



Q-3-2025

QUARTERLY ECONOMIC REPORT

- third quarter of 2025 -

Summary

- **Economic activity** accelerated in the third quarter of 2025, recording real annual growth of 3.8%, following a 2.9% increase in the first and 3.5% in the second quarter, with overall growth in the first three quarters of 2025 being 3.4%. Favourable trends in economic activity continued despite external uncertainties.
- **Number of employed persons** in Q3 2025 was higher by 1.0%, compared to the same quarter in 2024. The **number of unemployed persons** dropped by 6.7% in Q3 2025, which resulted in a reduction of the **unemployment rate** to 11.5%.
- The average **net wage** amounted to Denar 45,351 in Q3 2025, representing a 10.0% increase in nominal terms and a 5.4% increase in real terms compared with the net wage in Q3 2024.
- In Q3 2025, total **budget revenues** increased by 11.3%, while total **budget expenditures** grew by 13.3% compared to the same quarter in 2024.
- **Inflation rate** in Q3 2025 accounted for 4.4% on an annual basis.
- Total **deposit potential** of banks in Q3 2025 grew by 2.3% on quarterly basis.
- In Q3 2025, **export of goods** recorded an increase of 0.2%, while **import of goods** an increase of 5.9% on annual basis, whereby **total foreign trade**, expressed in euro, increased by 3.5%.



Contents:

1. Economic Activity	3
2. Labour Market	7
3. Public Finances	8
3.1. Budget Revenues according to the Economic Classification	8
3.2. Budget Expenditures according to the Economic Classification	9
3.3. Expenditures by Budget Users	10
3.4. Budget Deficit and General Government Debt	12
4. Inflation and Monetary Trends	12
5. External Sector	15
5.1. Foreign Trade	15
5.2. Balance of Payments	17



1. Economic Activity

In the third quarter of 2025, **economic activity** further accelerated, recording real growth of 3.8% on annual basis, thereby continuing the positive trend observed in previous quarters. Compared to previous quarter, the seasonally and calendar-adjusted GDP growth accounted for 0.8%.

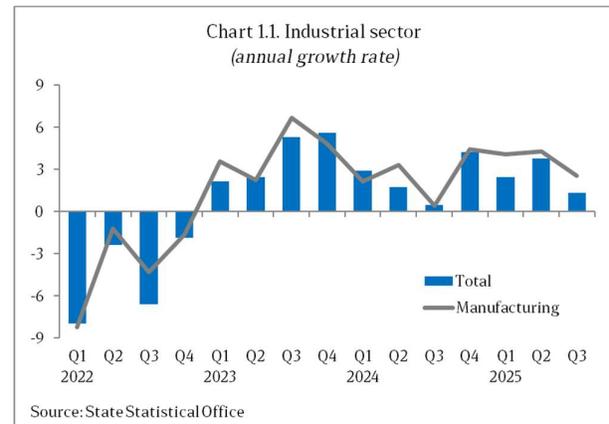
Analysed according to the GDP by production method, economic growth was driven by the positive performance across all sectors, with the services and construction sectors, as key drivers of economic activity, making the largest contribution.

Growth in the **services sector** was broad-based, accounting for 2.9%, with Trade, transport and hospitality (2.6%) and Information and communication (7.4%) contributing the most. Positive performance was also observed across the following activities: Professional, scientific and technical activities (6.1%), Real estate activities (2.0%), Public administration, defence, Education and Health (1.3%) and Financial and insurance activities (0.2%). Drop was seen only in the activity Arts, entertainment and recreation, falling by 1.6%.

Construction recorded significant growth of 21.0%, primarily driven by a substantial increase in civil engineering activities, which surged by 58.5%. This reflects intensified investments and accelerated progress on infrastructure projects, particularly along Corridors 8 and 10d.

Industrial sector recorded growth of 1.3%, primarily driven by increased production

output in Manufacturing, where 2.5% growth was recorded. According to high-frequency data, in Q3 2025, the following branches made a significant contribution to the growth of the manufacturing industry: Manufacture of rubber and plastic products (increase of 92.9%, contribution of 2.8 percentage points), Manufacture of motor vehicles, trailers and semi-trailers (growth of 11.9%, contribution of 2.0 percentage points) and Manufacture of tobacco goods (increase of 104.4%, contribution of 1.0 percentage points). Mining and quarrying and Supply of electricity, gas, steam and air-conditioning sectors decreased by 1.7% and 12.3%, respectively.



Agriculture grew by 4%, marking an accelerated pace compared with the previous period and continuing the positive trend that began in the second half of 2024.

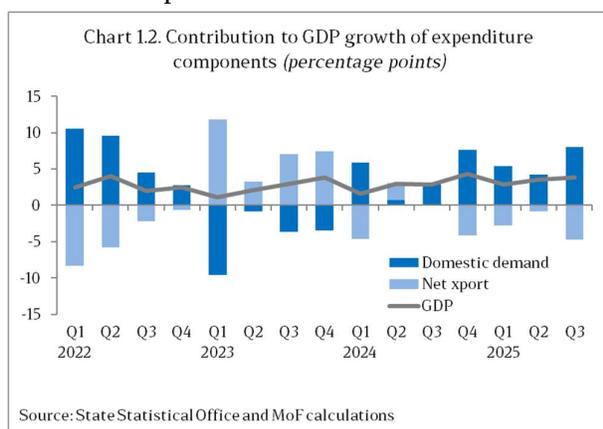


Table 1.1.: GDP and components by production method – annual growth rates (%) and contributions to GDP growth (percentage points)

