



# *SHORT-TERM ECONOMIC TRENDS*



**February 2026**





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## SUMMARY

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

#### February 2026

- Industrial production dropped by 4.2% in February 2026 compared to the same month previous year.
- Inflation rate in February 2026 accounted for 2.9% on annual basis, marking a deceleration compared to previous month (3.2% in January 2026). Inflation recorded growth of 0.2% on monthly basis.
- In the period January - February 2026, both imports and exports recorded 2.4% increase, resulting in increase of the trade deficit by 2.5% compared to the same period in 2025.
- In the period January – February 2026, collection of total budget revenues of the Republic of North Macedonia’s budget amounted to Denar 49,257 million, accounting for 13.1% of the 2026 projections, i.e. increase of 1.3% compared to collected budget revenues for the same period in 2025.
- Total budget expenditure execution amounted to Denar 67,894 million during the period January – February 2026, representing 16.4% of the annual projections, reflecting an increase of 15.7% compared to same period in 2025.
- Total credits of banks in February 2026 grew by 12.6% compared to February 2025, while total deposit potential of banks increased by 9.9%.
- Average net wage paid in January 2026 amounted to Denar 46,617, recording a nominal increase of 8.3% on annual basis and a real growth of 4.9%. The highest average net wage, amounting to Denar 107,016, was recorded in the Computer programming activity.



## 1. REAL SECTOR

### Industrial Production

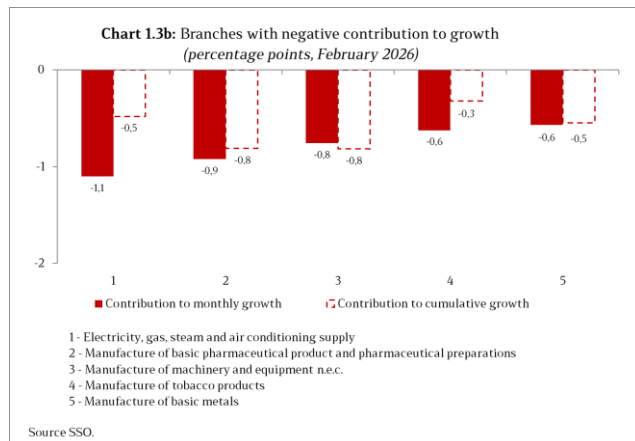
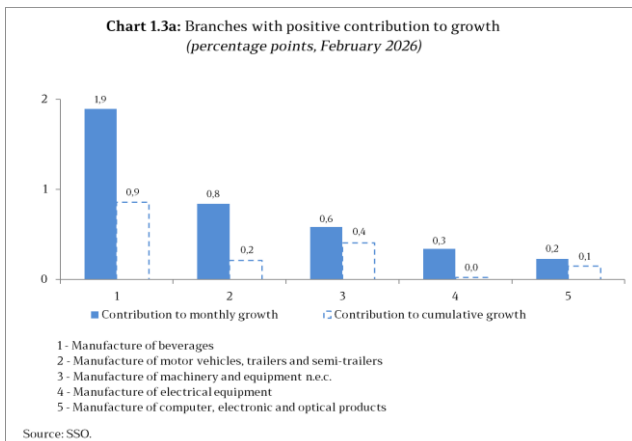
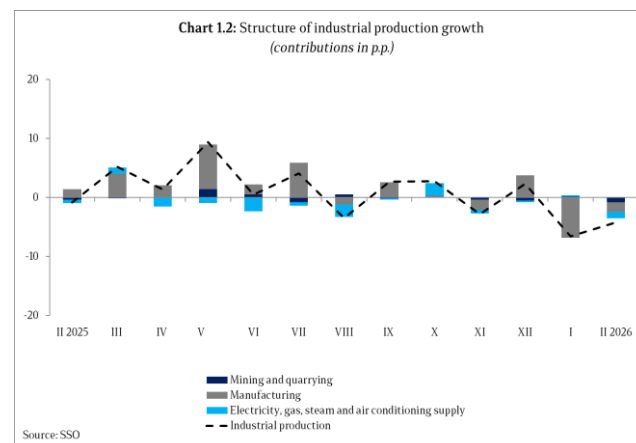
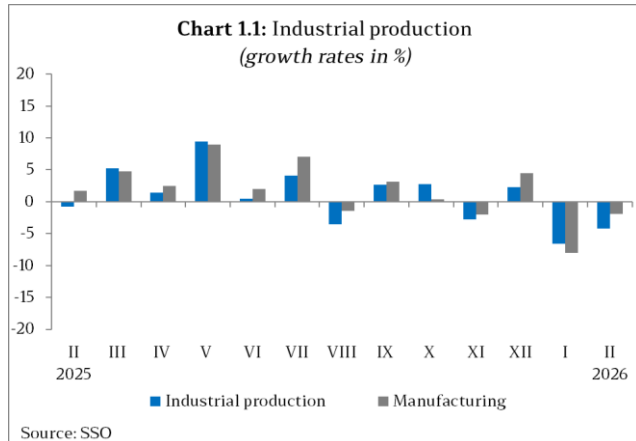
In February 2026, industrial production dropped by 4.2% compared to the same month last year. Such drop was due to the reduced production in all sectors, as follows: Mining and quarrying by 9.6%, Manufacturing by 1.9% and Electricity, gas, steam and air-conditioning supply by 17.2%.

In February 2026, drop in production was recorded at 17 out of total of 27 industrial branches, comprising 50.8% in the total industry.

In February 2026, with respect to branches with higher added value, an increase was recorded at the following branches: Manufacture of motor vehicles, trailers and semi-trailers by 5.2% with contribution of 0.8 percentage points and Manufacture of electrical equipment by 3.9% with contribution of 0.3 percentage points, while drop was recorded at Manufacture of machinery and equipment by 13.5% with contribution of -0.8 percentage points and Production of metals by 18.9% and contribution of -0.6 percentage points.

Traditional branches in February 2026 recorded growth in production, as follows: Manufacture of beverages grew by 47.3% and contribution of 1.9 p.p., Food industry increased by 2% and contribution of 0.2 p.p., Manufacture of wood and wood products increased by 5.8% and contribution of 0.1 p.p., while drop in production was seen at the branches: Manufacture of tobacco goods, down by 27.2% with contribution of -0.6 p.p., Manufacture of textile, down by 8.2% and contribution of -0.3 p.p. and, Manufacture of wearing apparel, down by 5.4% and contribution of -0.3 p.p. and Manufacture of leather down by 0.6%, its contribution in percentage points negligible.

By purpose of production units, industrial production in February 2026, compared with February 2025, decreased only in the following groups: Capital goods (increasing by 2.1% and contribution of



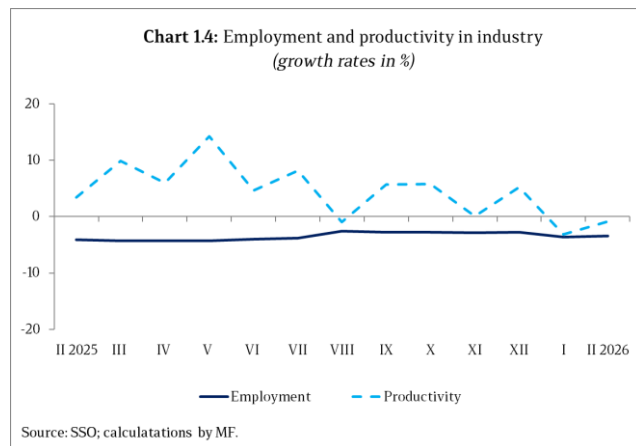


0.5 p.p.) and Intermediate goods, except energy (increase by 0.2%, contribution of 0.1 p.p.), while decreased in the groups as follows: Non-durable consumer goods industry (down by 6.9% and contribution of -2.2 p.p.), Energy (down by 19.0% and contribution of -1.4 p.p.) and Durable consumer goods (dropping by 12.0% and contribution of -0.4 p.p.). As per the purpose of production units, in the period January – February 2026, drop was recorded across all groups: Energy (by 24.1%), Intermediate goods except energy (by 0.8%), Capital goods (by 1.3%), Consumer durables (by 11.3%), and Consumer non-durables (by 9.3%).

During January - February 2026, branches with highest negative contribution are Manufacture of machinery and equipment n.e.c. (down by 14.6% and contribution of -0.8p.p.) and Manufacture of basic pharmaceutical products and pharmaceutical preparations (down by 22.6%, contributing -0.8 percentage points). By contrast, the most positive contribution to growth was observed in Manufacture of beverages, which increased by 21.5% and contributed 0.9 percentage points.

### Number of Employees in the Industry

In February 2026, number of employees in the industry decreased by 3.4% 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 6.3%, Manufacturing by 3.4% and Electricity, gas, steam and air-conditioning supply by 0.4%. Increase in the number of employees was seen at the following branches: Manufacture of computer, electronic and optical products, up by 10.7%, Manufacture of tobacco products, up by 7.0% and Manufacture of rubber and plastic products, up by 3.5%.



