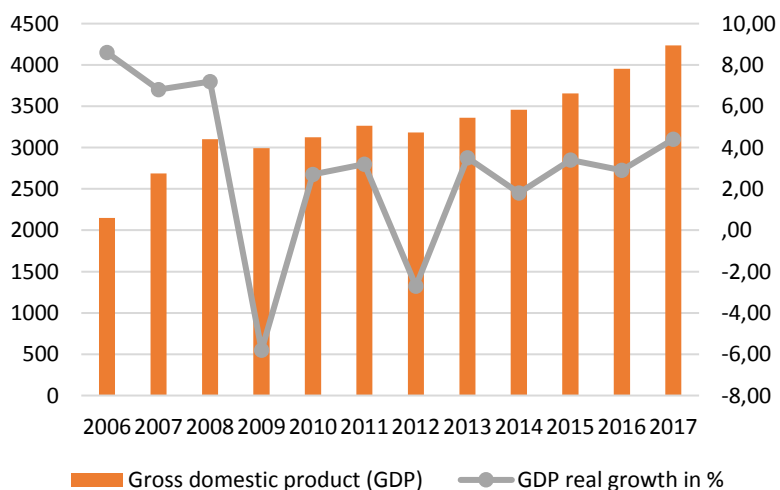


# Macroeconomic trends 2012 – 2017

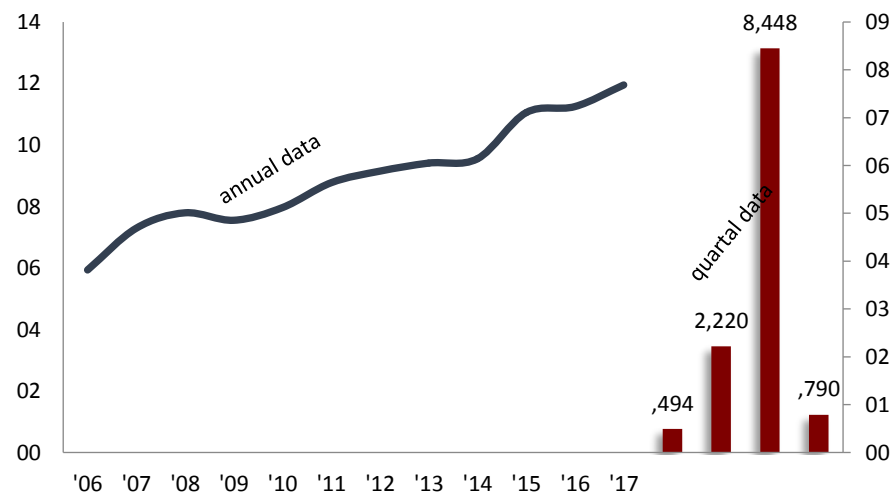
Table 1 – REAL SECTOR

Indicator	2012	2013	2014	2015	2016	2017
Gross domestic product (GDP) current prices (mill EUR)	3181	3362	3458	3655	3954	4237
GDP real growth in %	-2,7	3,5	1,8	3,4	2,9	4,4 <sup>1</sup>
GDP per capita	5.126	5.412	5.561	5.826	6.354	-
GDP per capita PPP (international \$)	13.990	14.666	15.353	16.123	17.022	-
GDP per capita (% in EU average)	39,0	41,0	41,0	42,0	45,0	-
CPI annual growth, end of period, in %	5,1	0,3	-0,3	1,4	0,9	1,9
Producer prices, annual growth, end of period, in %	5,6	-0,6	0,9	0,0	-0,3	0,1
Industrial production, growth in %, period over period	-7,1	10,6	-11,4	7,9	-4,4	-4,2
Mining and quarrying growth in %, period over period	-21,0	-1,4	14,4	-8,1	-18,1	113,9
Electricity production growth in %, period over period	1,4	38,7	-19,6	-5,9	3,5	-24,6
Processing industry, growth in %, period over period	-10,1	-5,0	-6,7	19,9	-7,8	-3,0
Tourism overnight stays, growth in %, period over period	4,3	2,8	1,5	15,7	1,8	6,3
Retail revenues, real growth in %, Y-o-Y	4,3	9,5	3,8	2,2	2,4	3,3
Transport (telecommunications - mobile telephony), real growth in %, period-on-period	9,3	0,9	10,7	1,0	1,3	0,5
Value of completed construction works, real growth in %, period-on-period	-13,2	9,7	2,0	5,8	31,5	51,5

