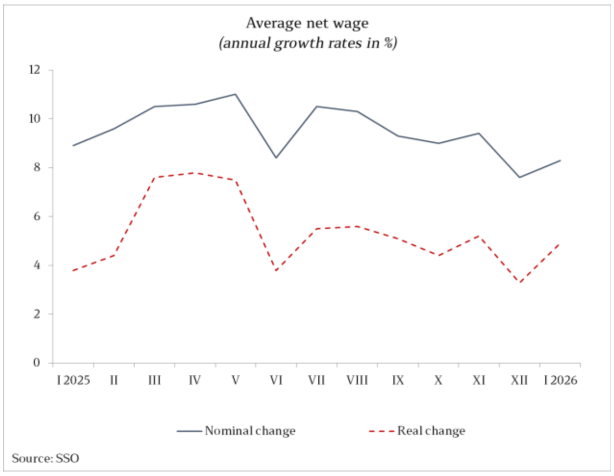
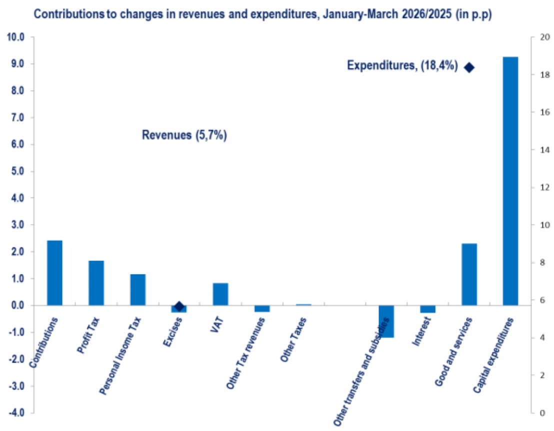
Republic of North Macedonia

Ministry of Finance

MONTHLY NEWSLETTER – March 2026

- The minimum wage starting from March 2026 increased by 6.8% and amounts to Denar 26,046 (EUR 424)
- **Inflation** in March 2026 recorded a 4.9% annual growth, up from 2.9% in February 2026. In the first three months of the year, the inflation rate was 3.7%.
- **Industrial production** in February 2026 decreased by 4.2% annually. In the first two months of 2026, industrial production decreased by 5.3%, as a result of a decrease in all sectors, with Manufacturing falling by 4.8%.
- In January-February 2026, both **exports** of goods and **import** of goods increased by 2.4%, which led to an increase of the **trade deficit** by 2.5% compared to January-February 2025.
- In January 2026, **average net wage** recorded an annual growth of 8.3% in nominal terms and 4.9% growth in real terms. The average net wage amounted to Denar 46,617 (EUR 758), with the average gross wage amounting to Denar 70,066 (EUR 1,139).
- In February 2026, **credit activity** increased by 12.6% on an annual basis, with household lending up by 11.3% and lending to enterprises increasing by 14.3%. Total **deposits** were higher by 9.9% (y/y), reflecting growth in both household deposits by 11.4%, and corporate deposits by 9.0%.





- In the first quarter of 2026, total budget revenues were realized 21.7% of the Budget for 2026. **Budget revenues** increased by 5.7% y/y, whereby tax revenues increased by 5.9% y/y and social contributions increased by 7.2% y/y. Higher tax revenues were driven by PIT, profit tax, VAT and import duties. Lower tax revenues are observed in excises and other taxes.
- Total expenditures in the first quarter of 2026 were realized 25.7% of the Budget for 2026. **Budget expenditures** increased by 18.4% y/y. Current expenditures increased by 9.6% y/y. Capital expenditures recorded higher execution. **Budget deficit** stood at 2.3% of MoF- projected GDP for 2026.

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Key macroeconomic indicators and projections

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
Real GDP growth, %	2.8	1.1	2.9	3.9	-4.7	4.5	2.8	2.6	3.0	3.5	3.8
Nominal GDP, million EUR	9,657	10,038	10,744	11,262	10,852	11,836	13,243	14,668	15,668	16,950	18,014
Average annual inflation, %	-0.2	1.4	1.5	0.8	1.2	3.2	14.2	9.4	3.5	4.1	2.5
Budget balance, % of GDP	-2.7	-2.7	-1.8	-2.0	-8.0	-5.3	-4.4	-4.6	-4.3	-4.0	-3.5
General government debt, e.o.p, % of GDP	39.9	39.4	40.4	40.5	50.8	51.4	49.7	49.5	53.0	51.6	53.3
Current account balance, % of GDP	-2.6	-0.8	0.2	-3.0	-2.9	-2.8	-6.1	0.3	-2.2	-4.4	-3.8
Average unemployment rate, %	23.7	22.3	20.6	17.1	16.2	15.4	14.4	13.1	12.4	11.5	10.1
Average exchange rate MKD/EUR	61.6	61.6	61.5	61.5	61.7	61.6	61.6	61.6	61.5	61.6	61.5
Foreign reserves, e.o.p., % of GDP	27.1	23.3	26.7	29.0	31.0	30.8	29.2	30.9	32.1	29.1	29,1**