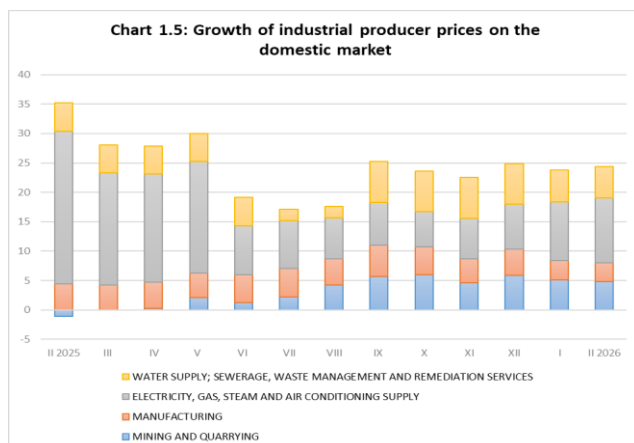
In February 2026, compared to the same month last year, data on the number of employees in the industry by target groups showed increase in the number of employees only at Consumer durables by 1.6%.

On cumulative basis, the number of employees in the industry in the January – February 2026 period recorded a drop of 3.5% due to the decreased number of employees throughout all sectors: Mining and quarrying by 6.2%, Manufacturing by 3.5% and Electricity, gas, steam and air-conditioning supply by 0.5%.

As regards target groups, number of employees in the industry in the period January – February 2026 increased only at Consumer durables by 1.7%.

### Industrial Producer Prices on the Domestic Market

In February 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 4.8%, Manufacturing by 3.2%, Electricity, gas, steam and air-conditioning supply by 11% and Water supply; Sewerage, waste management and remediation activities by 5.4%.

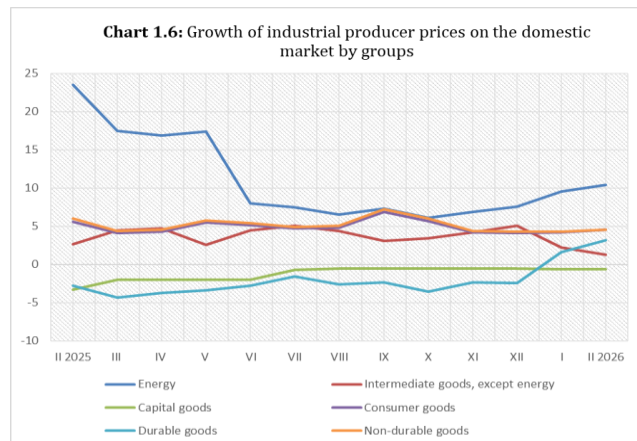




In February 2026 compared to the same period in 2025, the industrial producer prices on the domestic market were higher in the groups as follows: Energy by 104%, Intermediate goods, except energy by 1.3%, Consumer goods by 4.6%, Consumer durables by 3.2% and Consumer non-durables by 4.6%.

In the period between January and February 2026 compared to the same period last year, industrial producer prices on the domestic market were higher by 4.5% on cumulative basis, due to increased prices across all sectors: Mining and quarrying by 4.9%, 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%.

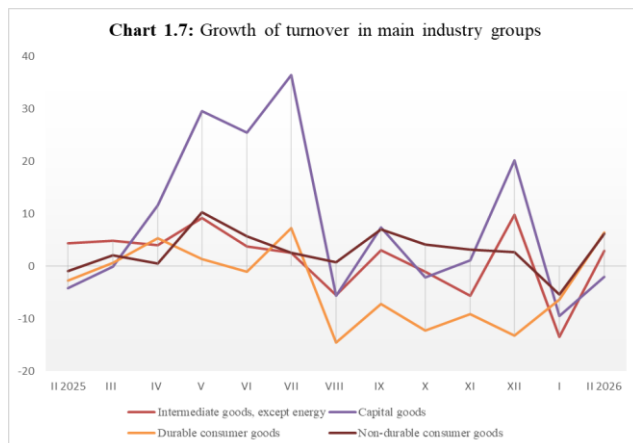
In the period between January – February 2026 compared to the same period in 2025, the industrial producer prices on the domestic market were higher in the groups as follows: Energy by 10%, Intermediate goods, except energy by 1.8%, Consumer goods by 4.4%, Consumer durables by 2.4% and Consumer non-durables by 4.5%.



### Industrial Turnover Index

In February 2026, the industrial turnover, compared to February 2025, recorded a 1.6% increase as per the State Statistical Office's data. Such growth was due to increased turnover in the following sectors: Mining and quarrying by 15.7% and Manufacturing by 1.2%.

In February 2026 compared to February 2025, industrial turnover increased in the groups as follows: Intermediate goods, except energy by 2.9%, Consumer durables by 6.4% and Consumer non-durables by 6.2%, while decline was registered only at the Capital goods group by 2%.



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

- Manufacture of tobacco products (recording growth of 83.3%),
- Mining of metal ores (increase of 23.1%), and
- Manufacture of computer, electronic and optical products (growing by 20.4%).

On cumulative basis, in the period January – February 2026, compared to the same period last year, turnover in industry recorded a drop of 3,7%, due to decline in turnover in both Mining and quarrying sector and Manufacturing sector by 1.6% and 3.8%, respectively.

In the period between January and February 2026, compared to the same period in 2025, turnover decreased in the groups: Intermediate goods, except energy (4.8%) and Capital goods (5.6%), whereas increase was recorded at: Durable consumer goods by 0.3% and Non-durable consumer goods by 0.5%.



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

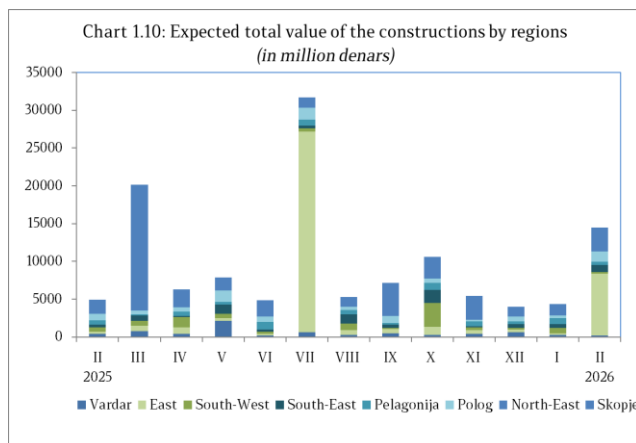
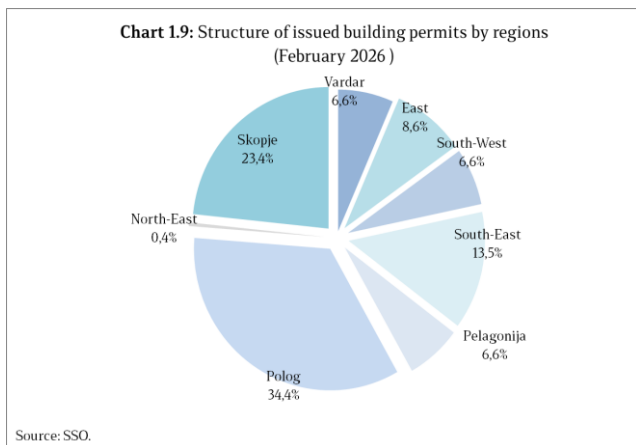
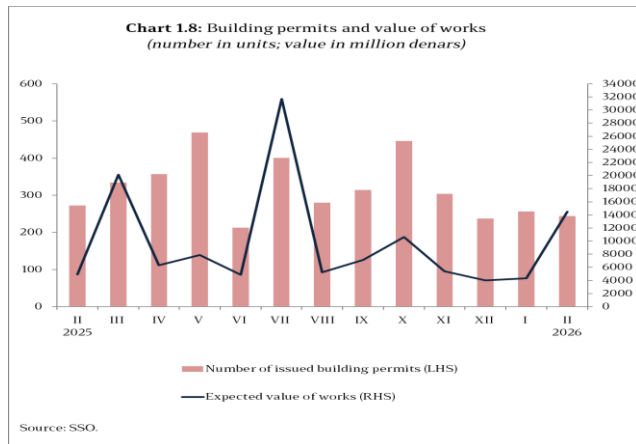
In February 2026, compared to January 2025, a decline in the number of building permits was recorded (256 building permits in January 2026). In total, 244 building permits were issued, marking a 10.3% drop compared to the same month in 2025. This was due to a 26.3% annual decline in the number of building permits issued for buildings (which accounted for 70.9% of the total number of permits issued), while permits for civil engineering structures and reconstruction facilities decreased by 65.8% and 25.8%, respectively. A decline was recorded in the number of investors classified as business entities, while the number of individual investors increased. By regional breakdown, a rise in the number of issued building permits is recorded in the Polog and Southeastern regions.

Compared to January 2026, number of issued building permits decreased by 4.7%. Expected value of works, according to the issued building permits in February 2026, picked up by 195.4% on annual basis, while compared to the previous month, it grew by 234.7%. The increase in value resulted from the issuance of a building permit for a wind farm with a capacity of 132 MW, intended for renewable electricity production, in the municipalities of Shtip, Radovish, and Karbinici.

Analysed by types of constructions, out of the total number of issued building permits, 173 (or 70.9%) were intended for buildings, 25 (or 10.2%) with respect to civil engineering structures and 46 (or 18.9%) for reconstruction purposes.

Analysed by types of investors, out of total 244 issued building permits, individuals were investors in 174 facilities (or 71.3%), while business entities were investors in 70 facilities (or 28.7%).