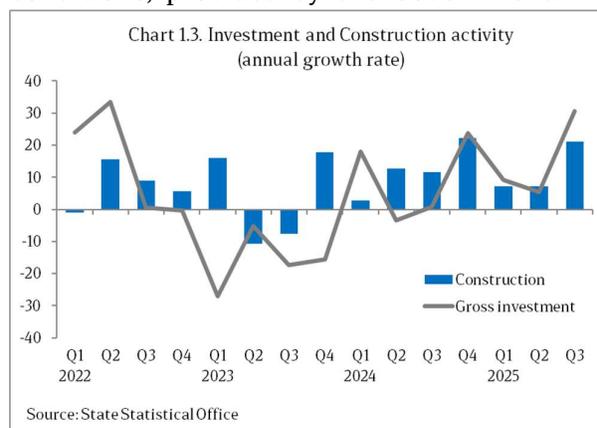
Sectors	real growth (%)				contribution to growth (p.p.)			
	Q1 2025	Q2 2025	Q3 2025	Q1-Q3 2025	Q1 2025	Q2 2025	Q3 2025	Q1-Q3 2025
Gross domestic product	2.9	3.5	3.8	3.4				
Agriculture	1.0	1.8	4.0	2.5	0.1	0.1	0.3	0.2
Industry	2.4	3.8	1.3	2.5	0.4	0.6	0.2	0.4
Manufacturing	4.1	4.3	2.5	3.6	0.6	0.6	0.4	0.5
Construction	7.2	7.2	21.0	13.0	0.3	0.4	1.3	0.7
Services	2.6	2.9	2.9	2.8	1.6	1.7	1.6	1.6
Trade, transport and catering	3.2	6.0	2.6	4.0	0.6	1.1	0.5	0.7
Information and communication	4.5	3.6	7.4	5.2	0.2	0.2	0.4	0.3
Financial and insurance activities	-2.0	1.3	0.2	-0.1	-0.1	0.0	0.0	0.0
Real estate activities	1.4	1.9	2.0	1.8	0.2	0.2	0.2	0.2
Professional, scientific and technical activities	7.2	3.6	6.1	5.6	0.4	0.2	0.3	0.3
Public administration and defence, education and health	0.7	0.3	1.3	0.7	0.1	0.0	0.2	0.1
Arts, entertainment and recreation	2.8	-4.2	-1.6	-1.0	0.1	-0.1	0.0	0.0
Net taxes on products	2.9	4.1	4.5	3.8	0.3	0.6	0.6	0.5
<i>Residual</i>					0.1	0.1	-0.2	0.0

Source: State Statistical Office (notification of GDP in Q3 2025) and MoF calculations

From the expenditure side of GDP, economic growth in the third quarter of 2025 was primarily driven by domestic demand, supported by higher gross investment and moderate growth in final consumption.



activity in the domestic private sector, boosted by the high utilization of credits extended under favourable terms and conditions, provided by the Government.



Gross investments rose substantially by 30.6%, driven primarily by scaled-up investments in fixed assets. Such scaled-up investments were driven by intensified

Furthermore, the faster implementation of strategic infrastructure projects - most notably those along Corridors 8 and 10d—combined with strengthened municipal support for capital investment implementation, contribute to intensifying investment cycle and



promoting more balanced regional economic development.

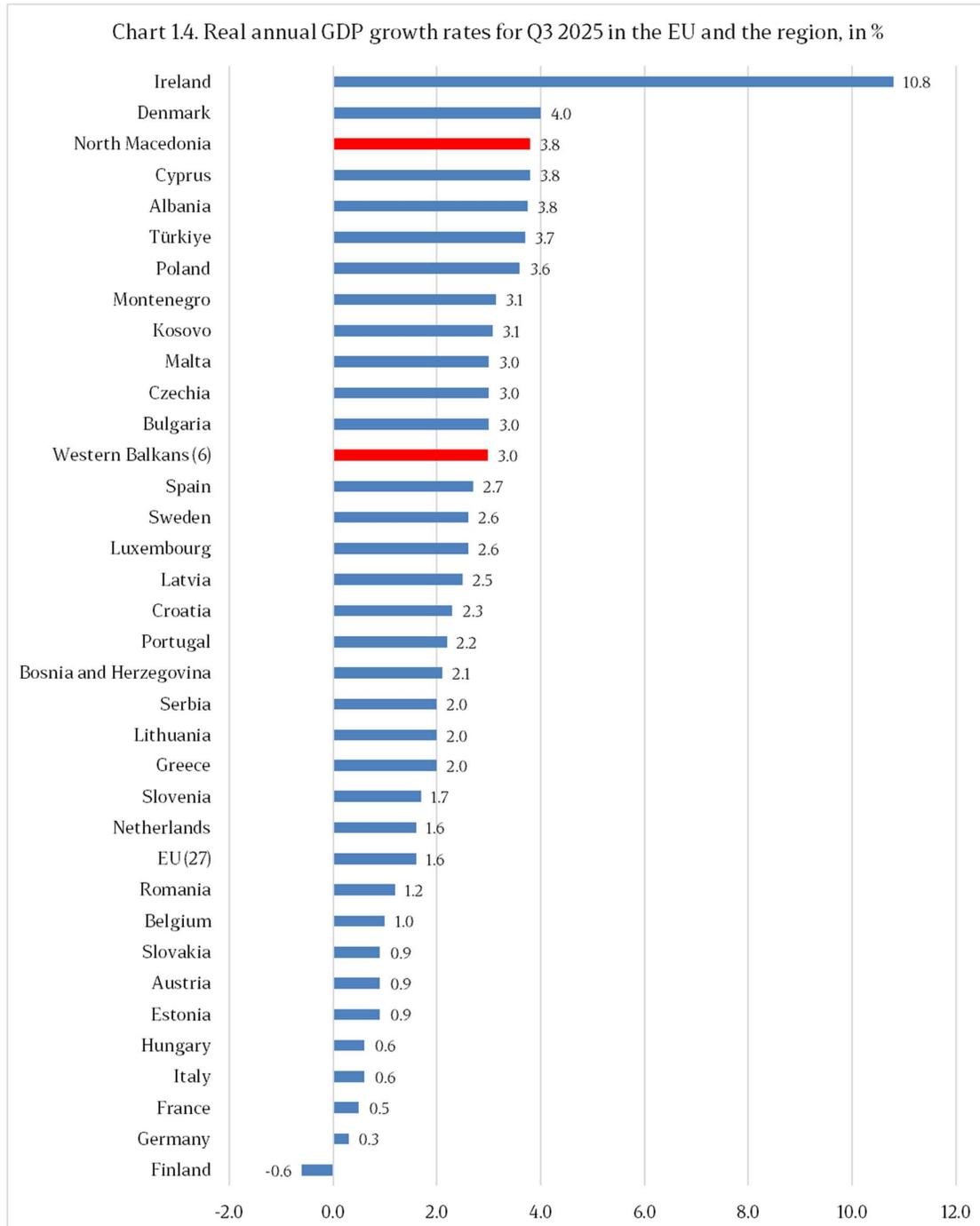
Final consumption grew by 1.8%, with **private consumption** recording a moderate growth of 0.9%, despite the increase in disposable income, in particular wages and pensions, along with the accelerated household credit growth. **Public consumption** increased by 5.7%.

Export of goods and services grew by 3.4% in real terms, driven mainly by Machinery and transport equipment (7.9%), Food (5.1%) and Beverages and tobacco (4.5%). **Import of goods and services** recorded growth of 9.9% in real terms, driven by import of intermediate, capital and consumer goods. Net imports contributed negatively to the economic growth, as imports increased at a faster pace than exports.

