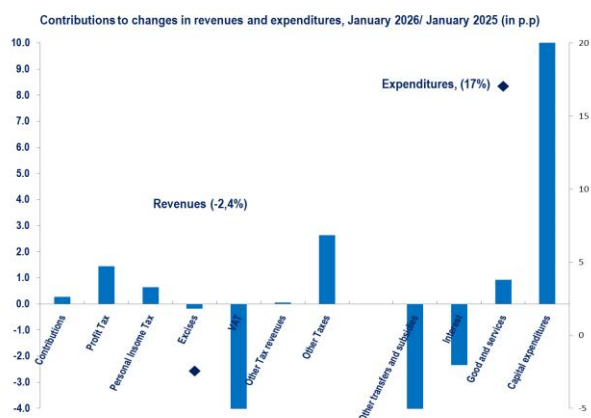




MONTHLY NEWSLETTER – January 2026

- **Industrial production** in December 2025 increased by 2.3% annually. In the entire 2025, industrial production grew by 1.9%, as a result of the growth in Manufacturing (2.9%), while Electricity, gas, steam and air conditioning supply dropped by 7.0%.
- **Inflation** in January 2026 recorded a 3.2% annual growth, down from 4.1% in December 2025. In 2025 overall, the inflation rate was 4.1%.
- In 2025, **exports** of goods increased by 2.9% on annual basis, while **import** of goods grew by 4.4%, which led to an increase of the **trade deficit** by 7.8% compared to 2024.
- In December 2025, **credit activity** increased by 13.0% on an annual basis, with household lending up by 10.9% and lending to enterprises increasing by 15.3%. Total **deposits** were higher by 10.1% (y/y), reflecting growth in both household deposits by 12.1%, and corporate deposits by 6.5%.



- In November 2025, **average net wage** recorded an annual growth of 9.4% in nominal terms and 5.2% growth in real terms. The average net wage amounted to Denar 45,961 (EUR 747), with the average gross wage amounting to Denar 69,141 (EUR 1,124).
- **S&P Global Ratings** affirmed the rating of Republic of North Macedonia as BB-, with stable outlook.
- In January 2026, total budget revenues were realized 6% of the Budget for 2026. **Budget revenues** decreased by 2.4% y/y, whereby tax revenues declined by 9.3% y/y, while social contributions increased by 0.8% y/y. Higher tax revenues were driven by PIT, profit tax, import duties and other tax revenues. Lower tax revenues are observed in VAT and excise duties.
- Total expenditures in January 2026 were realized 7.8% of the Budget for 2026. **Budget expenditures** increased by 17% y/y. Current expenditures increased by 1.1% y/y. Capital expenditures recorded higher execution. **Budget deficit** stood at 0.9% of MoF- projected GDP for 2026.



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 | 16,897 | 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 | 51.8*** | / |
| Current account balance, % of GDP | -2.6 | -0.8 | 0.2 | -3.0 | -2.9 | -2.8 | -6.1 | 0.3 | -2.2 | -4.0 | -3.8 |
| Average unemployment rate, % | 23.7 | 22.3 | 20.6 | 17.1 | 16.2 | 15.4 | 14.4 | 13.1 | 12.4 | 11.2 | 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 | 29.2*** | 31.1**** |

*MoF projections, unless otherwise noted

**Actual data

***Actual data, ratios based on MoF projections

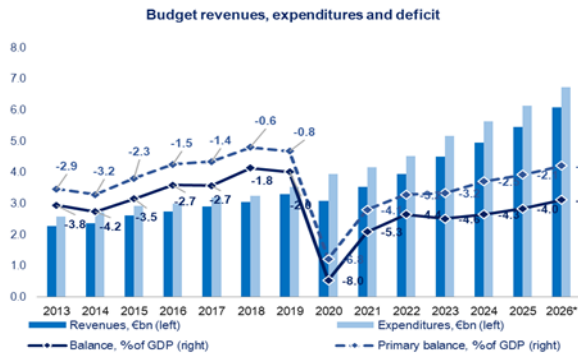
****Actual for January 2026, ratio based on MoF projections