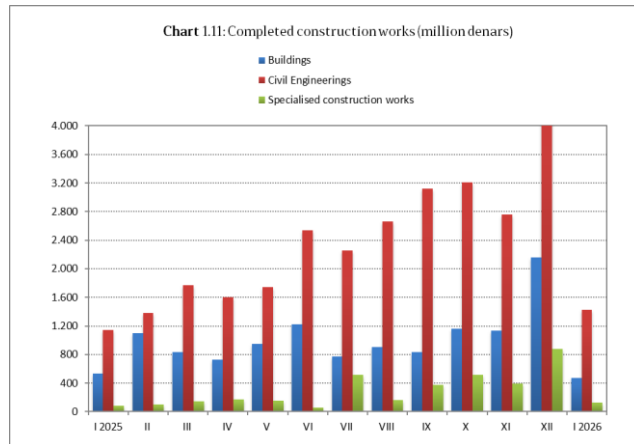
In February 2026, construction of 309 flats was envisaged, with total usable area of 36,919 m<sup>2</sup>. Number of flats envisaged for construction declined by 50% on monthly basis and 51.3% on annual basis.





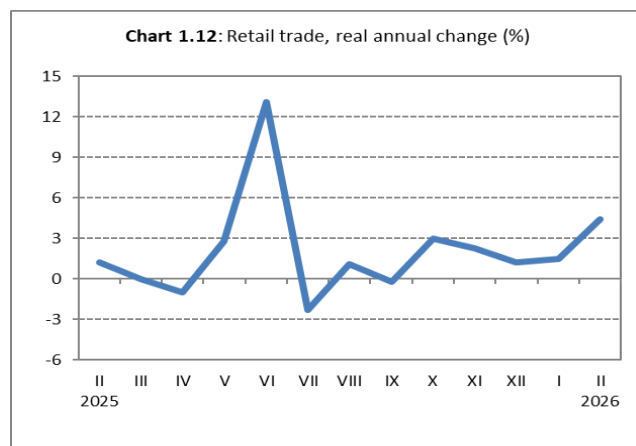
## Number of Completed Construction Works by Types of Constructions

Total value of completed construction works in January 2026 amounted to Denar 2,020 million, representing an annual growth of 14.7% in nominal terms, whereby growth of 24.6% and 52.4% was recorded in civil engineering structures and specialised construction works, respectively, while drop of 12.4% was recorded in building construction. Compared to December 2025, total value of completed construction works dropped by 72.8%, with decline of 78.2% as regards buildings, 67.7% as regards civil engineering structures, and 85.3% as regards specialised construction works.



## Trade Sector Turnover

In February 2026, data on domestic trade demonstrated nominal annual growth in the turnover by 16.7%, following the growth of 0.1% in January 2026. Value of turnover in February 2026 amounted to Denar 52,735 million, whereby in cumulative terms, in the period January - February 2026, value of total turnover in trade amounted to Denar 114,081 million, being by 8.4% higher compared to the same month in the previous year.



In the period January - February 2026, in cumulative terms, positive growth in turnover was also seen at the sectors: Retail trade, which turnover value amounted to Denar 53,291 million, i.e. higher by 6.2% compared to the same period last year, and Trade in motor vehicles and repair, which turnover value amounted to Denar 6,450 million, being 3.8% lower compared to the same period last year, whereas drop was recorded at Wholesale trade, which turnover value amounted Denar 54,340 million, being lower by 19.7% compared to the same period last year.

In real terms, retail trade in February 2026 recorded an annual increase of 4.4%. When analysed by groups and classes, growth was observed in the following groups: Retail trade in food products, beverages, and tobacco, which rose by 11.1% and Retail trade in non-food products, which increased by 3.0%. In contrast, Retail trade in automotive fuels declined by 8.5%.

In February 2026, Retail trade (49.4%) accounted for the most in the Trade sector, followed by Wholesale trade (43.7%) and Trade in motor vehicles and motorcycles, repair and their maintenance (7.0%).



## Inflation

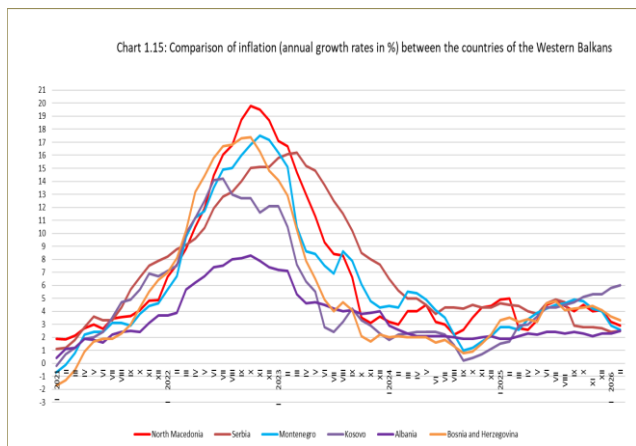
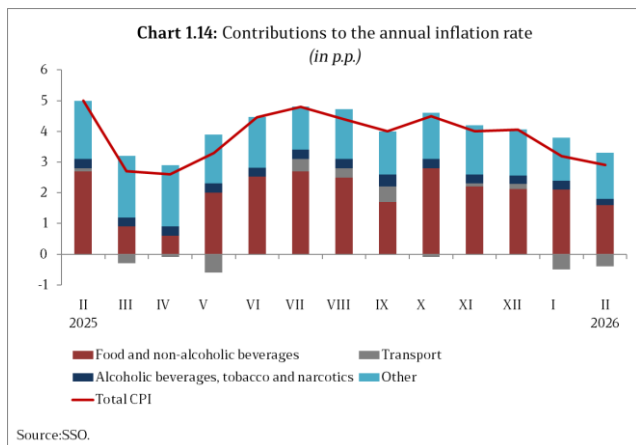
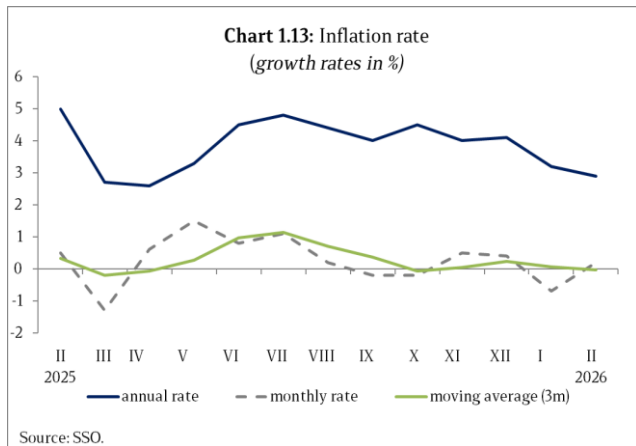
Inflation rate in February 2026 accounted for 2.9% on annual basis, marking a deceleration compared to previous month (3.2% in January 2026). Inflation this month was largely driven by the acceleration of the core component, while the food component recorded a slowdown. Average inflation rate in the period January - February 2026 stood at 3.0% on annual basis.

In February 2026, core inflation (inflation, wherefrom the impact of prices of food and energy products is excluded) recorded acceleration compared to the previous month and accounted for 3.2% on annual basis (2.9% in January).

Prices in the Food and non-alcoholic beverages category increased by 3.9%, recording slowdown of growth compared to the previous month (52% in January), whereby contributing with 1.6 percentage points in the total inflation, while decreasing by 0.5 percentage points compared to the previous month.

The following sub-categories contributed the most to the Food and non-alcoholic beverages category: Meat<sup>1</sup> (annual growth of 7.9% and a contribution of 0.7 p.p.), Milk, other dairy products and eggs (annual increase of 4.2% and a contribution of 0.3 p.p.), Fruit (annual growth of 16.3% and a contribution of 0.3 p.p.), Coffee and coffee substitutes (annual growth of 21.2% and a contribution of 0.3 p.p.), and Sugar, confectionery and desserts (annual growth of 8.9% and a contribution of 0.2 p.p.). This month, vegetables exerted a negative contribution of 0.3 percentage points to food price growth, reflecting a 7.0% decline on annual basis.

Observed by components, price increase was also recorded in the following categories: Recreation, sport and culture (5.4%), Alcoholic beverages, tobacco and narcotics (4.9%), Furnishings, household equipment and routine household maintenance (4.6%), Restaurants and accommodation services (4.1%), Food and non-alcoholic beverages (3.9%), Education services (3.8%), Housing, water, electricity, gas and other fuels (2.8%), Clothing and footwear (2.6%), Personal care, social protection and miscellaneous goods



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



and services (2.1%), Health (2%), Insurance and financial services (1.7%), and Information and communication (1.6%). Prices decreased by 4.4% in the Transport category.

In February, consumer prices increased by 0.2% on monthly basis (last month prices declined by 0.7%), with food and clothing prices making the largest contribution.

Price increase was recorded at the following categories: Education services by 4%, Clothing and footwear by 1.1%, Personal care, social protection and miscellaneous goods and services by 0.9%, Recreation, sport and culture as well as Alcoholic beverages, tobacco and narcotics by 0.3% each, while Food and non-alcoholic beverages and Housing, water, electricity, gas and other fuels by 0.2% each.