Graphic 1 GDP trend in mill. €



Graphic 2 Tourism overnight stays, in mill. €

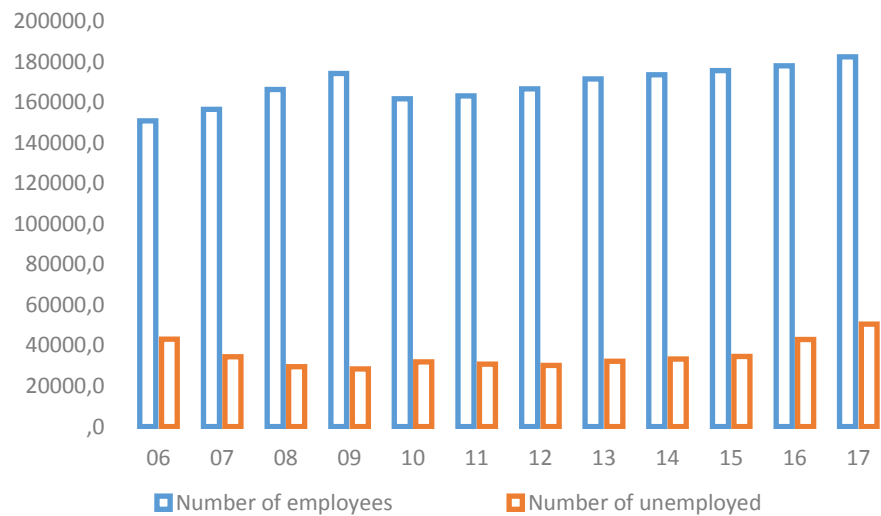


<sup>1</sup> Preliminary data based on quartal GDP

Table 2 – EMPLOYMENT AND WAGES

Indicator	2012	2013	2014	2015	2016	2017
Average number of employees	166.531	171.474	173.595	175.617	177.908	182.368
Number of employees * growth rate in %	2,1	3	1,2	1,2	1,3	2,5
Average number of unemployed	31.232	34.514	34.687	39.991	49.487	50.510
Unemployment rate (end of the period)	13,5	14,9	14,9	17,2	21,3	22,1
Average gross wage	727	726	723	725	751	765
Average gross wage growth in %	0,6	-0,1	-0,4	0,3	3,6	1,9
Average net wage	487	479	477	480	499	510
Average pension	279	277	275	272	280	283
Issued work permits	20.712	22.498	23.061	16.811	14.714	20.969
Human Development Index (HDI)	0,787	0,789	0,802	0,807	-	-

