care expenditures declined by 6.7%. Block and earmarked grants increased by 6.2%, while expenditures on subsidies and transfers rose by 2.3%. Capital expenditures were executed in the amount of Denar 4,842 million, accounting for 12.1% of the projected amount, and increased by 983.2% compared to January 2025.

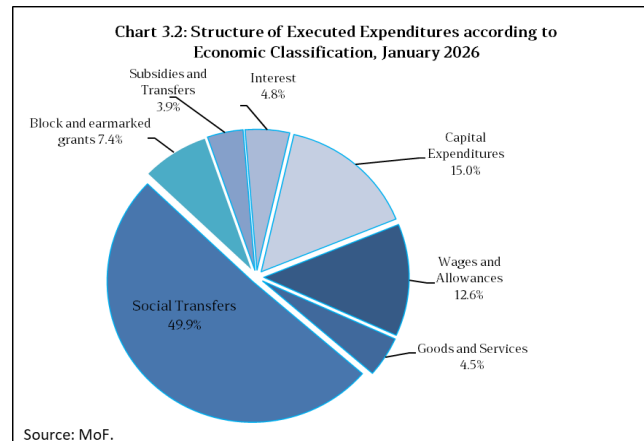
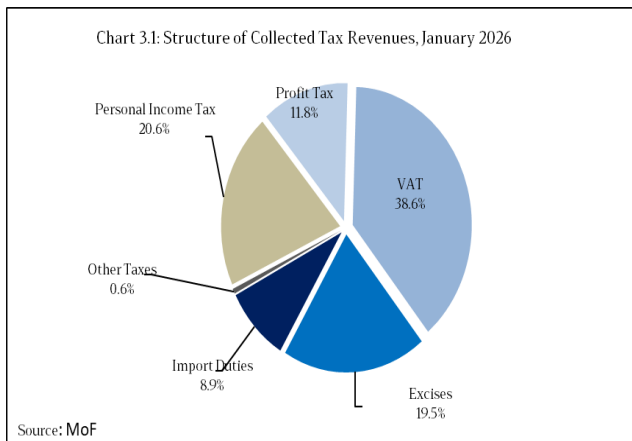
Table 3.1. State Budget Execution for January 2026

	2026 Budget	January 2026		
	(Denar million)	(Denar million)	Annual growth rate (%)	% of collection/execution rate (%)
<b>TOTAL REVENUES</b>	<b>374,935</b>	<b>22,433</b>	<b>-2.4%</b>	<b>6.0%</b>
<b>Taxes and contributions</b>	<b>335,971</b>	<b>20,005</b>	<b>-5.5%</b>	<b>6.0%</b>



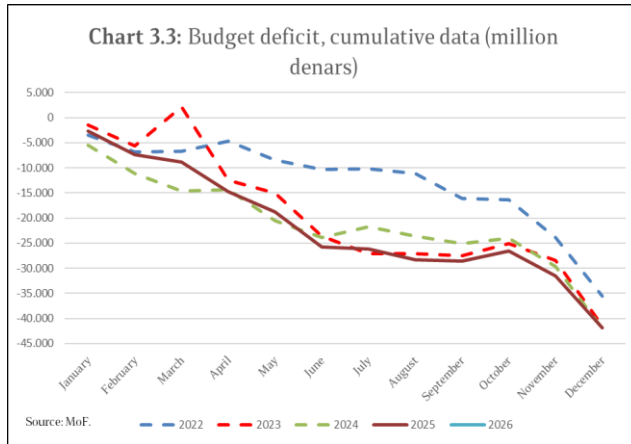
Taxes	211,329	11,903	-9.3%	5.6%
Personal Income Tax	38,797	2,454	6.5%	6.3%
Corporate Income Tax	26,572	1,406	31.2%	5.3%
VAT	92,506	4,595	-26.8%	5.0%
Excise duties	35,838	2,323	-1.7%	6.5%
Import duties	16,597	1,055	1.6%	6.4%
Other tax revenues	1,019	70	2.9%	6.9%
Contributions	121,822	8,017	0.8%	6.6%
<b>Non-tax revenues</b>	<b>29,060</b>	<b>1,982</b>	<b>34.6%</b>	<b>6.8%</b>
<b>Capital revenues</b>	<b>2,510</b>	<b>127</b>	<b>32.3%</b>	<b>5.1%</b>
<b>Foreign Donations</b>	<b>7,394</b>	<b>319</b>	<b>26.1%</b>	<b>4.3%</b>
<b>TOTAL EXPENDITURES</b>	<b>414,174</b>	<b>32,263</b>	<b>17.0%</b>	<b>7.8%</b>
<b>Current expenditures</b>	<b>374,052</b>	<b>27,421</b>	<b>1.1%</b>	<b>7.3%</b>
Wages and allowances	52,628	4,079	11.2%	7.8%
Goods and services	28,177	1,465	21.1%	5.2%
Transfers	271,970	20,314	1.4%	7.5%
Social transfers	206,268	16,107	12.7%	7.8%
Pension and Disability Insurance Fund of North Macedonia	136,420	11,082	20.5%	8.1%
Employment Agency	3,576	248	92.2%	6.9%
Social protection	12,459	1,280	5.6%	10.3%
Health protection	53,813	3,497	-6.7%	6.5%
Other transfers	62,871	3,986	-29.5%	6.3%
Interest payments	21,277	1,563	-29.2%	7.3%
<b>Capital expenditures*</b>	<b>40,122</b>	<b>4,842</b>	<b>983.2%</b>	<b>12.1%</b>
<b>BUDGET BALANCE</b>	<b>-39,239</b>	<b>-9,830</b>	<b>114.8%</b>	<b>25.1%</b>