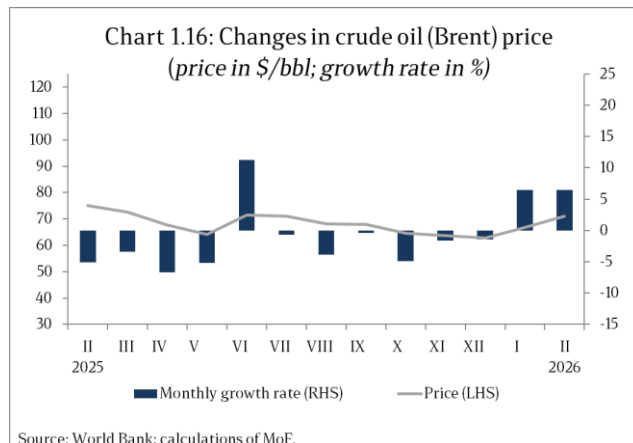
Price decline was recorded at multiple categories, as follows: Transport by 0.8%, Health by 0.6%, Furnishings, household equipment and routine household maintenance by 0.5%, Information and communication by 0.2%, and Restaurants and accommodation services by 0.1%. Insurance and financial service prices remained unchanged.

In February 2026, the Eurozone inflation rate increased to 1.9%<sup>2</sup>, up from 1.7% in January 2026.

According to the latest macroeconomic projections of the European Central Bank, euro area inflation is expected to remain above the target in 2026, at around 2.6%, before declining to approximately 2% in 2027 and gradually converging towards the ECB's 2% medium-term target. Higher inflation in the short term was mainly driven by energy prices and geopolitical risks, while core inflation remained relatively persistent due to rising wages and higher service prices. In the medium term, a gradual stabilization is expected; however, uncertainty related to energy prices and wage developments continues to play a significant role.

## Stock Market Prices

In February 2026, crude oil price (Brent) on the global stock markets increased by 6.5% on monthly basis, reaching the price of US\$ 71.2 per barrel. Oil prices increased in February 2026 due to the escalation of the conflict involving Iran toward the end of the month, rising transportation risks through the Strait of Hormuz, and growing market uncertainty over potential disruptions to global oil supplies. Oil price was lower by 5.4% on annual basis.



Price of natural gas<sup>3</sup> in February 2026 decreased by 32.6% on monthly basis. Natural gas prices decreased in February 2026, driven by lower seasonal demand due to favourable weather conditions, increased supply, and stable import flows, which reduced uncertainty on the supply side. In February, the natural gas price declined by 21% on annual level.

In February 2026, price of electricity, as per the Hungarian Power Exchange (HUPX), amounted to EUR 113.29 per megawatt/hour, decreasing by 24.7% on monthly basis. In February, electricity prices decreased by 28.7% on annual basis.

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

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



In February 2026, prices of most basic metals decreased on monthly basis, as follows: lead by 3.9%, nickel by 0.6%, aluminium by 2.4% and copper by 0.5%. On monthly basis, zinc price increased by 3.5%. Price of iron ore registered monthly drop of 6.3%.

In February 2026, price of gold increased by 5.6% on monthly basis. On the other hand, silver and platinum prices decreased by 11% and 12.2%, respectively.

In February, price of maize increased by 2.5% on monthly basis, while price of wheat rose by 6.8%. The price of sunflower oil picked up by 0.3% on monthly basis.

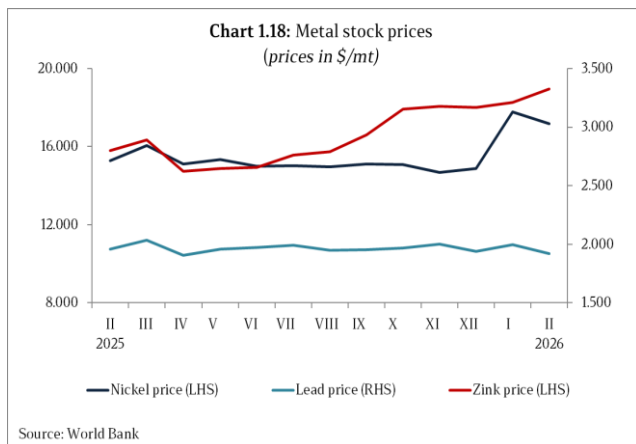
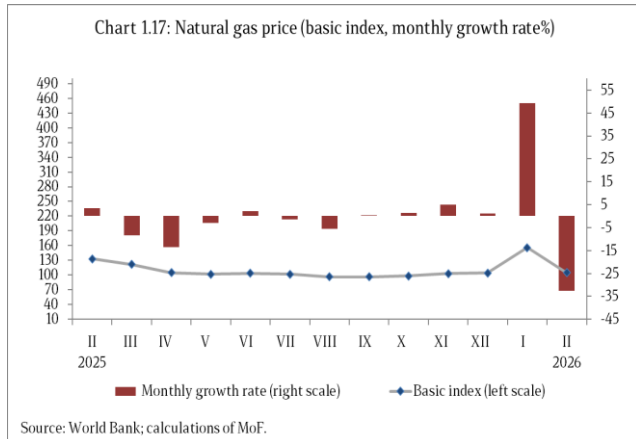


Table 1.1. Stock market prices of energy products (monthly data)

	Electricity (EUR/MWh)	Brent crude oil (\$/bbl)	Natural gas, Europe (\$/1000 m <sup>3</sup> )
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 I	150.41	66.8	415.9
II	113.29	71.2	397.6

Source: World Bank, Hungarian Power Exchange



## 2. FOREIGN TRADE

Total foreign trade in the first two months in 2026 amounted to EUR 3,138.1 million, increasing by 2.4% compared to the same period last year.

In the period January – February 2026, share of trade with the EU (EU 27), as the largest trading partner, decreased by 2.0 p.p. compared to the same period last year, accounting for 57.8%. 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 first two months in 2026, accounted for 20.9%, increasing by 0.1 p.p. compared to the same period in 2025.

### Export

In the period January - February 2026, value of exported goods amounted to EUR 1,258.6 million, increasing by 2.4% (EUR 29.1 million) compared to the same period in 2025, while physical output of export decreased by 7.3%.

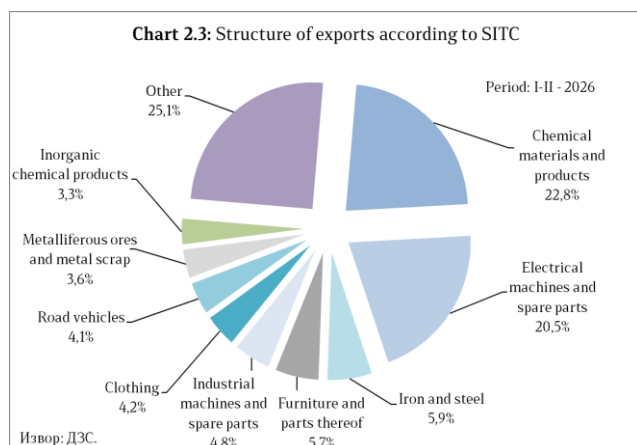
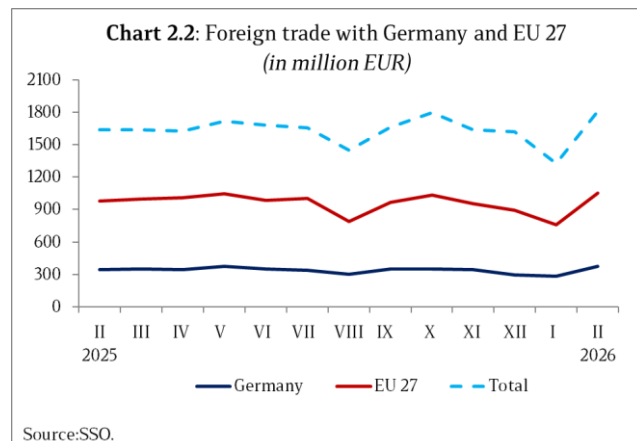
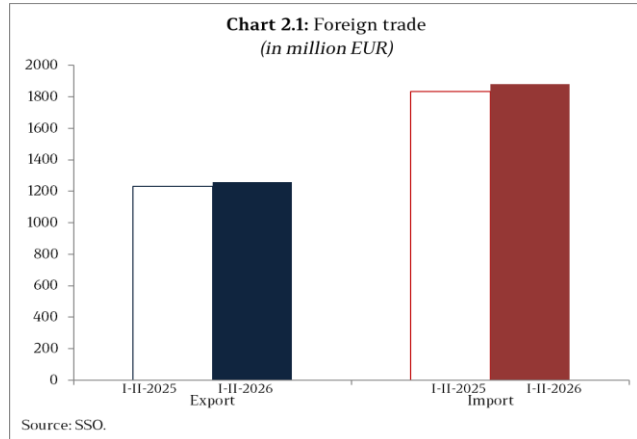
Value of exported goods amounted to EUR 727.2 million in February 2026, increasing by 11.8% (EUR 76.6 million) compared to the same month of the previous year, while physical output of export increased by 5.7% compared to February 2025.

Analysed on monthly basis, in February 2026, export grew by 36.8% (EUR 195.8 million), compared to the previous month, and, after applying seasonal adjustment to export, it registered monthly increase of 22.7%, showing positive effects of the seasonal factor this month.

Value of export of food in the first two months of 2026 increased by EUR 2.9 million, dropping by 4.9% compared to the same period in 2025, while quantity of exported food decreased by 2%. As for our country's total export structure, share of the food in the first two months of 2026, accounted for 5.4%, decreasing by 0.4 p.p. compared to the same period in 2025. As regards the total export of food, following products were the most exported: Fruit and vegetables (31.9%), Cereals and cereal products (29.5%), Milk products and eggs (11.3%), and Coffee, tea, cocoa, spices and manufacturers thereof (9.1%).