*MoF projections, unless otherwise noted

**Actual for March 2026, ratio based on MoF projections

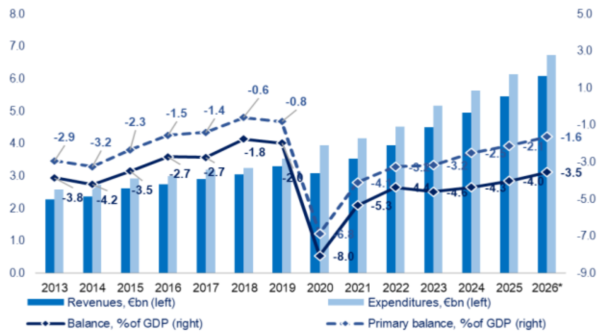
Latest GDP and inflation estimates and forecasts

	Real GDP growth, %		Average inflation, %	
	2025	2026	2025	2026
IMF, WEO (October 2025)	3.4	3.2	3.9	3.0
European Commission (November 2025)	3.2	3.3	3.9	3.2
World Bank (October 2025)	3.1	3.0	3.8	2.5
National Bank (November 2025)	3.5	4.0	3.9	2.5
MoF, North Macedonia (November 2025)	3.5	3.8	3.9	2.5

Credit rating, latest

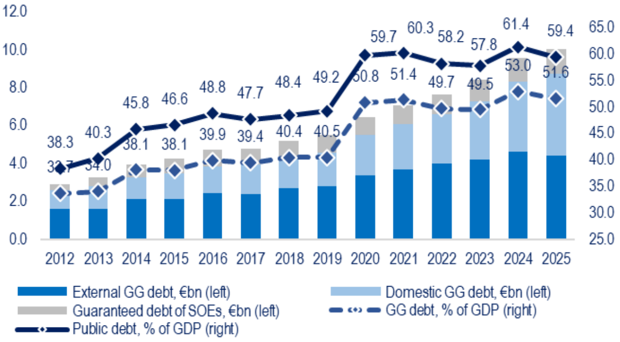
	Rating	Outlook
Standard & Poor's, January 2026	BB-	Stable
Fitch, April 2026	BB+	Stable

Budget revenues, expenditures and deficit



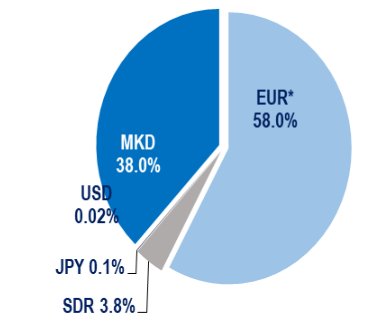
*2026 Budget data and MoF GDP forecat

General government and total public debt



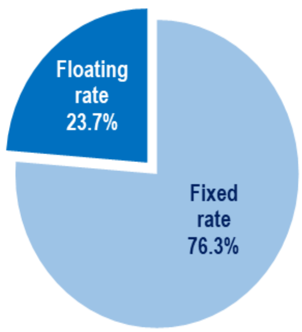
Starting Q2 2019, public debt also includes non-guaranteed debt of SoEs

GG debt - Currency structure, Q4 2025

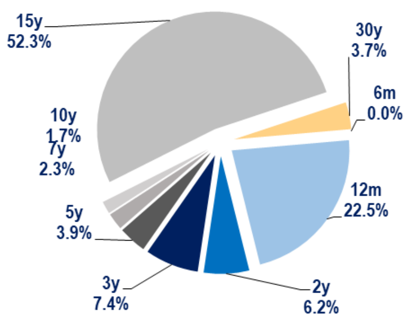


*Includes FX-linked domestic government securities

GG debt - Interest rate structure, Q4 2025



Domestic government securities - original maturity, March 2026



Domestic government securities, EUR m

Outstanding, March 31st 2026	**4,339.9**
- Of which without FX clause	**3,462.4**
- Of which with FX clause	**877.5**
Total planned net issuance for 2026	400.0
Of which net issued by March 2026	152.3

Yields on domestic government securities issued on the primary market during March 2026

in %	3m	6m	12m	2y	3y	5y	7y	10y	15y	30y
Without FX clause			4,00	4,20					5,10	
With FX clause										

Republic of North Macedonia outstanding eurobonds, 31.03.2026

Maturity date	Rating		Original/outstanding size (mn)	Coupon	Price	Yield	Bid Spread vs. BM	Bid z-Spread vs. MS
	S&P	F						
Jun-26	BB-	BB+	€ 700	3.675%	99.68	5.400	320	318
Mar-28	BB-	BB+	€ 700	1.625%	93.88	5.019	243	218
Mar-27	BB-	BB+	€ 500	6.960%	101.46	5.322	228	220
Jan-30	BB-	BB+	€ 500	3.875%	96.17	5.000	230	213
Jan-34	BB-	BB+	€ 500	4.750%	94.67	5.609	275	261