Source: Ministry of Finance





In January 2026, the state budget deficit amounted to Denar 9,830 million, accounting for 0.9% of the GDP projected for 2026, i.e. 25.1% of the annual projections.



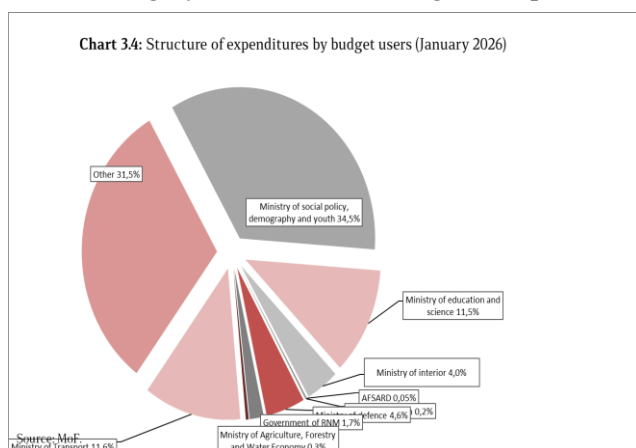
### Expenditures by Budget Users

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

In January 2026, Ministry of Social Policy, Demographics and Youth executed funds in the amount of Denar 10,731 million or 13.2% of its total budget for the current year. Thereby, most of the expenditures (79.6%) were allocated for current transfers to Budget funds, for which Denar 8,541 million was spent, i.e. 13.7% of the funds allocated for 2026. The second highest expenditure item was the social benefits, participating with 11.7% in the total expenditures, whereby 10.4% (Denar 1,254 million) of the projected 2026 funds was executed for this purpose.

During the analysed period, Ministry of Education and Science executed budget funds in the amount of Denar 3,586 million, representing 7.8% of its total 2026 Budget. Current transfers to LGUs accounted for the most of the expenditures (55.5%), Denar 1,989 million being spent therefore or 7.8% of total projected funds. Wages and allowances category was the second highest expenditure item, accounting for 23.8%, for which an amount of Denar 855 million, accounting for 7.8% being executed out of total projected funds.

In January 2026, Ministry of Internal Affairs executed expenditures in the total amount of Denar 1,232 million, accounting for 7.4% of its own 2026 budget. Wages and allowances were the highest expenditure category, participating with 75.6%, Denar 932 million being spent therefore, accounting for 8.3% of the projected ones. Second highest expenditure item was Goods and services, accounting for 11.7%, with Denar 144 million being spent therefore, accounting for 4.8% of the annual projections.



In January 2026, Agency for Financial Support in Agriculture and Rural Development executed expenditures in the amount of Denar 15.4 million, accounting for 0.2% of the funds projected for the current year. As for wages and allowances, with expenditure share of 94.1% of the total expenditures, 7.4% or Denar 14.5 million of the funds planned for the whole year, were spent therefore.