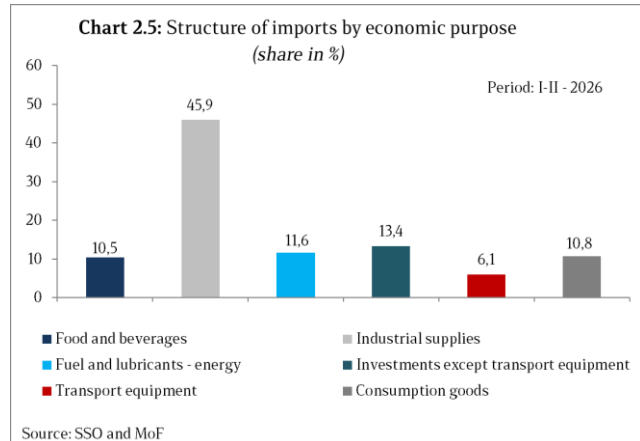
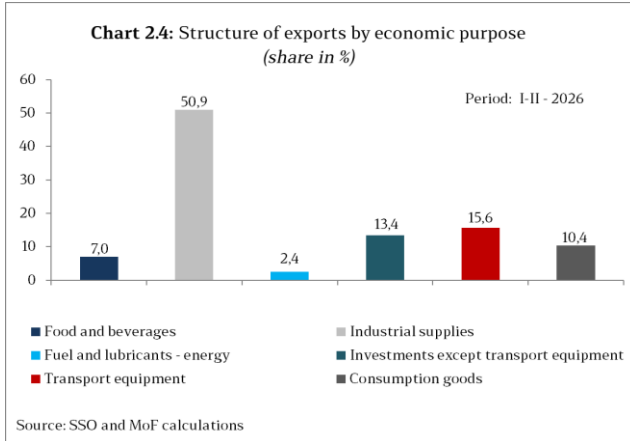
### Import

In the first two months of 2026, value of imported goods amounted to EUR 1,879.6 million, increasing by 2.4% (EUR 44.5 million) compared to the same period in 2025, while physical output of import dropped by 16.9%.





In February 2026, import value amounted to EUR 1,084.2 million, representing growth of 10% (EUR 98.5 million) compared to the same month in 2025, while imported quantities of goods decreased by 5.1% compared to February 2025.



Analysed on monthly basis, in February 2025, import grew by 36.3% (EUR 288.8 million), compared to the previous month, and, after applying seasonal adjustment to import, it registered monthly increase of 16.7%, showing positive effects of the seasonal factor this month.

Value of import of food in the first two months of 2026 increased by EUR 0.8 million, picking up by 0.5% compared to the same period in 2025, while quantity of imported food decreased by 2.8%. As for our country's total import, share of the food in first two months in 2026, accounted for 9.5%, decreasing by 0.2 p.p. compared to the same period in 2025. As per the total food import, the following products were the most imported: Meat and meat preparations (22%), Fruit and vegetables (17.4%), Cereals and cereal products (12.9%), Miscellaneous edible products and preparations (12.8%), Coffee, tea, cocoa, spices and manufacturers thereof (12.4%) and Milk products and eggs (11.2%).

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

Export of petroleum and petroleum products*)				
	I-II 2025	I-II 2026	Balance	% rate
000 T	12,4	14,1	1,7	13,7
EUR mil.	9,5	9,3	-0,2	-2,2
\$ mil.	9,8	10,9	1,1	11,1

\*)Previous data

Export of chemical products*)				
	I-II 2025	I-II 2026	Balance	% rate
000 T	54,9	56,6	1,7	3,1
EUR mil.	325,4	379,4	53,9	16,6
\$ mil.	338,2	447,0	108,8	32,2

\*)Previous data

Export of iron and steel*)				
	I-II 2025	I-II 2026	Balance	% rate
000 T	122,9	106,0	-16,9	-13,8
EUR mil.	90,2	74,0	-16,2	-18,0
\$ mil.	93,6	87,1	-6,5	-6,9

\*)Previous data

Import of petroleum and petroleum products*)				
	I-II 2025	I-II 2026	Balance	% rate
.000 T	161,7	196,7	35,0	21,6
EUR mil.	117,6	103,7	-14,0	-11,9
\$ mil.	122,0	122,1	0,0	0,0

\*)Previous data

Import of chemical products*)				
	I-II 2025	I-II 2026	Balance	% rate
.000 T	77,8	73,9	-3,9	-5,1
EUR mil.	219,7	220,8	1,1	0,5
\$ mil.	228,2	260,1	31,9	14,0

\*)Previous data

Import of iron and steel*)				
	I-II 2025	I-II 2026	Balance	% rate
.000 T	132,6	101,0	-31,6	-23,9
EUR mil.	83,8	59,5	-24,3	-29,0
\$ mil.	87,0	70,1	-16,9	-19,4

\*)Previous data



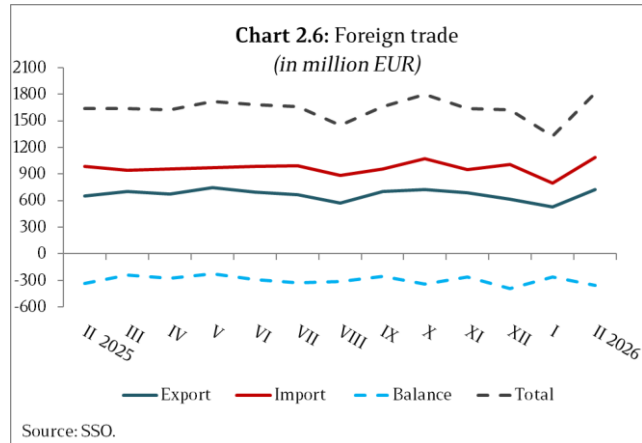
## Trade Balance

In February 2026, trade deficit widened by 6.5% or by EUR 21.9 million compared to February 2025.

In the period January - February 2026, trade deficit increased by 2.5%, i.e. by EUR 15.4 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 widening of the deficit of the trade in industrial supplies, consumer goods and food and beverages, as well as narrowing of the positive balance in the trade of transport equipment. On the other hand, reduction of the deficit in trade in investment goods without transport equipment and oils and lubricants contributed to reduction of the negative balance.

In the first two months of 2026, most of the trade deficit of the country was realized in the trade with Great Britain, China and Greece, followed by: Türkiye, the USA, Serbia, Italy, and others. The highest trade surplus was recorded in trade with Germany, followed by Kosovo, Hungary, the Slovak Republic, the Czech Republic and others.



## Currency Structure

Observed by currency structure, 91.1% of the trade in the period January – February 2026 was realized in euros, the same share as in the corresponding period of 2025. On export and import side, euro accounted for 94.9% and 88.5%, respectively, whereby share of the euro in export was higher by 2.5 p.p., while share of the euro in import lower by 1.7 p.p. compared to the period January–February 2025.

Table 2.2 Foreign trade of the Republic of North Macedonia (by currency); calculations: MoF

import	I-II - 2025					I-II - 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	1.063,4	1.655.779.577,0	61,5	101.877.440.049,0	90,2	825,6	1.663.635.038,0	61,6	102.523.643.728,0	88,5	7.855.461,0	0,5
USD	86,7	170.051.560,0	59,3	10.081.648.548,0	8,9	129,6	232.821.840,0	52,4	12.189.177.870,0	10,5	62.770.279,0	36,9
GBP	0,3	3.005.922,0	73,7	221.458.254,0	0,2	0,3	2.300.170,0	70,9	163.047.577,0	0,1	-705.752,0	-23,5
EUR+USD+GBP	1.150,4			112.180.546.852,0	99,2	955,4			114.875.869.175,0	99,1		
tot. import	1.153,9			112.917.053.298,0	100,0	959,1			115.860.799.167,0	100,0		2,6

Source: SSO and NBRNM



### 3. FISCAL SECTOR

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

In the period January – February 2026, collection of total budget revenues of the Republic of North Macedonia’s budget amounted to Denar 49,257 million, accounting for 13.1% of the 2026 projections, i.e. increase of 1.3% compared to collected budget revenues for the same period in 2025. As regards total revenues, Denar 44,811 million was collected on the basis of tax revenues and social contributions, accounting for 13.3% of 2026 projected amount, being 2.2% increase in relation to the previous year. Thereby, tax revenues were collected in the total amount of Denar 26,685 million (i.e. 12.6% of the amount projected for 2026 and 0.4% increase), while social contributions were collected in the amount of Denar 17,917 million (annual increase of 5.1%, i.e. 14.7% of the amount projected for 2026). As regards tax revenues, increased collection was recorded at personal income tax by 9.7%, followed by corporate income tax by 18.1%, excise duties increasing by 7.6%, import duties by 4.6%, and other tax revenues by 9.6%, while decreased collection was recorded VAT-related revenues, down by 10.4%. During this period, non-tax revenues grew by 25.4%, capital revenues increased by 27.0%, whereas foreign donation revenues dropped by 72.3%.

Total budget expenditures amounted to Denar 67,894 million during the period January – February 2026, representing 16.4% of the annual projections, reflecting an increase of 15.7% compared to same period in 2025. Thereby, current expenditures were executed in the amount of Denar 59.821 million, i.e. 16.0% of the amount projected for the whole year, being an increase of 7.3% compared to the same period in 2025. Expenditures related to wages and allowances increased by 9.0%, while expenditures on goods and services rose by 49.4%. In contrast, interest-related expenditures decreased by 2.7%. Transfers, as the largest category of current expenditures, increased by 5.0%, driven by growth of social transfers by 15.2%, health care expenditures by 8%, block and earmarked grants by 7.4% and subsidies and transfers by 16.5%. Capital expenditures were executed in the amount of Denar 8,073 million, being higher by 179.7% compared to the same period in 2025. Execution rate of capital expenditures for the period January – February 2026 accounted for 20.1% compared to the projected amount.