Graphic 3 Labour market trend



Graphic 4 Wages and pensions trend in €

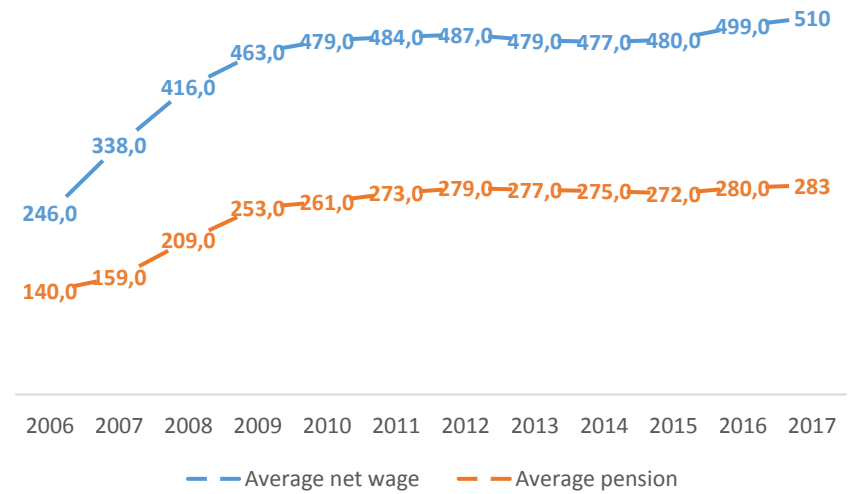
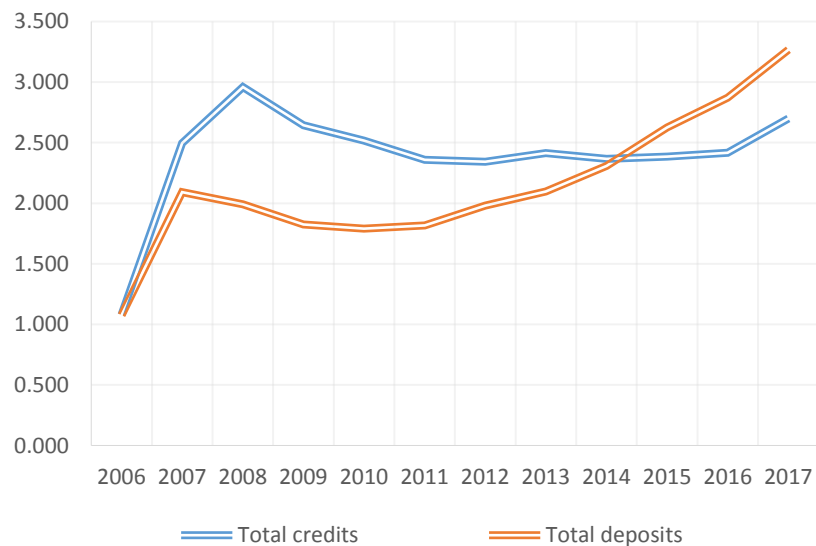


Table 3 – MONETARY SECTOR

Indicator	2012	2013	2014	2015	2016	2017
Total loans	2.341,98	2.413,98	2.367,18	2.385,58	2.415,82	2.700,56
Total loans, nominal growth in %, Y-o-Y	-0,7	3,1	-1,9	0,8	1,3	11,8
Corporate loans, nominal growth in %, Y-o-Y	-5,0	2,2	-3,4	2,0	0,1	4,5
Household loans, nominal growth in %, Y-o-Y	-3,0	8,9	1,4	3,1	10,5	10,3
Non-performing loans (% in total loans)	17,6	17,53	15,87	12,57	10,29	7,29
Total deposits	1.980,72	2.097,70	2.308,12	2.624,98	2.871,46	3.267,22
Total deposits, nominal growth in %, Y-o-Y	9,0	5,9	10,0	13,7	9,4	13,8
Corporate deposits, nominal growth in %, Y-o-Y	10,2	5,3	15,5	22,4	23,4	17,1
Retail deposits, nominal growth in %, Y-o-Y	11,0	7,9	7,6	8,1	6,5	11,1
Interest rate on deposits, end of period	3,23	2,54	1,86	1,23	0,93	0,69
Interest rate on loans, end of period	9,47	9,36	9,22	8,53	7,45	6,81