During this period, Ministry of Defence executed budget funds in the amount of Denar 1,446 million, accounting for 6.5% of this year's total budget. Expenditures related to wages and allowances accounted for the most with 35.7%, Denar 516 million being spent therefore (accounting for 7.7% of the total funds projected for the current year). Capital expenditures accounted for 23.8% of total expenditures, Denar 345 million being spent therefore, i.e. 3.7% execution of the total projected funds.

In January 2026, Government of the Republic of North Macedonia spent Denar 527 million, i.e. 12 % of the 2026 projections. Thereby, capital expenditures accounted for 77.7% of total expenditures of this budget user, with Denar 409 million (38.1% of the projected funds) being spent therefore.

During the analysed period, Ministry of Health executed budget funds in the amount of Denar 47 million, accounting for 0.6% of its total 2026 Budget. Goods and services accounted for the most in the expenditures with 62.9%, Denar 29,7 million being executed therefore, i.e. 0.9% of the funds allocated for 2026. Second highest item was Wages and allowances, Denar 17.2 million (7.8% of the projections for the year) being spent therefore, accounting for 36.4% of total expenditures.

In January 2026, Ministry of Transport and Communications executed funds in the amount of Denar 3,612 million, i.e. 27% of the total budget for the current year. Execution of capital expenditures, as highest item, accounted for 97.7% of the total spent funds of this budget user (Denar 3,529 million or 28.8% of total projected funds).

During this period, Ministry of Agriculture, Forestry and Water Economy executed funds in the amount of Denar 105 million, accounting for 5.6% of the funds projected for 2026. Wages and allowances (Denar 69.4 million) was, by far, the highest item in the total expenditures of this budget user, accounting for 66.1% of its total expenditures, with 7.3% of the projected expenditures being executed. As regards expenditures related to Goods and services, they accounted for 18.6% of the total expenditures, Denar 19.5 million being spent therefore, accounting for 7.5% of the total budget for this purpose.

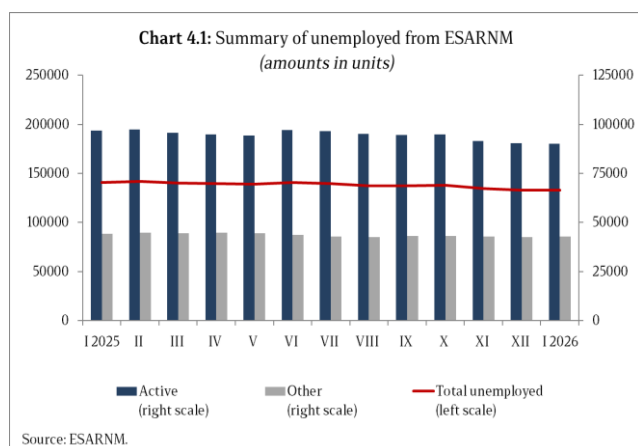
In-depth data on each budget user are presented in the statistical annex attached at the following link (<http://finance.gov.mk/краткорочни-економски-движења-кед-ме/>).

## 4. SOCIAL SECTOR

### Newly Employed and Registered Unemployed Persons in the Employment Service Agency

In January 2026, Employment Service Agency registered total of 13,325 new employments<sup>4</sup>. Total number of newly employed persons decreased by 12.1% compared to the same period in 2025.

As regards the total number of newly employed, 39.4% was engaged on permanent basis, while the remaining percentage was engaged on temporary basis and as seasonal workers. In January 2026, 14.7% out of the total number of newly employed persons was from the unemployed records.



<sup>4</sup> 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).



Total number of unemployed persons in January 2026 was 133,131, 90,214 persons out of which were active job seekers, while 42,917 persons were from the category “other unemployed”. On annual basis, total number of unemployed decreased by 5.5%, and has shown a continuous annual decline since May 2021. Number of unemployed persons decreased by 239 people compared to December 2025.

Urban residents accounted the most (with 58.9%) among the active unemployed persons, whereas with respect to gender, men accounted for 47.6% of the total. Analysed by the level of education, majority, i.e. 68.3% of the unemployed persons were with incomplete secondary education or less, 24.3% were with completed secondary education, while 7.4% of the unemployed persons were with completed community college or higher education level.