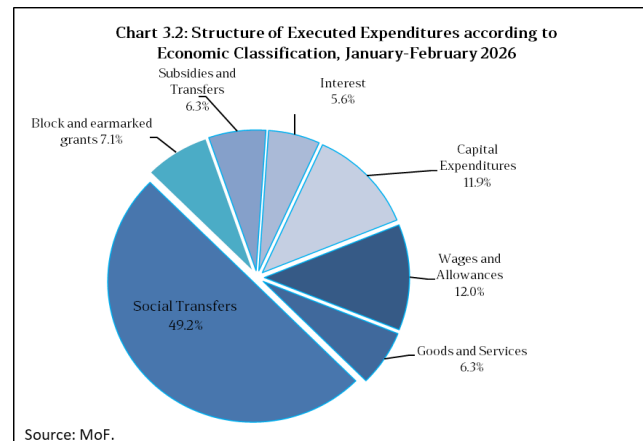
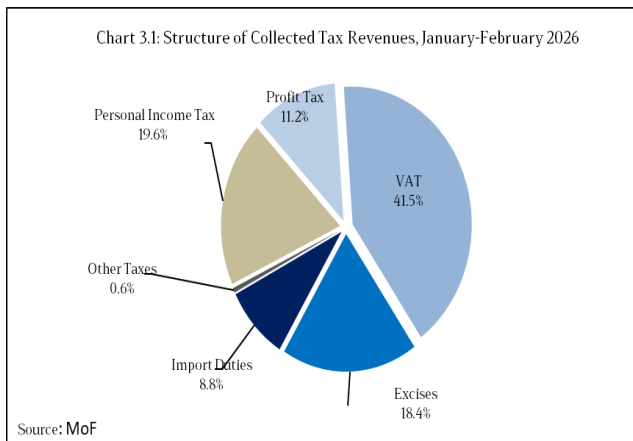
**Table 3.1. RNM’s Budget Execution for the period January - February 2026**

	2026 Budget	January - February 2026		
	(Denar million)	(Denar million)	Annual growth rate (%)	% of collection/execution rate (%)
<b>TOTAL REVENUES</b>	<b>374,935</b>	<b>49,257</b>	<b>1.3%</b>	<b>13.1%</b>
<b>Taxes and contributions</b>	<b>335,971</b>	<b>44,811</b>	<b>2.2%</b>	<b>13.3%</b>
Taxes	211,329	26,685	0.4%	12.6%
Personal Income Tax	38,797	5,230	9.7%	13.5%
Corporate Income Tax	26,572	2,979	18.1%	11.2%
VAT	92,506	11,065	-10.4%	12.0%
Excise duties	35,838	4,920	7.6%	13.7%
Import duties	16,597	2,342	4.6%	14.1%
Other tax revenues	1,019	149	9.6%	14.6%
Contributions	121,822	17,917	5.1%	14.7%
<b>Non-tax revenues</b>	<b>29,060</b>	<b>3,847</b>	<b>25.4%</b>	<b>13.2%</b>



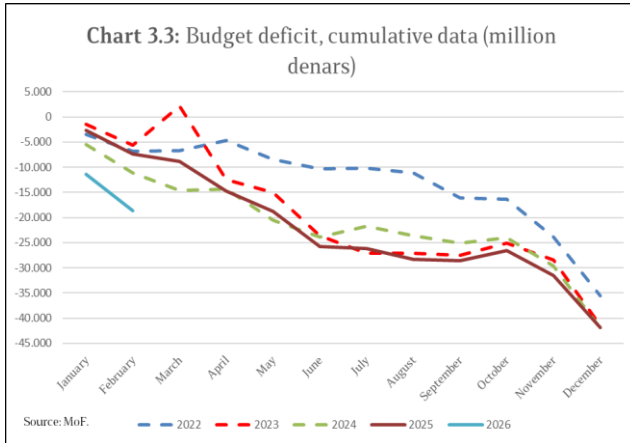
Capital revenues	2,510	174	27.0%	6.9%
Foreign Donations	7,394	425	-72.3%	5.7%
<b>TOTAL EXPENDITURES</b>	<b>414,174</b>	<b>67,894</b>	<b>15.7%</b>	<b>16.4%</b>
<b>Current expenditures</b>	<b>374,052</b>	<b>59,821</b>	<b>7.3%</b>	<b>16.0%</b>
Wages and allowances	52,628	8,131	9.0%	15.4%
Goods and services	28,177	4,293	49.4%	15.2%
Transfers	271,970	43,565	5.0%	16.0%
Social transfers	206,268	33,404	15.2%	16.2%
Pension and Disability Insurance Fund of North Macedonia	136,420	22,338	18.9%	16.4%
Pecuniary unemployment allowance	3,576	446	76.3%	12.5%
Social protection	12,459	2,519	2.6%	20.2%
Health protection	53,813	8,101	8.0%	15.1%
Other transfers	62,871	9,750	-20.3%	15.5%
Interest	21,277	3,832	-2.7%	18.0%
<b>Capital expenditures*</b>	<b>40,122</b>	<b>8,073</b>	<b>179.7%</b>	<b>20.1%</b>
<b>BUDGET BALANCE</b>	<b>-39,239</b>	<b>-18,637</b>	<b>85.3%</b>	<b>47.5%</b>

Source: Ministry of Finance





In January–February 2026, the state budget deficit amounted to Denar 18,637 million, accounting for 1.7% of the GDP projected for 2026, i.e. 47.5% of the annual projections.



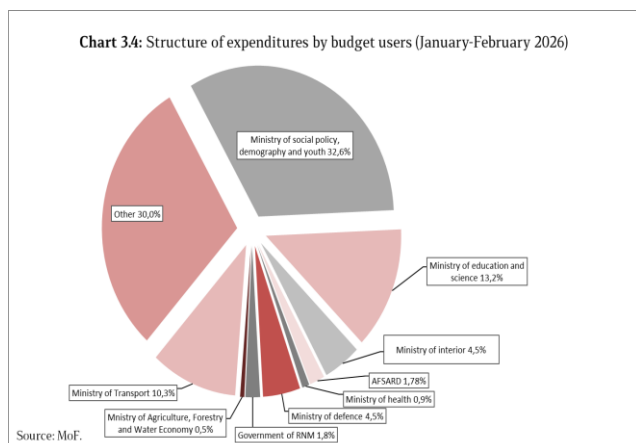
### Expenditures by Budget Users

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

In the period January – February 2026, Ministry of Social Policy, Demographics and Youth executed funds in the amount of Denar 17,888 million or 22.0% of its total budget for the current year. Thereby, most of the expenditures (77.8%) were allocated for current transfers to Budget Funds, for which Denar 13,923 million was spent, i.e. 22.3% of the funds allocated for 2026. The second highest expenditure category were the social benefits, participating with 13.9% in the total expenditures, whereby 20.7% (Denar 2.482 million) of the projected funds was spent for this purpose in 2026.

During the analysed period, Ministry of Education and Science executed budget funds in the amount of Denar 7,208 million, representing 15.7% of its total 2026 Budget. Current transfers to LGUs accounted for the most of the expenditures (55.2%), Denar 3,977 million being spent therefore or 15.6% of total projected funds. Wages and allowances category was the second highest expenditure item, accounting for 23.8%, for which an amount of Denar 1.718 million, accounting for 15.7% being executed out of total projected funds.

In the period January – February 2026, Ministry of Internal Affairs executed expenditures in the total amount of Denar 2,456 million, accounting for 14.8% of its 2026 budget. Wages and allowances was the highest expenditure item, participating with 74.3%, Denar 1,825 million being spent therefor, accounting for 16.2% of the projected ones. Second highest expenditure item was Goods and services, accounting for 15.8%, with Denar 389 million being spent therefore, accounting for 12.9% of the annual projections.



During this period, the Agency for Financial Support in Agriculture and Rural Development executed expenditures in the amount of Denar 975 million, accounting for 12.9% of the funds projected for the current year. As for subsidies and transfers, which accounted for 97.0% of the total expenditures, 14.0%, or Denar 946 million of the funds planned for the whole year, were spent therefore.



In the period January – February 2026, Ministry of Defence executed budget funds in the amount of Denar 2,440 million, accounting for 11.0% of its total budget this year. Expenditures related to wages and allowances accounted for the most with 42.0%, Denar 1,025 million being spent therefore (accounting for 15.3% of the total funds projected for the current year). Goods and services accounted for 25.6% of total expenditures, Denar 624 million being spent therefore during the analysed period, i.e. 14.7% execution of the total projected funds.

In the period January – February 2026, Government of the Republic of North Macedonia spent total of Denar 960 million, accounting for 21.8% of the funds projected for 2026. Thereby, capital expenditures accounted for 77.1% of total expenditures of this budget user, with Denar 740 million (68.9% of the projected funds) being spent therefore.

During the analysed period, Ministry of Health executed budget funds in the amount of Denar 468 million, accounting for 6.2% of its total 2026 Budget. Current transfers to Budget Funds accounted for the most of the expenditures with 48.1%, for which Denar 225 million were spent, accounting for 6.4% of the funds projected for 2026. Second highest item was Goods and services, Denar 209 million (6.1% of the projections for the year) being spent therefore, accounting for 44.7% of total expenditures.