Graphic 5 Total credits and deposits in mill. €



Graphic 6 Interest rates trend in %

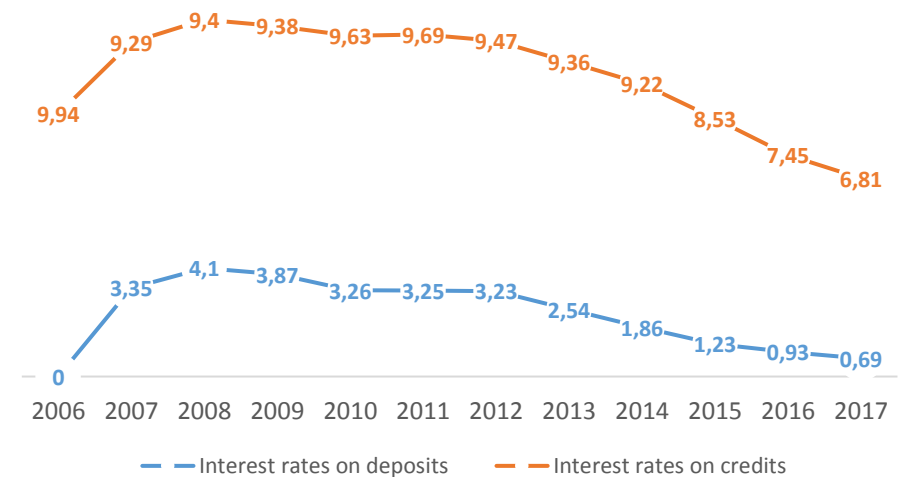
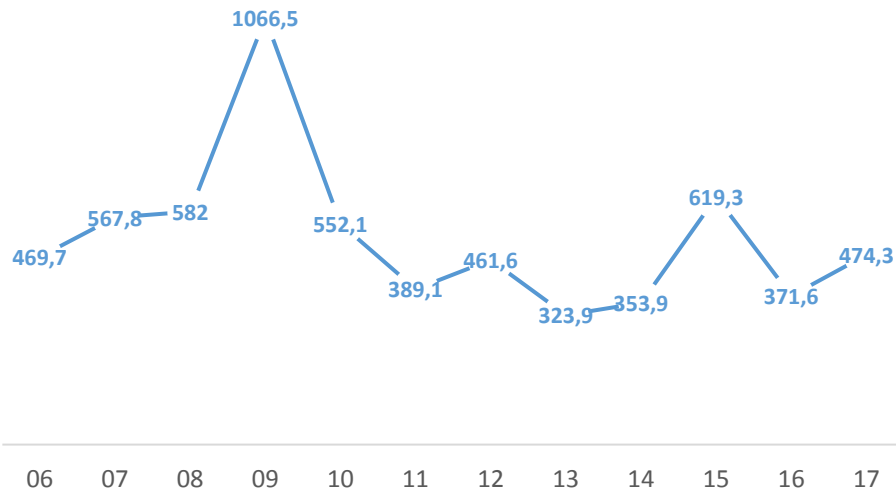