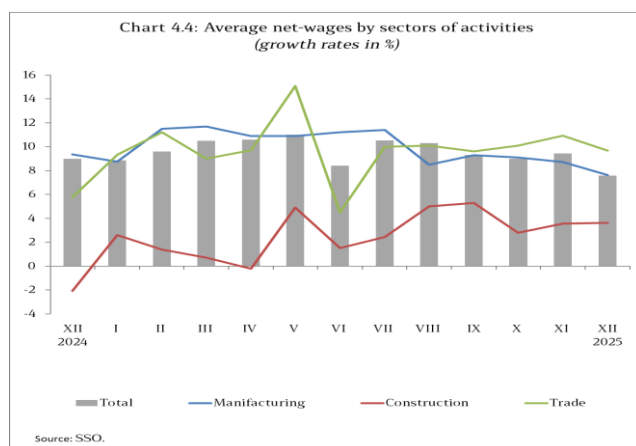
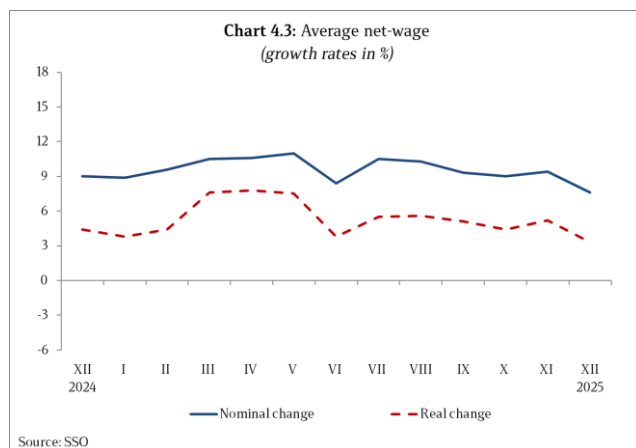
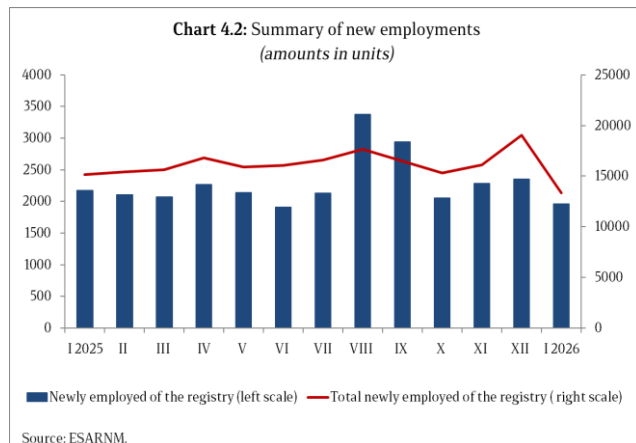
Analysed by age structure, 49.7% of the unemployed people belonged to the group aged 25-49 years. With respect to waiting time for employment, 56.7% of the unemployed persons wait for employment from 1 to 7 years, while 14.4% wait for employment for 8 years or more.

## Wages

As per the notification of the State Statistical Office, in December 2025, average net wage amounted to Denar 46,889, in nominal terms, being higher by 7.6% on annual basis,

and being higher by 2.0% compared to November 2025. The highest increase of average net wage, in relation to December 2024, was observed at the following sectors: Transport and storage (13.4%), Agriculture, forestry and fishery (10.9%) and Wholesale and retail trade; Repair of motor vehicles and motorbikes and Education (9.7%). In December 2025, wages in real terms recorded an annual growth of 3.3%. Highest average net wage in December 2025 was paid in the Information and communications sector (Denar 85,962), wherein highest amount of net wage was paid in the activity Computer programming, consulting and related activities (Denar 108,124), followed by Financial and insurance activities sector with an average net wage of Denar 65,476, Mining and quarrying sector with Denar 59,789, and Electricity, gas, steam and air conditioning supply sector with average net wage in the amount of Denar 56,786.