In the period January – February 2026, Ministry of Transport executed funds in the amount of Denar 5,664 million, accounting for 42.4% of the total budget for the current year. Execution of capital expenditures, as highest item, accounted for 97.2% of the total spent funds of this budget user (Denar 5,508 million or 45.0% of total projected funds).

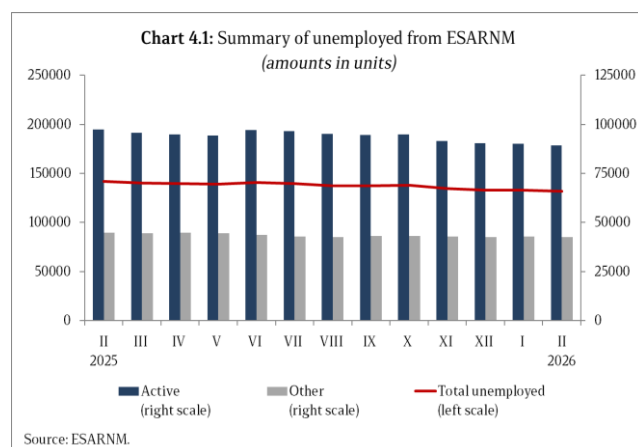
During this period, Ministry of Agriculture, Forestry and Water Economy executed funds in the amount of Denar 274 million, accounting for 14.7% of the funds projected for 2026. Wages and allowances (Denar 143 million) was, by far, the highest item in the total expenditures of this budget user, accounting for 52.2% of its total expenditures, with 15,0% of the projected expenditures being executed. As regards expenditures related to Goods and services, they accounted for 38.4% of the total expenditures, Denar 105 million being spent therefore, accounting for 40.6% 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 February 2026, Employment Service Agency registered total of 14,852 new employments<sup>4</sup>. Total number of newly employed persons decreased by 7.8% compared to the same period in 2025.



<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).



As regards the total number of newly employed, 41.4% was engaged on permanent basis, while the remaining percentage was engaged on temporary basis and as seasonal workers. In February 2026, 14.8% out of the total number of newly employed persons was from the unemployed records.

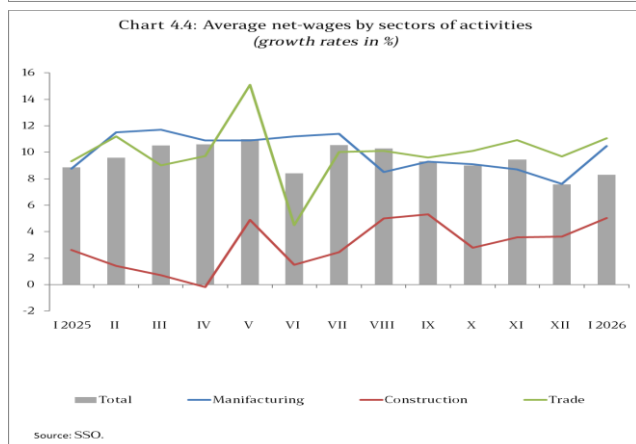
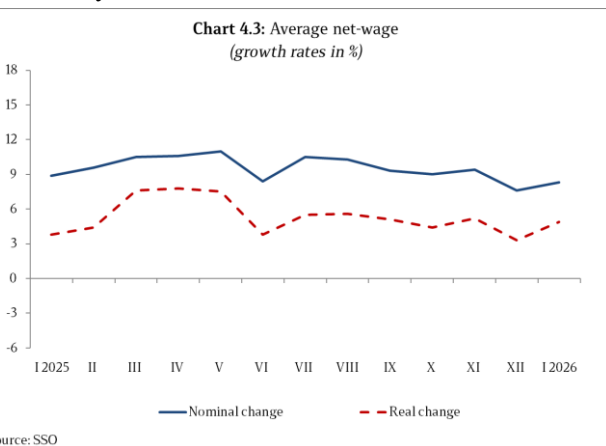
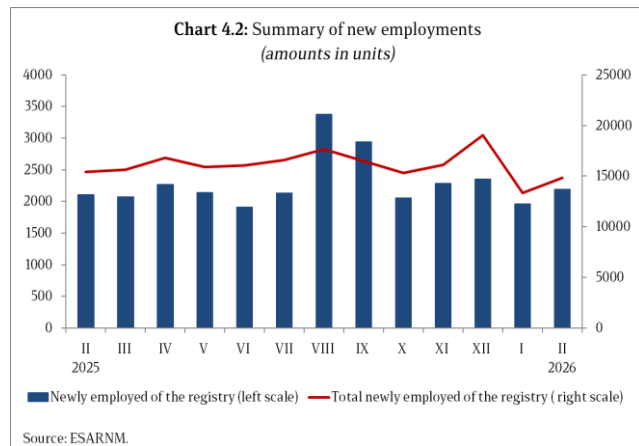
Total number of unemployed persons in February 2026 was 131,924, out of which 89,340 persons were active job seekers, while 42,584 persons were from the category “other unemployed”. On annual basis, total number of unemployed decreased by 7.1%, and has shown a continuous annual decline since May 2021. Number of unemployed persons decreased by 1,207 people compared to January 2026.

Urban residents accounted the most (with 58.9%) among the active unemployed persons, whereas with respect to gender, men accounted for 47.8% of the total. Analysed by the level of education, majority, i.e. 68.7% of the unemployed persons were with incomplete secondary education or less, 23.9% 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, 49.9% of the unemployed people belonged to the group aged 25-49 years. With respect to waiting time for employment, 57.0% of the unemployed persons wait for employment from 1 to 7 years, while 14.6% wait for employment for 8 years or more.

### Wages

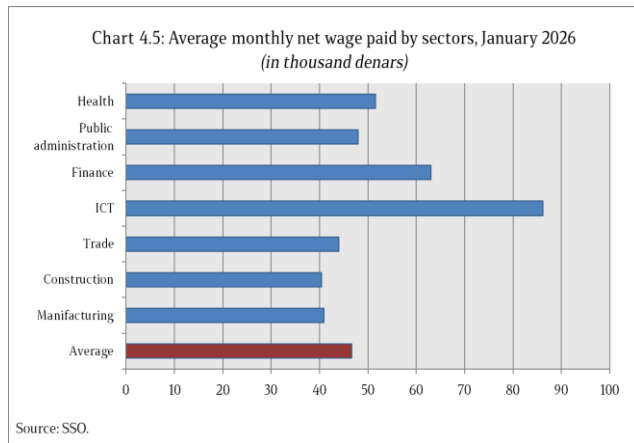
As per the notification of the State Statistical Office, in January 2026, average net wage amounted to Denar 46,617, in nominal terms, being higher by 8.3% on annual basis, and being lower by 0.6% compared to December 2025. The highest increase of average net wage, in relation to January 2025, was observed at the following sectors: Administrative and support service activities (12.9%), Wholesale and Retail Trade; repair of motor vehicles and motorcycles (11.1%) and Manufacturing (10.5%). In January 2026, wages increased by 4.9% in real terms on annual basis. Highest average net wage in January 2026 was paid in the sector Information and communications (Denar 86,190), wherein highest amount of net wage was paid in the activity Computer programming, consulting and related activities (Denar 107.016), followed by Financial and insurance activities with Denar 63,019, Electricity, gas, steam and air conditioning supply sector with Denar 59,786, and Mining and quarrying with





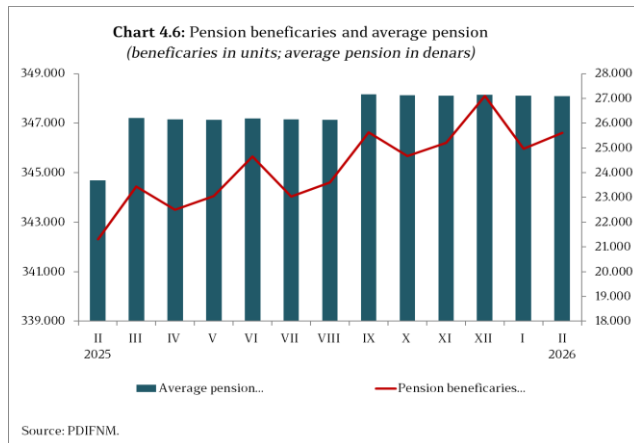
average net wage in the amount of Denar 58,934.

Average nominal gross wage in January 2026 amounted to Denar 70,066, increasing by 8.3%, compared to the same month in 2025, whereas being lower by 0.6% on monthly basis. The highest increase of average gross wage in January 2026, compared to January 2025, was recorded in the following sectors: Administrative and support service activities (13.2%), Wholesale and Retail Trade; repair of motor vehicles and motorcycles (10.7%) and Manufacturing (10.6%).



## Pensions

In February 2026, Pension and Disability Insurance Fund registered 346,610 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, 72.0% are beneficiaries of old-age pension, amounting to 249,408 pensioners, 21.2% of survivor pension, amounting to 73,582 pensioners and 6.8% of disability pension, amounting to 23,620 pensioners.



In February 2026, the average pension amounted to Denar 26,150, being higher by 14.3% compared to the same month in 2025<sup>5</sup>. In February 2026, average old-age pension amounted to Denar 28,676, average disability pension amounted to Denar 24,647, while average survival pension amounted to Denar 22,477. This month, Denar 9,257 million was spent for payment of pensions, accounting for 53.4% of the total social transfers.