Table 1.2.: GDP and components by expenditure method – annual growth rates (%) and contributions to GDP growth (percentage points)

Components	real growth (%)				contribution to growth (p.p.)			
	Q1 2025	Q2 2025	Q3 2025	Q1-Q3 2025	Q1 2025	Q2 2025	Q3 2025	Q1-Q3 2025
Gross domestic product	2.9	3.5	3.8	3.4				
Final consumption	3.2	3.2	1.8	2.7	2.7	2.7	1.5	2.3
Private	2.6	3.1	0.9	2.1	1.8	2.1	0.6	1.5
Public	5.7	3.5	5.7	5.0	0.9	0.6	0.8	0.8
Gross capital formation	9.2	5.4	30.6	14.0	2.8	1.6	7.6	3.9
Export of goods and services	2.8	8.5	3.4	4.9	1.9	5.4	2.1	3.2
Import of goods and services	5.7	8.1	9.9	7.9	4.7	6.3	6.9	6.0
Net exports					-2.8	-0.8	-4.8	-2.9
<i>Residual</i>					0.2	0.1	-0.5	0.1

Source: State Statistical Office (notification of GDP in Q3 2025) and MoF calculations



Source: Eurostat and national statistical institutions:

*Available data on Western Balkan (6) refer to the following countries: Serbia, Montenegro, North Macedonia, Bosnia and Herzegovina, Albania and Kosovo



2. Labour Market

Employment

In Q3 2025, as per the Labour Force Survey, **employment** increased by 1.0%, number of employed persons being higher by 6.8 thousand persons compared to the same quarter in 2024. Highest employment was recorded in the Agriculture sector with 11.1 thousand persons or 17.6%, while growth was also observed in Trade (9.9 thousand persons or 9.9%) and Accommodation and food service activities (6.6 thousand persons or 23.8%). On the other hand, a substantial decline in employment was observed in the Manufacturing sector (9.8% or 14 thousand people).

Out of the total number of employees, 545,618 were employed in entities in private ownership (77.4% of the total employees), whereas 159,547 people were employed in entities in mixed, collective or state ownership (22.6% of total employees).

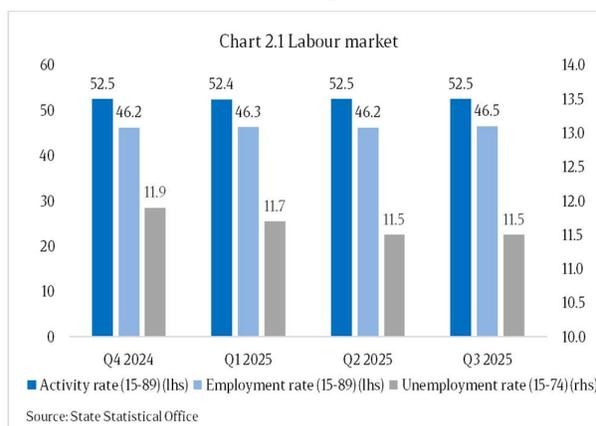
Employment rate in Q3 2025 accounted for 46.5%, being higher by 0.4 p.p. compared to the same quarter in 2024.

Unemployment

Number of unemployed persons decreased by 6.6 thousand persons, being lower by 6.7% compared to the same quarter in 2024.

Unemployment rate reduced to 11.5% in Q3 2025, representing a decline of 0.8 percentage points compared to the same quarter in 2024, while remaining unchanged relative to the previous quarter (Chart 2.1).

Unemployment rate in the age category 15 - 64 accounted for 11.7%, while with the youth population (age category 15 to 29), it accounted for 24.7%. With respect to Q3 2024, the unemployment rate for individuals aged 15-64 dropped by 0.8 percentage points, while the rate for the 15-29 age group increased by 1.1 percentage points. With respect to gender structure, female unemployment rate dropped by 0.4 percentage points, accounting for 10.4%, being 1.9 percentage points lower than male unemployment rate, which itself decreased by 1.1 percentage points to 12.3%.



Active population

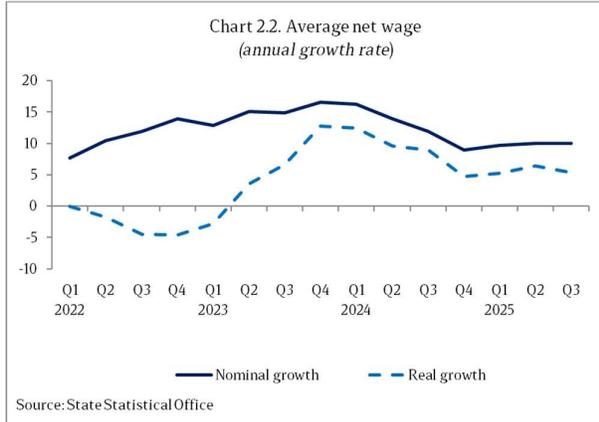
The **active population** remained virtually unchanged in annual terms. In Q3 2025, active population accounted for 52.5% of the total working-age population, representing a decrease of 0.1 percentage points, compared to the same quarter in 2024.

Wages

Average monthly **net wage** in Q3 2025 amounted to Denar 45,351, being higher by 10.0% in nominal terms compared to the



same quarter in 2024, and 5.4% higher in real terms (Chart 2.2).



Highest net wage in Q3 2025 was paid in the sector Information and communication (Denar 82,566), followed by Financial and insurance activities with Denar 62,076, Mining and quarrying with average net wage paid in the amount of Denar 56,746 and Electricity, gas, steam and air-conditioning supply in the amount of Denar 55,365.

Average monthly **gross wage** in Q3 2025 amounted to Denar 68,225, being higher by 10.1% in nominal terms and 5.4% in real terms.

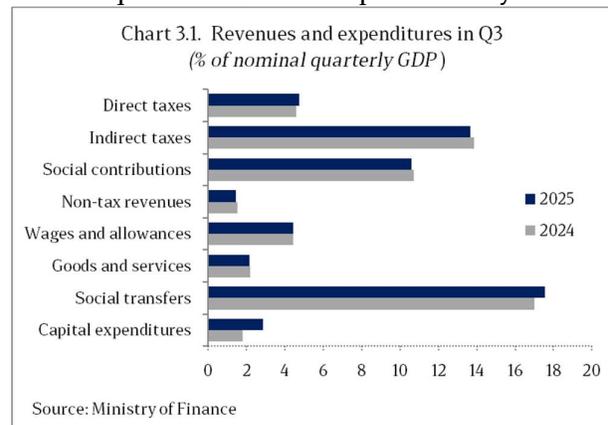
3. Public Finances

3.1. Budget Revenues according to the Economic Classification

In Q3 2025, total budget revenues accounted for 32.0% of the quarterly GDP, being higher by 11.3% compared to third quarter of 2024, amid higher collection of taxes by 10.1%, contributions by 8.8% and non-tax revenue collection by 4.1%. Tax revenues observed a higher collection rate in all segments, i.e. the segments of personal income tax, corporate income tax, VAT, excise, import duties and other tax revenues.