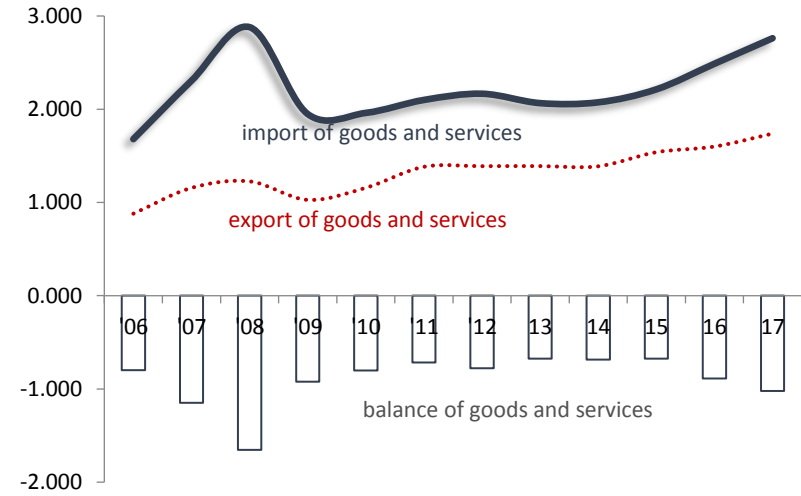
Table 4 – EXTERNAL SECTOR

Indicator	2012	2013	2014	2015	2016	2017
Balance of current account in mill. €	-587,6	-486,6	-525,8	-482,8	-715,0	-799,3
Balance of current account, nominal growth in % y-o-y	2,5	-17,2	8,0	-8,2	48,1	11,8
Balance of current account, as % GDP	-18,5	-14,5	-15,2	-13,3	-18,1	-18,9
Foreign trade mill. €	2.172,9	2.120,0	2.091,4	2.114,1	2.347,9	2.612,8
Foreign trade nominal growth in %, y-o-y	-3,8	-2,4	-1,4	1,1	11,1	11,3
BALANCE OF FOREIGN TRADE in mill. €	-1.389,2	-1.328,6	-1.376,4	-1.463,5	-1.657,3	-1.859,6
Balance of nominal trade, nominal growth in %, y-o-y	6,4	-4,4	3,6	6,3	13,2	12,2
Balance of foreign trade as % of GDP	-43,7	-39,5	-39,8	-40,4	-41,9	-43,9
Export of goods in mill. €	391,9	395,7	357,5	325,3	345,3	376,6
Export of goods nominal growth in %, y-o-y	-17,8	1,0	-9,7	-9,0	6,2	9,1
Export of goods (as % of GDP)	12,3	11,8	10,3	9,0	8,7	8,9
Import of goods in mill. €	1.781,1	1.724,3	1.733,9	1.788,8	2.002,6	2.236,2
Import of goods in mil € nominal growth in %, y-o-y	-0,1	-3,2	0,6	3,2	12,0	11,7
Import of goods (as % of GDP)	56,0	51,3	50,1	49,3	50,6	52,8
BALANCE OF SERVICES in mill. €	612,3	653,2	690,3	789,2	769,1	836,4
Balance of services nominal growth in %, y-o-y	3,9	6,7	5,7	14,3	-2,5	8,8
Balance of services (as % of GDP)	19,2	19,4	20,0	21,8	19,5	19,7
Export of services in mill. €	997,6	994,4	1.030,6	1.213,9	1.254,6	1.362,1
Export of services nominal growth in %, y-o-y	10,1	-0,3	3,6	17,8	3,3	8,6
Export of services (as % of GDP)	31,4	29,6	29,8	33,5	31,7	32,1
Import of services in mill. €	385,3	341,2	340,3	424,8	485,5	525,7
Import of services nominal growth in %, y-o-y	21,6	-11,5	-0,3	24,8	14,3	8,3
Import of services (as % of GDP)	12,1	10,1	9,8	11,7	12,3	12,4
EXPORT OF GOODS AND SERVICES in mill. €	1.389,4	1.390,1	1.388,1	1.539,2	1.599,9	1.738,7
Export of goods and services nominal growth in %, y-o-y	0,5	0,1	-0,1	10,9	3,9	8,7
Export of goods and services (as % of GDP)	43,7	41,3	40,1	42,5	40,5	41,0
IMPORT OF GOODS AND SERVICES in mill. €	2.166,4	2.065,5	2.074,2	2.213,6	2.488,1	2.761,9
Import of goods and services nominal growth in %, y-o-y	3,2	-4,7	0,4	6,7	12,4	11,0
Import of goods and services (as % of GDP)	68,1	61,4	60,0	61,1	62,9	65,2
BALANCE OG GOODS AND SERVICES (net export) in mill. €	-777,0	-675,4	-686,1	-674,4	-888,2	-1023,2
Balance of goods and services, nominal growth in %, y-o-y	8,4	-13,1	1,6	-1,7	31,7	15,2
Balance of goods and services, as % of GDP	-24,4	-20,1	-19,8	-18,6	-22,5	-24,2
FDI in mill. €	461,6	323,9	353,9	619,3	371,6	474,3
FDI nominal growth in %, y-o-y	18,6	-29,8	9,3	75,0	-40,0	27,6
FDI (as % of GDP)	14,5	9,6	10,2	16,9	9,4	11,2