Average nominal gross wage in December 2025 amounted to Denar 70,520 and compared to the same month in 2024, increased by 7.5%, being higher by 2.0% on monthly basis. The highest increase of





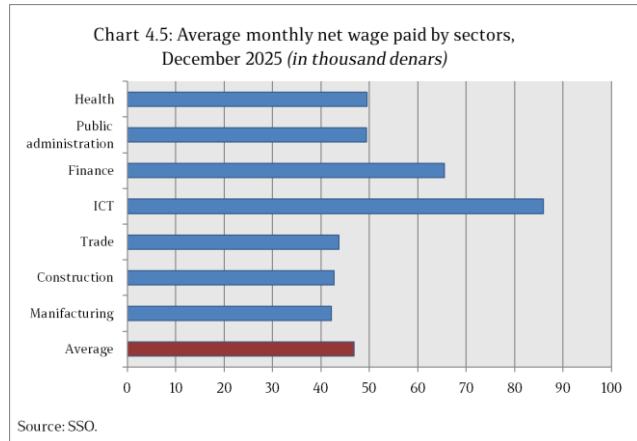
average gross wage in December 2025, compared to December 2024, was recorded in the following sectors: Transport and storage (13.6%), Agriculture, forestry and fishery (10.9%) and Education (9.7%).

### Pensions

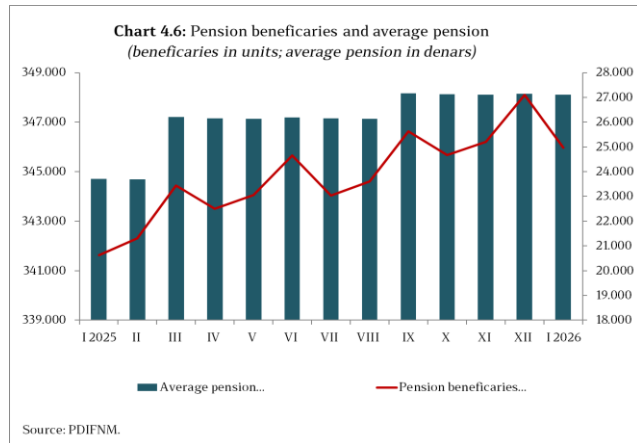
In January 2026, Pension and Disability Insurance Fund registered 345,962 pensioners. In July 2025, amendments to the Law on Pension and Disability Insurance were adopted, providing for a linear increase in all pensions, effective from 1st October 2025, with a Denar 1,000 increase in autumn 2025 and an additional Denar 1,000 in spring 2026, indicating that in the coming months, pensions for all pensioners will increase by a total of Denar 2,000. As regards the total number of pensioners, 71.9% are beneficiaries of old-age pension, amounting to 248,705 pensioners, 21.2% are beneficiaries of survivor pension, amounting to 73,515 pensioners and 6.9% of disability pension, amounting to 23,742 pensioners.

In January 2026, the average pension amounted to Denar 27,100, being higher by 14.3% compared to the same month in 2025<sup>5</sup>. In January 2026, average old-age pension amounted to Denar 28,699, average disability pension amounted to Denar 24,650, while average survivor pension amounted to Denar 22,482. This month, Denar 9,359 million was spent for payment of pensions, accounting for 58.1% of the total social transfers.

Ratio between the average pension in January 2026 and the average paid wage in December 2025 (the most recent available data) was 57.9%.



Source: SSO.



Source: PDIFNM.

Chart 4.1 January 2026 Pension Data			
Pension beneficiaries	Number	Structure	Average pension
Old age pension	248,705	71.9%	28,699.00
Disability pension	23,742	6.9%	24,650.00
Survivor pension	73,515	21.2%	22,482.00
<b>Total</b>	<b>345,962</b>	<b>100.0%</b>	<b>27,100.00</b>
<b>Minimal agricultural pension beneficiaries</b>	<b>28</b>		<b>16,973.00</b>
<b>Beneficiaries of military Pensions</b>	<b>664</b>		<b>35,460.00</b>
<b>Total</b>	<b>346,654</b>		<b>27,116.00</b>

**Source: Pension and Disability Insurance Fund of North Macedonia**

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



## 5. MONETARY AND FINANCIAL SECTOR

In January 2026, the National Bank introduced a new operational monetary framework, designating 7-day central bank bills with a 4% interest rate as the primary monetary policy instrument, replacing the previous instrument of a seven-week maturity and a 5.35% interest rate.