Ratio between the average pension in February 2026 and the average paid wage in January 2026 (the most recent available data) was 58.1%.

Chart 4.1 February 2026 Pension Data			
Pension beneficiaries	Number	Structure	Average pension
Survivor pension	73,582	21.2%	22,477.00
Disability pension	23,620	6.8%	24,647.00
Old age pension	249,408	72.0%	28,676.00
<b>Total</b>	<b>346,610</b>	<b>100.0%</b>	<b>27,085.00</b>
<b>Minimal agricultural pension beneficiaries</b>	<b>26</b>		<b>16,887.00</b>

<sup>5</sup> При пресметката на просечната пензија не се вклучени воените и земјоделските пензии.



<b>Beneficiaries of military pensions</b>	660	35,475.00
<b>Total</b>	347,296	27,101.00
<b>Source: Pension and Disability Insurance Fund of North Macedonia</b>		

## 5. MONETARY AND FINANCIAL SECTOR

In December 2025, 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

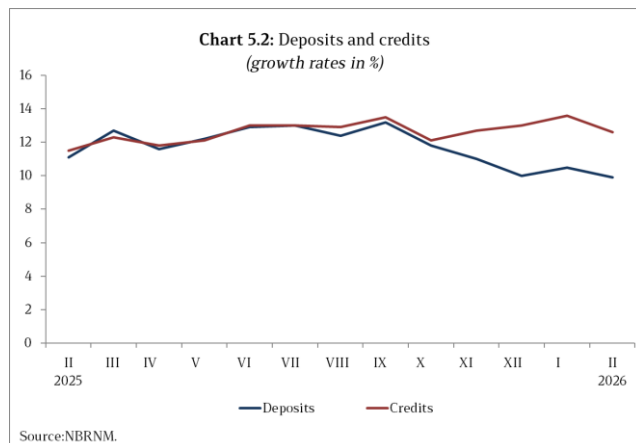
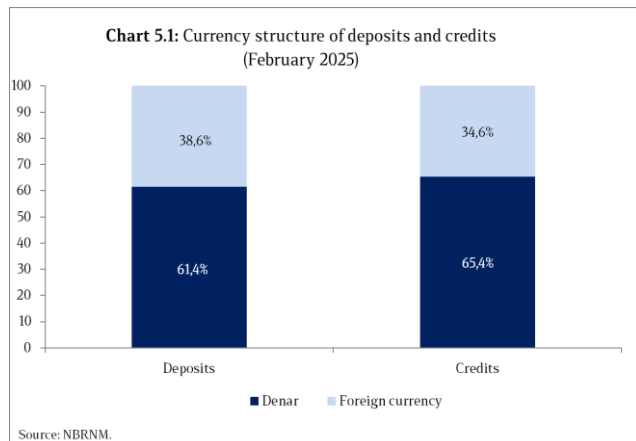
In February 2026, primary money<sup>6</sup> grew by 1.1% on monthly basis. Growth of primary money was a result of increase of total liquid assets of banks by 2.5%, while currency in circulation decreased by 0.4%.

In February 2026, primary money grew by 17.0% on annual basis, as a result of both increased total liquid assets of banks and currency in circulation by 21.9% and 12.3%, respectively.

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

In February 2026, total deposits of banks decreased by 0.1% on monthly basis. Sector analysis showed that, compared to the previous month, deposits of private enterprises declined by 1.7%, while deposits of households grew by 0.8%.

Analysed by currency, in February 2026, compared to the previous month, Denar deposits decreased by 0.3%, while foreign currency deposits increased by 0.3%.



<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.



In February 2026, total deposit potential grew by 9.9% on annual basis. Analysed by currency, domestic currency deposits increased by 13.0%, whereas foreign currency deposits grew by 5.4%.

From sectoral point of view, deposits of enterprises grew by 9.0%, and deposits of households increased by 11.4% on annual basis.

Table 5.1. Deposit potential and credits to the private sector

Deposit potential and credits to private sector (February 2026)	In Denar million	Monthly change	Annual change
<b>Deposit Potential</b>	<b>654,338</b>	<b>-0.1%</b>	<b>9.9%</b>
By currency:			
<i>Denar</i>	<i>401,737</i>	<i>-0.3%</i>	<i>13.0%</i>
<i>Foreign currency</i>	<i>252,601</i>	<i>0.3%</i>	<i>5.4%</i>
By maturity:			
<i>Short-term</i>	<i>236,124</i>	<i>-0.2%</i>	<i>7.1%</i>
<i>Long-term</i>	<i>161,011</i>	<i>1.3%</i>	<i>6.7%</i>
<b>Credits to private sector</b>	<b>562,560</b>	<b>0.2%</b>	<b>12.6%</b>
By currency:			
<i>Denar</i>	<i>367,744</i>	<i>0.5%</i>	<i>19.4%</i>
<i>Foreign currency</i>	<i>194,816</i>	<i>-0.2%</i>	<i>1.8%</i>
By maturity:			
<i>Short-term</i>	<i>86,360</i>	<i>-1.7%</i>	<i>10.3%</i>
<i>Long-term</i>	<i>462,312</i>	<i>0.7%</i>	<i>14.1%</i>

Source: NBRNM

According to maturity, short-term deposits increased by 7.1%, 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 61.4% this month.

### Bank Credits

In February 2026, total credits of banks to the private sector increased by 0.2% on a monthly basis, reflecting a 0.2% decrease in credits to enterprises and a 0.7% increase in credits to households.

Analysed by currency, Denar credits picked up by 0.5%, while foreign currency credits decreased by 0.2% on monthly basis.

On annual basis, in February 2026 total credits grew by 12.6%, in conditions of growth of both credits to enterprises and credits to households of 14.3% and of 11.3%, respectively. Denar credits increased by 19.4%, while foreign currency credits grew by 1.8%.

As regards maturity, long-term credits grew by 14.1% on annual basis, and short-term credits picked up by 10.3%.

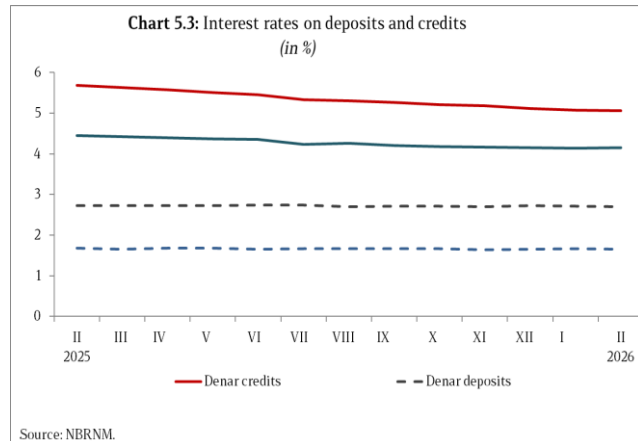


## Interest Rates of Deposit Banks

In February 2026, total interest rate on credits was 4.73%, remaining the same compared to the previous month. Interest rate on Denar credits dropped by 0.01 percentage points, accounting for 5.06%, while interest rate on foreign currency credits increased by 0.01 percentage points, accounting for 4.15%.

In February 2026, total interest rate on deposits decreased by 0.01 p.p. compared to last month, accounting for 2.19%. Interest rate on Denar deposits decreased by 0.01 percentage points, accounting for 2.70%, while interest rate on foreign currency deposits remained unchanged, accounting for 1.65%.

Interest rate on newly granted Denar credits was 4.93%, while interest rate on newly approved foreign currency credits stood at 3.69%. Interest rates on newly received Denar and foreign currency deposits accounted for 2.70% and 2.03%, respectively.

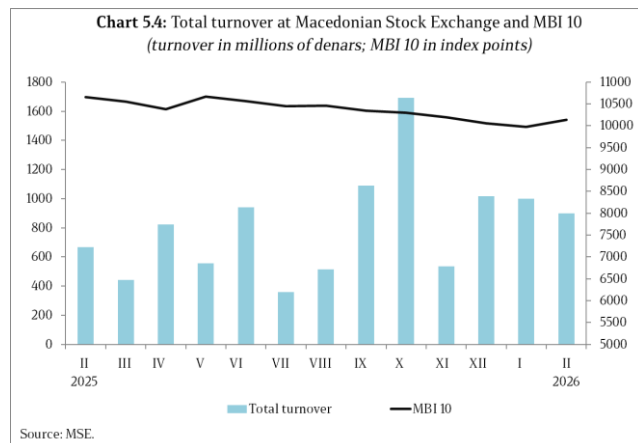


## Capital Market

As for the capital market, in February 2026, total turnover on the stock exchange dropped by 10.0% on monthly basis, mainly as a result of the decline in turnover from block transactions by 13.5%, despite an increase in turnover from classical trading in stock exchange electronic system by 5.7%.

Total turnover on the stock exchange amounted to Denar 897.8 million in February 2026, being an increase of 34.6% on annual basis.

Macedonian Stock Exchange Index MSEI – 10 amounted to 10,143.73 index points at the end of February 2026, whereby the index grew by 1.7% on monthly basis, while, compared to the same month last year, the index was lower by 4.8%.



## Reserve Assets

At the end of February 2026, gross reserve amounted to EUR 5,558.02 million, being lower by 0.8% compared to the previous month and higher by 14.3% compared to February 2025.