Collection of indirect taxes in Q3 2025 compared to Q3 2024 increased by 8.7%, whereas the collection of the direct taxes picked up by 14.1%. In terms of GDP structure, the share of direct tax revenues rose to 4.7% in Q3 2025, up 0.1 percentage points from 4.6% in Q3 2024. In Q3 2025, indirect tax revenues accounted for 13.7% of GDP, down by 0.1 percentage points from 3.8% in Q4 2024.

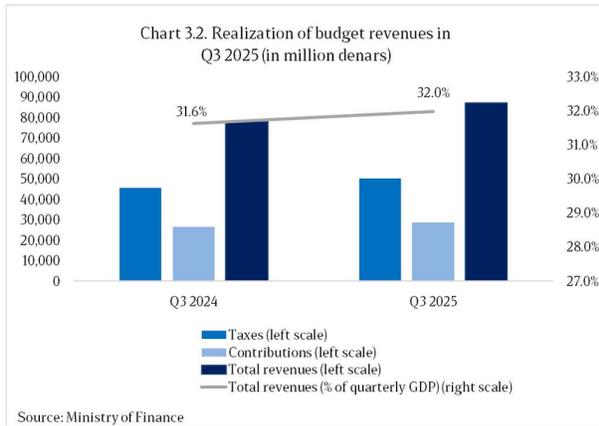
With respect to **indirect taxes**, VAT revenues were predominant, accounting for 48.8% of total tax revenues in Q3 2025, recording a 7.1% increase compared to the same quarter of the previous year.



Pertaining to the VAT structure, VAT on import accounted for the most, followed by VAT on domestic supply. Compared to the corresponding quarter of the previous year, excise revenues were higher by 11.2%.



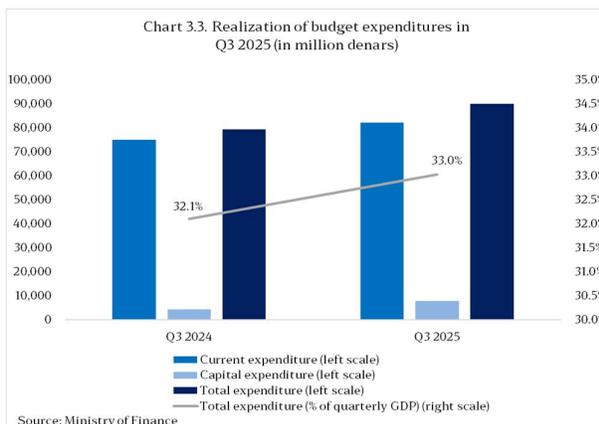
while collection of customs duties grew by 13.3%.



With respect to **direct taxes**, a PIT revenue collection recorded an increase of 10.2%, while the corporate income tax revenue collection an increase of 21.8%, compared to the same quarter of the previous year.

3.2. Budget Expenditures according to the Economic Classification

Total budget expenditures in Q3 2025, with share of 33.0% in the quarterly GDP, were higher by 13.3% compared to the same quarter in 2024.



Current expenditures, accounting for 30.2% of quarterly GDP, represented 91.4% of total expenditures and increased by 9.7% on an annual basis. As for current

Collection of **social contributions** was higher by 8.8%, whereby increased collection was recorded with all contributions, i.e. with pension and disability insurance contributions and employment contributions by 8.8%, and health insurance contributions by 8.7%.

In Q3 2025, collection of **non-tax revenues**, accounting for 1.4% of the quarterly GDP, was higher by 4.1% compared to the same quarter of 2024.

Capital revenues incorporating construction land lease, apartment sale and dividend revenues were higher by 37.2% on annual basis in Q3 2025. Revenues on the basis of **foreign donations** were higher by 232.3% compared to the same quarter of 2024.

expenditures, wage and allowance expenditures increased by 10.6%, whereas goods and services expenditures increased by 8.3% compared to the same quarter previous year.

Transfer funds, accounting for 67.6% of total expenditures, increased by 10.1% on an annual basis. Social transfers recorded growth of 13.7%, participating with 53.1% in the total expenditures. Pension expenditures, which account for the majority of social transfers, increased by 19.0%, representing 33.7% of total expenditures. Share in other transfers category, also incorporating the transfers to LGUs, accounted for 14.1% in the total expenditures, marking a 0.7% drop compared to the third quarter of 2024. Block and earmarked grants to local



government units increased by 12.6%, while subsidies and transfers were lower by 22.0% compared to Q3 2024.

Interest-related expenditures increased by 1.6% on annual basis, where domestic debt interest-related expenditures recorded an increase of 15.1%, while foreign debt

interest-related expenditures a decrease of 14.5%.

In Q3 2025, **capital expenditure execution**, accounted for 2.8% of the quarterly GDP, and their share in the total expenditures accounted for 8.6%.

3.3. Expenditures by Budget Users

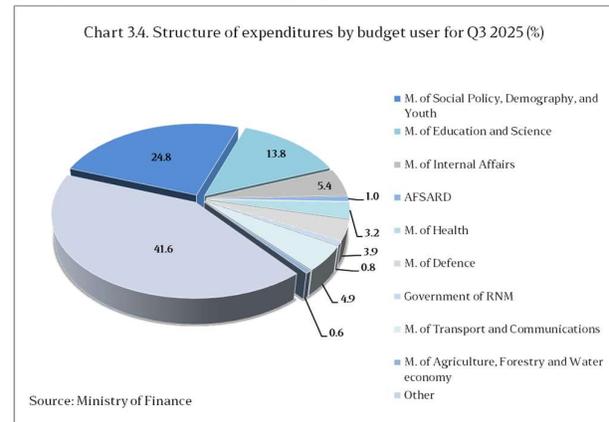
Review of budget expenditures for the largest budget users is given below.