Latest GDP and inflation estimates and forecasts

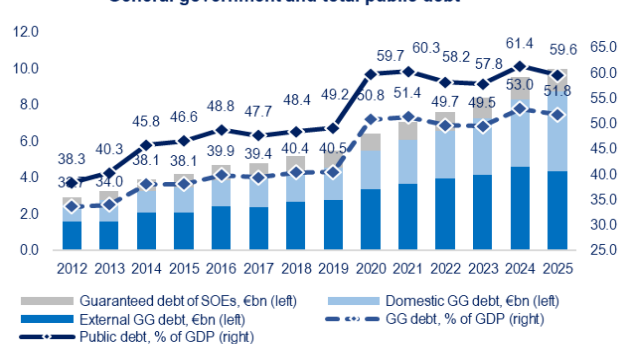
| | Real GDP growth, % | | Average inflation, % | |
|--------------------------------------|--------------------|------|----------------------|------|
| | 2025 | 2026 | 2025 | 2026 |
| IMF, WEO (October 2025) | 3.4 | 3.2 | 3.9 | 3.0 |
| European Commission (November 2025) | 3.2 | 3.3 | 3.9 | 3.2 |
| 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

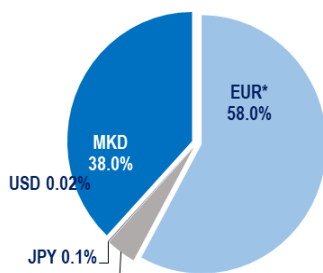
| | Rating | Outlook |
|---------------------------------|--------|---------|
| Standard & Poor's, January 2026 | BB- | Stable |
| Fitch, September 2025 | BB+ | Stable |



General government and total public debt

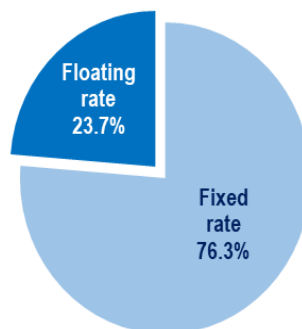


GG debt - Currency structure, Q4 2025

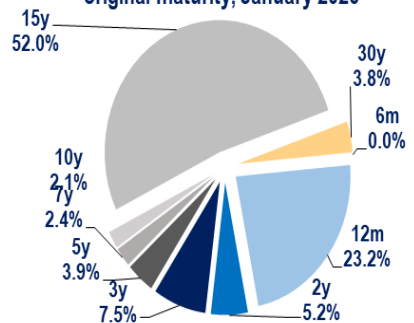


*Includes FX-linked domestic government securities

GG debt - Interest rate structure, Q4 2025



Domestic government securities - original maturity, January 2026



Domestic government securities, EUR m

| | |
|-------------------------------------|---------|
| Outstanding, January 31st 2026 | 4,269.4 |
| - Of which without FX clause | 3,395.3 |
| - Of which with FX clause | 874.1 |
| Total planned net issuance for 2026 | 400.0 |
| Of which net issued by January 2026 | 81.5 |

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

| in % | 3m | 6m | 12m | 2y | 3y | 5y | 7y | 10y | 15y | 30y |
|-------------------|----|----|------|----|----|------|----|-----|------|-----|
| Without FX clause | | | 4.00 | | | 4.35 | | | 5.10 | |
| With FX clause | | | | | | | | | | |

Republic of North Macedonia outstanding eurobonds, 30.01.2026

| Maturity date | Rating | | Original/outstanding size (mn) | Coupon | Price | Yield | Bid Spread | |
|---------------|--------|-----|--------------------------------|--------|--------|-------|------------|--------|
| | S&P | F | | | | | vs. BM | vs. MS |
| Jun-26 | BB- | BB+ | € 700 | 3.675% | 100.00 | 3.599 | 158 | 150 |
| Mar-28 | BB- | BB+ | € 700 | 1.625% | 95.53 | 3.883 | 185 | 165 |
| Mar-27 | BB- | BB+ | € 500 | 6.960% | 103.07 | 4.048 | 123 | 114 |
| Jan-30 | BB- | BB+ | € 500 | 3.875% | 99.26 | 4.080 | 182 | 167 |
| Jan-34 | BB- | BB+ | € 500 | 4.750% | 98.35 | 5.006 | 241 | 229 |