Under the new framework, banks were given the opportunity to place their excess liquidity with the National Bank at a seven-day maturity at a predetermined interest rate, within a clearly defined interest rate corridor for short-term operations. This measure enhances the clarity of monetary policy signalling, improves monetary transmission, and contributes to maintaining the stability of the financial system.

### Primary Money

In January 2026, primary money<sup>6</sup> reduced by 2.5% on monthly basis. Drop of primary money was a result of decrease of total liquid assets of banks and currency in circulation by 3.4% and 1.6%, respectively.

In January 2026, primary money grew by 15.3% on annual basis, as a result of both increased total liquid assets of banks and currency in circulation by 20.2% and 10.8%, respectively.

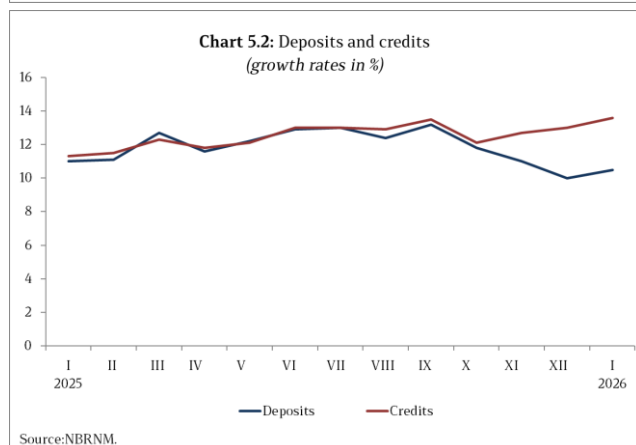
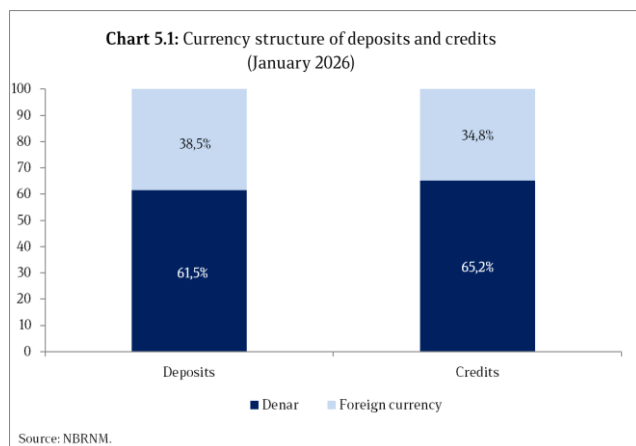
### Deposit Potential<sup>7</sup>

In January 2026, total deposits of banks decreased by 1% on monthly basis. Sector analysis showed that, compared to the previous month, deposits of private enterprises declined by 2.1%, while deposits of households dropped by 0.4%.

Analysed by currency, in January 2026 compared to the previous month, both Denar and foreign currency deposits dropped by 0.9% and 1.1%.

Total deposit potential in January 2026 surged by 10.5% on annual basis. Analysed by currency, domestic currency deposits increased by 14.7%, whereas foreign currency deposits grew by 4.3%.

From sectoral point of view, deposits of enterprises grew by 9.8% and deposits of households increased by 11.3%, on annual basis.



<sup>6</sup>Primary 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.

<sup>7</sup>NBRNM 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.



Table 5.1. Deposit potential and credits to the private sector

Deposit potential and credits to private sector (January 2026)	In Denar million	Monthly change	Annual change
Deposit Potential	654,827	-1.0%	10.5%
By currency:			
<i>Denar</i>	403,018	-0.9%	14.7%
<i>Foreign currency</i>	251,809	-1.1%	4.3%
By maturity:			
<i>Short-term</i>	236,706	-2.0%	6.8%
<i>Long-term</i>	159,009	0.8%	6.7%
Credits to private sector	561,166	0.5%	13.6%
By currency:			
<i>Denar</i>	365,988	0.5%	20.7%
<i>Foreign currency</i>	195,178	0.4%	2.3%
By maturity:			
<i>Short-term</i>	87,811	2.4%	14.8%
<i>Long-term</i>	459,154	0.1%	14.4%

Source: NBRNM

According to maturity, short-term deposits increased by 6.8%, while long-term deposits rose by 6.7% on annual basis.