In Q3 2025, **Ministry of Social Policy, Demographics and Youth** executed funds in the amount of Denar 18,848 million or 25.0% of its total budget for the current year. Thereby, most of the expenditures (70.3%) were allocated for current transfers to Budget Funds, for which Denar 13,245 million was spent, i.e. 24.8% of the funds allocated for 2025. The second highest expenditure category were the social benefits, participating with 19.1% in the total expenditures, whereby 24.5% (Denar 3,592 million) of the projected funds was spent for this purpose in 2025.

During the analysed period, **Ministry of Education and Science** executed budget funds in the amount of Denar 10,458 million, representing 23.2% of its total 2025 Budget. Current transfers to LGUs accounted for the most of the expenditures (58.3%), Denar 6,100 million being spent therefore or 24.9% of total projected funds. Wages and allowances were the second most significant category, accounting for 23.8%, with Denar 2,491 million being spent therefore, i.e. 25.2% of the total projections.

In Q3 2025, **Government of the Republic of North Macedonia** spent Denar 577 million, i.e. 12.8% of the 2025 projections. Thereby, subsidies and transfers accounted for 42.8% of total expenditures of this budget user, Denar 247 million (9.9% of the projected funds) being spent, therefore.

Chart 34. Structure of expenditures by budget user for Q3 2025 (%)



During the analysed period, **Ministry of Internal Affairs** executed expenditures in the total amount of Denar 4,075 million, accounting for 24.6% of its budget for 2025. Wages and allowances were the highest expenditure item, participating with 67.3%, Denar 2,744 million being spent therefor, accounting for 25.2% of the projected ones. The second highest expenditure category was Goods and services, participating with 19.8%, with funds in the amount of Denar 806 million being spent therefore,



accounting for 29.4% of the annual projections.

In Q3 2025, **Agency for Financial Support in Agriculture and Rural Development** executed expenditures in the amount of Denar 737 million, accounting for 9.2% of the funds projected for the current year. As for subsidies and transfers, with a share of 77.7% of the total expenditures, 7.9% or Denar 572 million of the funds planned for the whole year, were spent, therefore.

During Q3 2025, **Ministry of Health** executed budget funds in the amount of Denar 2,456 million, accounting for 28.9% of its 2025 total budget. Current transfers to Budget Funds accounted for the most of the expenditures with 66.9%, for which Denar 1,644 million were spent or 40.3% of the funds projected for 2025. Second most significant item were the goods and services, Denar 742 million (20.3% of the projections for the year) being spent therefore, accounting for 30.2% of total expenditures.

During this period, **Ministry of Defence** executed budget funds in the amount of Denar 2,972 million, accounting for 14.5% of this year's total budget. Expenditures related to wages and allowances accounted for the most with 52.4%, Denar 1,558 million being spent therefore, (accounting for 24.1% of the total funds projected for the current year). Goods and services accounted for 26.6% of total expenditures, Denar 789 million being spent therefore during the analysed period, i.e. 19.7% execution of the total projected funds.

In Q3 2025, **Ministry of Transport** executed funds in the amount of Denar 3,758 million, i.e. 22.3% of its total budget for the current year. Execution of capital expenditures, as main item, accounted for 91.9% of the total spent funds of this budget user (Denar 3,454 million or 22.3% of total projected funds).

During the analysed period, **Ministry of Agriculture, Forestry and Water Economy** executed funds in the amount of Denar 490 million, accounting for 25.0% of the funds projected for 2025. Wages and allowances (Denar 203 million) were convincingly the main category in the total expenditures of this budget user, accounting for 41.5% of its total expenditures, with 23.5% of the projected expenditures, being executed. As regards capital expenditures, they accounted for 28.0% of the total expenditures, Denar 137 million being spent therefore, accounting for 24.3% of the total budget for this purpose.

In this period, **Public Revenue Office** executed Denar 1,157 million, accounting for 22.7% of the total budget for the current year. As for subsidies and transfers, as major item, 25.2% or Denar 886 million of the funds planned for the whole year, were spent, therefore.

In-depth data on each budget user are presented in the statistical annex attached at the following link (<https://finance.gov.mk/en-GB/oblasti/kvartalen-ekonomski-izvestaj>).

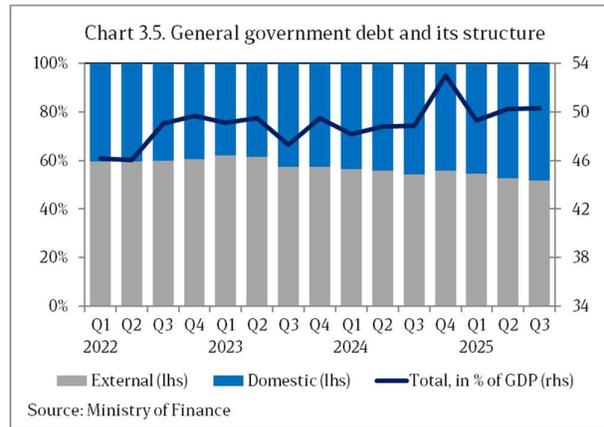


3.4. Budget Deficit and General Government Debt

In the third quarter of 2025, **consolidated budget deficit** amounted to Denar 2,887 million or 1.1% of GDP realized in this quarter, while central budget deficit amounted to Denar 3,904 million, i.e. 1.4% of quarterly GDP.

At the end of Q3 2025, the **total government debt** stood at 50.3% of GDP, showing no change from its share of GDP compared to Q2 2025. Share of external debt in the total general government reduced by 0.9 p.p. compared to Q2 2025, accounting for 51.8%, while share of domestic debt increased correspondingly,

accounting for 48.2% of the total government debt.



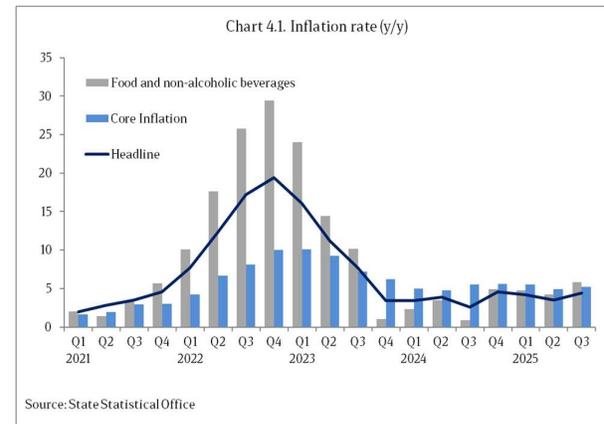
4. Inflation and Monetary Trends

Inflation rate was 4.4% in Q3 2025, measured according to CPI. Inflation recorded acceleration of 0.9 percentage points compared to the previous quarter (3.5% in Q2 2025).

In the third quarter of 2025, consumer prices increased, driven by rising food prices and core inflation. During this period, consumer prices increased more noticeably, while the core component recorded more moderate growth.

Core inflation recorded a moderate acceleration, increasing by 0.3 percentage points compared with Q2 2025, moving from 4.9% to 5.2%. In the third quarter, price dynamics in air transport, coffee, and tobacco were the main contributors to core

inflation. Energy and oil derivatives prices were following a downward trend.



Observed by categories, price growth in the Food and non-alcoholic beverages category in Q3 2025 accelerated, reaching 5.8% (4.2% in the previous quarter). The increase in food prices resulted from



upward movements across all subcategories, with particularly pronounced rises in fruit and meat prices. The lifting of the margin-capping measure on basic food products in Q2 contributed to higher food prices in Q3.

Consumer price growth in Q3 2025 was also recorded in the categories, as follows: Alcoholic beverages, tobacco and narcotics¹ by 6.9%, Recreation and culture by 6.5%, Furnishings, household equipment and routine maintenance of the house by 5.1%, Transport by 4.6%, Restaurants and hotels by 3.6%, Health protection by 3.8%, Miscellaneous goods and services by 3.5%, Clothing and footwear by 3.3%, Housing, water, electricity, gas and other fuels by 1.6%, Communication by 1.1% and Education by 0.1%.

In Q3 2025, retail prices grew at an accelerated rate of 4.5%.

In the third quarter of this year, the National Bank maintained **the policy rate** at the level of 5.35%, maintaining a prudent monetary policy stance, thereby expecting that the combined impact of the policy rate, changes in reserve requirements and macroprudential measures will contribute to the price stability in the medium term.

In Q3 2025, interest rates of available overnight and seven-day deposits

remained unchanged at 3.95% and 4.0%, respectively.

Primary money² declined by 1.2% on quarterly basis (following a 10.2% increase in the previous quarter), mainly due to a 5.6% reduction in total liquidity of banks, while currency in circulation increased by 3.7%.

In Q3 2025 compared to Q3 2024, primary money increased by 7.2% (following a 25.6% rise in Q2 2025), driven by growth in total liquid assets and currency in circulation of 2.0% and 13.0%, respectively.

In Q3 2025, the narrowest money supply M1³ grew by 2.6% compared to the previous quarter. Monetary aggregate M2 increased by 2.5%, while the widest monetary aggregate M4 by 2.6% on quarterly basis.

Total **deposit potential**⁴ of banks in Q3 2025 increased by 2.3% on quarterly basis, following the growth of 2.7% in the previous quarter. Analysed by sectors, deposits of enterprises increased by 1.1%, while deposits of households grew by 2.7%. From currency point of view, Denar and foreign currency deposits, compared to the previous quarter, increased by 1.7% and 3.1%, respectively.

Level of euroization picked up by 0.3 p.p. compared to the previous quarter, accounting for 39.6%, measured via the

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

² It incorporates currency in circulation (including cash in hand of banks), Denar and foreign currency reserve requirements and surplus of liquid assets over the reserve

requirement (in Denars).

³ Money supply M1 comprises currency in circulation and deposit money. Monetary supply M2 comprises the money supply M1 and short-term deposits, whereas money supply M4 is comprised of money supply M2 and long-term deposits.

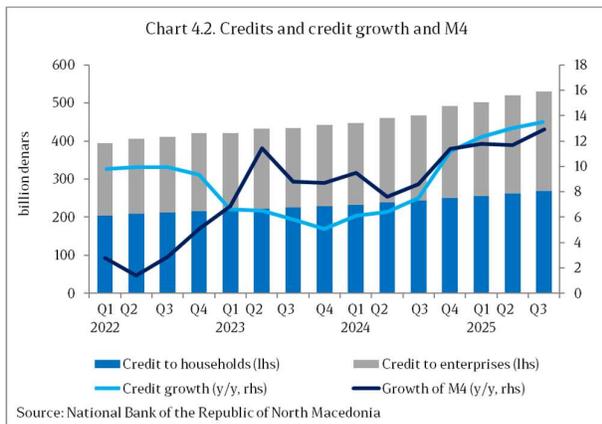
⁴ Deposits also incorporate the calculated interest.



share of foreign currency deposits in the total deposit potential.

With respect to maturity, share of long-term deposits in the total deposit potential in Q3 2025 picked up by 0.2 p.p. compared to the previous quarter, accounting for 24.8% (it accounted for 24.6% in Q2 2025). During the analysed period, short-term deposits increased by 2.2% on quarterly basis.

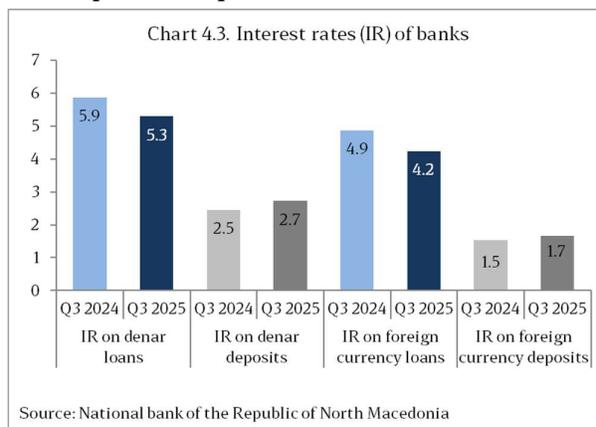
Credit activity of banks in Q3 2025 picked up by 1.9% on quarterly basis (credits increased by 3.6% in the previous quarter), driven by growth of credits to enterprises (1.4%) and credits to households (2.5%). From currency point of view, in Q3 2025, Denar credits picked up by 3.3%, while foreign currency credits dropped by 0.5%.



With respect to maturity, long-term credits recorded a growth of 2.9% compared to the previous quarter, while the short-term ones a drop of 2.7%.

In Q3 2025, **interest rate**⁵ on Denar credits stood at 5.29%, decreasing by 0.23 p.p.

compared to the previous quarter. Interest rate on foreign currency credits was 4.23% in Q3 2025, dropping by 0.14 p.p. compared to the previous quarter.



Interest rate on Denar deposits stood at 2.72% in Q3 2025, decreasing by 0.01 percentage points compared to the previous quarter, while interest rate on foreign currency deposits stood steady at 1.6%.