Currency structure of deposits remained stable, with the share of domestic currency deposits in the deposit base consistently dominant at 61.5% this month.

### Bank Credits

In January 2026, total credits of banks to the private sector increased by 0.5% on monthly basis, as a result of the growth of both credits to enterprises by 0.4%, and credits to households by 0.5%.

Analysed by currency, both Denar and foreign currency credits increased by 0.5% and 0.4% on monthly basis.

On annual basis, total credits grew by 13.6% in January 2026, reflecting growth in both credits to enterprises and credits to households, of 16.2% and 11.2%, respectively. Denar credits increased by 20.7%, while foreign currency credits grew by 2.3%.

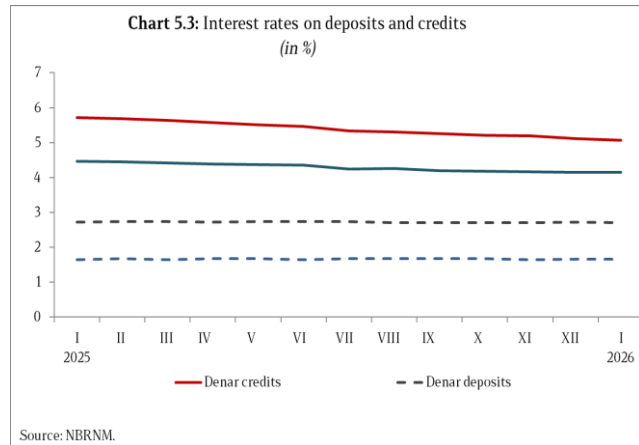
As regards maturity, long-term credits grew by 14.4% on annual basis, and short-term credits picked up by 14.8%.



## Interest Rates of Deposit Banks

In January 2026, total interest rate on credits was 4.73%, dropping by 0.03 p.p. compared to the previous month. Interest rate on Denar credits dropped by 0.05 p.p., accounting for 5.07%, while interest rate on foreign currency credits decreased by 0.01 p.p. on monthly basis, accounting for 4.14%.

Total interest rate on deposits decreased by 0.01 p.p. in January 2026, compared to last month, accounting for 2.20%. Interest rates on Denar deposits and foreign currency deposits dropped by 0.01 p.p., accounting for 2.71% and 1.65%, respectively.

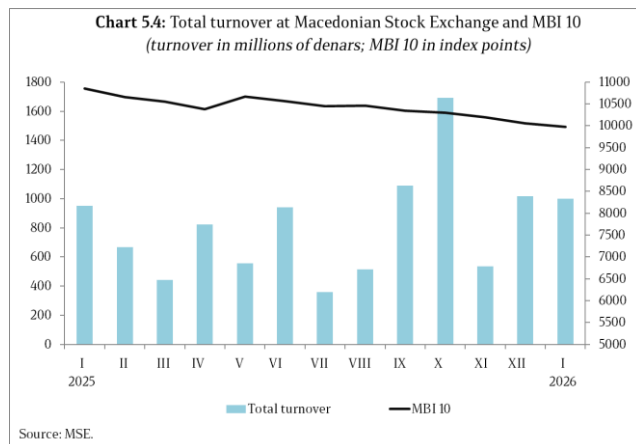


Interest rate on newly granted Denar credits was 4.63%, while interest rate on newly approved foreign currency credits stood at 3.62%. Interest rates on newly received Denar and foreign currency deposits accounted for 2.64% and 1.86%, respectively.

## Capital Market

As for the capital market, in January 2026, total turnover on the stock exchange dropped by 1.86% on monthly basis, mainly as a result of the decline in turnover from block transactions by 20.9%, despite an increase in turnover from classical trading in stock exchange electronic system of 32.9%.

Total turnover on the stock exchange amounted to Denar 997.9 million in January 2026, being an increase of 5.1% on annual basis.



Macedonian Stock Exchange Index MSEI – 10 amounted to 9,971.74 index points at the end of January 2026, whereby the index decreased by 0.8% on monthly basis, while, compared to the same month last year, the index was higher by 81.9%.

## Reserve Assets

At the end of January 2026, gross reserves amounted to EUR 5,600.45 million, representing a 13.7% increase compared to the previous month and an 11.1% increase compared to January 2025.