Interest rate on newly granted Denar credits in Q3 2025 accounted for 4.63%, while interest on newly granted foreign currency credits accounted for 3.75%. Interest rates of newly received Denar and foreign currency deposits accounted for 2.48% and 1.80%, respectively.

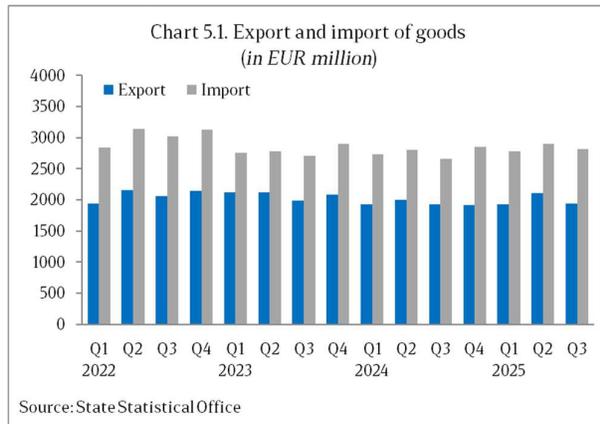
⁵ Denar credits and deposits with a Forex clause are included in foreign currency credits and deposits.



5. External Sector

5.1. Foreign Trade

According to the data of the State Statistical Office, total foreign trade amounted to EUR 4,754.5 million in Q3 2025, increasing by 3.5% compared to the same quarter in 2024.



In Q3 2025, **export of goods** amounted to EUR 1,935.7 million, whereby compared to Q3 2024, it increased by 0.2%, while compared to the previous quarter, it declined by 8.5%.

Analysed by **SITC sectors** (Standard International Trade Classification), increases in export in Q3 2025, compared to the same quarter in 2024, were registered across the following sectors:

- machinery and transport equipment by 7.9% (wherein the highest growth was seen at the categories: road vehicles by EUR 27.8 million or 39.3%, electrical machinery, apparatus and spare parts by EUR 23.0 million or 6.3%),
- chemical products by 0.2% (with inorganic chemical products rising more than sixfold or EUR 28.0 million),

- food products growing by 5.1% (dairy products and eggs by EUR 6.4 million or 69.7%),
- beverages and tobacco by 4.5% (beverages by EUR 2.4 million or 9.0%) and
- animal and vegetable oils by 18.3% (Fixed vegetable oils and fats, crude, refined or fractioned by EUR 0.9 million or 19.3%).

Declines in export were recorded across the following sectors:

- mineral oils and lubricants by 37.2% (within which highest drop was seen at the category electric current by EUR 31.7 million or 43.8%),
- crude materials, except fuel by 5.7% (metalliferous ores and metal scrap by EUR 10.7 million or 15.3%),
- miscellaneous manufactured articles by 2.3% (wearing apparel by EUR 10.1 million or 11.3%) and
- products classified by material by 4.9% (iron and steel by EUR 8.6 million or 7.0%; non-ferrous metals by EUR 6.5 million or 43.6%).

Observed **by economic purpose**, in Q3 2025, increase in export was recorded at the following groups of products:

- transport equipment up by EUR 29.0 million or 10.8%,
- investment products without transport equipment by EUR 13.0 million, i.e. 5.2% and



- food and beverages by EUR 10.3 million or 6.0%.

Decline in export was seen at the following groups of products:

- oils and lubricants down by EUR 32.4 million, i.e. 37.3%,
- industrial supplies by EUR 14.2 million or 1.5% and
- consumer goods by EUR 2.3 million or 1.1%.

Import of goods in Q3 2025 amounted to EUR 2,818.8 million, growing by 5.9% compared to Q3 2024, while in relation to the previous quarter, it dropped by 2.9%.

Analysed **by SITC sectors**, growth in import in Q3 2025, compared to Q3 2024 was seen at the following sectors:

- manufactured goods classified by material, growing by 9.0% (with the highest growth recorded in the non-ferrous metals category, increasing by EUR 71.1 million or 28.1%),
- machinery and transport equipment, by 10.7% (road vehicles by EUR 19.3 million or 13.1%; machinery specialized for particular industries by EUR 16.0 million or 30.5%, industrial machinery and spare parts by EUR 15.9 million or 19.2%),
- food products by 7.0% (fruit and vegetables by EUR 5.9 million or 18.8%; dairy products and eggs by EUR 5.4 million or 19.6%),
- chemical products by 4.2% (medical and pharmaceutical products by EUR 5.1 million or 6.8%; plastic materials in primary forms by EUR 4.9 million or

11.5%; chemical materials and products by EUR 4.5 million or 11.3%),

- miscellaneous manufactured articles by 8.0% (professional, scientific and controlling instruments and apparatus by EUR 4.9 million or 23.8%),
- animal and vegetable oils by 15.6% (fixed vegetable fats and oils, crude, refined or fractionated by EUR 2.9 million or 17.3%),
- beverages and tobacco by 5.7% (tobacco and tobacco manufactures by EUR 2.3 million or 19.8%) and
- raw materials except fuel by 0.1% (wood and cork by EUR 1.4 million or 17.8%).

Decline in import was only seen in mineral oils and lubricants by 12.4.% (wherein highest drop was recorded at the categories: petroleum and petroleum products by EUR 19.8 million or 9.4%; electric current by EUR 11.9 million or 19.3%).

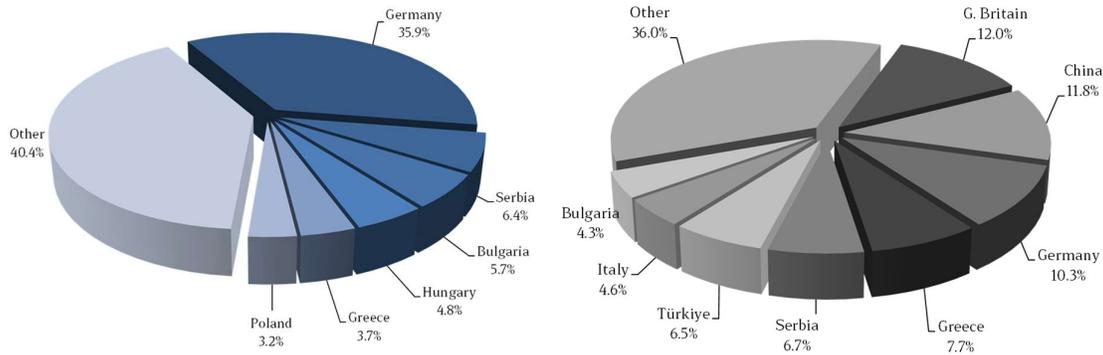
Observed **by economic purpose**, in Q3 2025, growth of import was recorded at the following groups of products:

- goods for industrial supplies, up by EUR 78.9 million or 6.9%,
- investment products without transport equipment by EUR 45.3 million or 10.5%,
- transport equipment by EUR 32.3 million or 18.2%,
- food and beverages by EUR 20.3 million or 6.9% and
- consumer goods by EUR 15.8 million or 5.2%.

Decline in import was only seen at fuels and lubricants, down by EUR 37.3 million or 11.7%.



Chart 5.2. Countries with highest share in export (on the left) and in import (on the right) in Q3 2025



Source: Calculations of the Ministry of Finance based on SSO's data

In Q3 2025, foreign trade with the European Union (EU 27), in relation to Q3 2024, decreased by 1.5%, whereby share of trade with the EU in the total foreign trade

decreased by 3.0 p.p. compared to the third quarter in 2024, accounting for 58.1%. Thereby, in Q3 2025 export of goods accounted for 75.1%, while import of goods accounted for 46.5%.

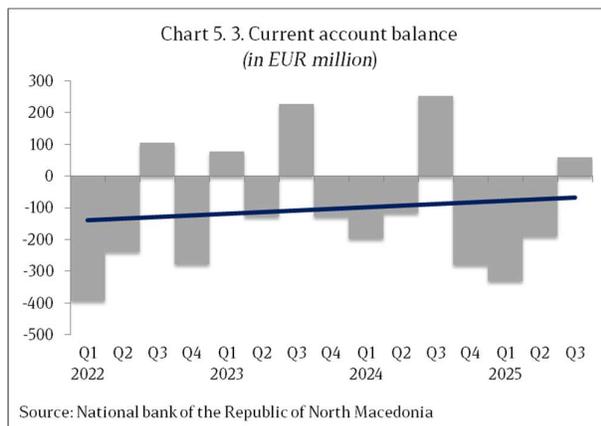
5.2. Balance of Payments

According to the data from the National Bank of the Republic of North Macedonia, surplus in the amount of EUR 60.4 million was recorded on the balance of payments **current account** in Q3 2025, accounting for 1.4% of quarterly GDP, as opposed to the

surplus of 6.3% of GDP registered in the same quarter in 2024.

Analysed on annual basis, the current account surplus in Q3 2025 decreased by EUR 192.4 million, i.e. by 76.1% being a result of the widening of deficit on the goods account by 28.5% and on the primary income account by 0.7%, as well as the reduction in the surplus on the services account by 11.6%. An offsetting effect came from the 4.8% increase in the surplus on the secondary income account.

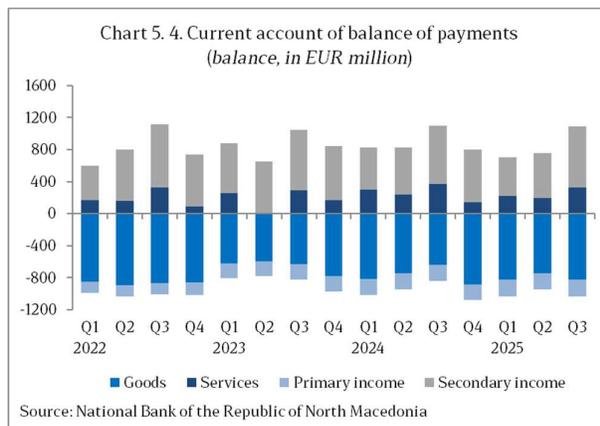
In Q3 2025, **trade deficit** increased by EUR 183.4 million on annual basis, while as a percentage of quarterly GDP it increased by 2.7 p.p. on annual basis, accounting for 18.7%.



Source: National bank of the Republic of North Macedonia



Surplus on **services account** in Q3 2025 amounted to EUR 325.5 million, being lower by EUR 42.5 million compared to the same quarter in 2024. **Trade openness** of the Republic of North Macedonia in Q3 2025 accounted for 127.5% of quarterly GDP, being lower by 4.7 p.p. compared to Q3 2024.



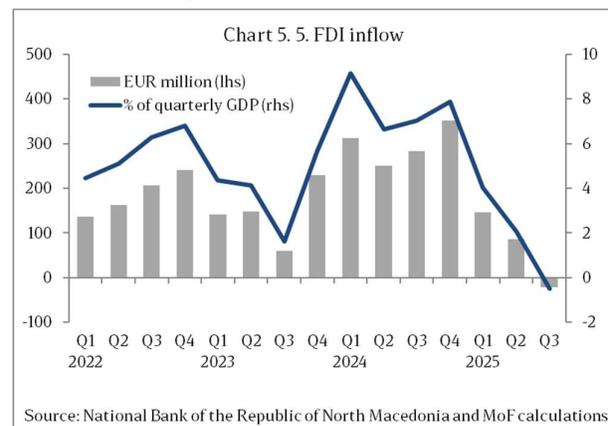
Primary income account experienced EUR 203.9 million deficit in Q3 2025, increasing by EUR 1.3 million on annual basis.

Surplus on the **secondary income** account in Q3 2025 amounted to EUR 765.2 million, being increased by EUR 34.9 million on annual basis. Growth was a result of the increase of official transfers by EUR 74.1 million, participating with 10.3% in the secondary income account, while current transfers declined by EUR 39.2 million, accounting for 89.7% of the secondary income account.

The **capital account** recorded a surplus of EUR 13.4 million in Q3 2025 in contrast to the deficit EUR of 0.3 million in Q3 2024.

Improvement in the capital account balance was mainly driven by capital transfer inflows.

In Q3 2025, **foreign direct investment (FDI)** in the country recorded a negative balance of EUR 21.8 million, representing a decrease of EUR 304.7 million compared to Q3 2024. FDI outflow during this period stemmed from outflows related to debt instruments and reinvestment of earnings of foreign capital companies, while an inflow was registered under equity capital.



Portfolio investments in Q3 2025 amounted to EUR 78.8 million and, compared to the same quarter in the previous year, they declined by EUR 28.1 million.

Other investments in Q3 2025 amounted to EUR 0.5 million. As regards the category other investments, currency and deposit account and the loans account amounted to EUR 131.5 million and EUR 8.8, respectively, while the trade credit and advances account recorded a negative balance of EUR 137.7 million.



At the end of the third quarter of 2025, **reserve assets** amounted to EUR 4.7 billion, increasing by 7.2% compared to Q3 2024. At the end of Q3 2025, reserve assets provided for 4.6-month coverage of import of goods and services in the previous 12-month period.