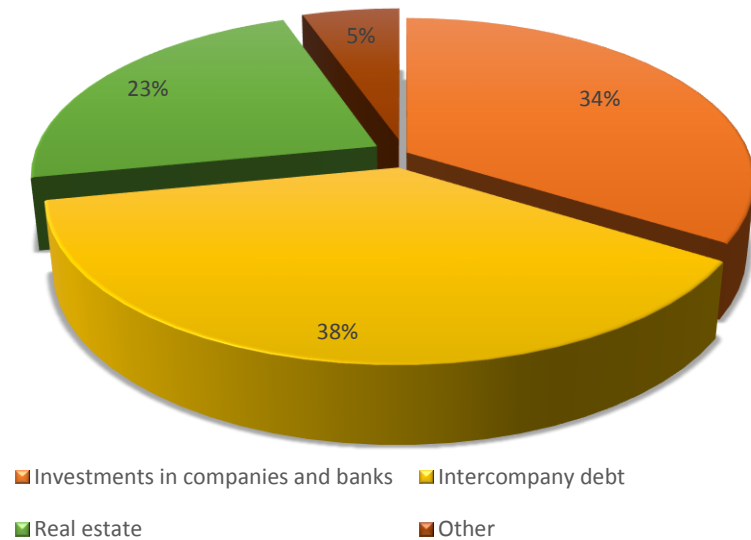
Graphic 7 Net FDI trend in mill. €



Graphic 8 Foreign trade in mill. €



Graphic 9 FDI inflow structure in 2017 in %



Graphic 10 Export of services trend in mill. €

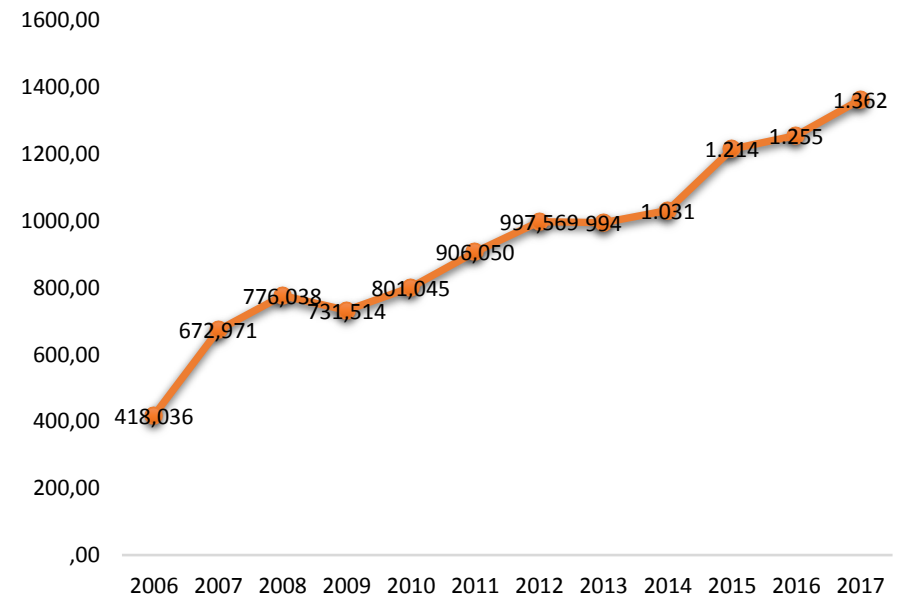


Table 5 – PUBLIC FINANCE

Indicator	2012	2013	2014	2015	2016	2017
Public revenues (mill.€)	1.299,91	1.431,90	1549,8	1525,8	1684,2	1785,0
Public revenues (growth in %, period over period)	1,2	10,2	8,23	-1,5	10,4	6,0
Public revenues (% GDP)	40,86	42,59	44,8	41,7	42,6	42,1
Revenues from privatization (mill.€)	14,02	26,78	14,5	9,7	11,1	9,3
Revenues from privatization (%GDP)	0,41	0,77	0,4	0,3	0,3	0,2
Public expenditures (mill.€)	1.476,04	1.586,54	1650,8	1828,6	1826,5	2012,9
Public expenditures (growth in %, period over period)	1,01	7,49	0,0	10,8	-0,1	10,2
Public expenditures (% GDP)	46,40	47,19	47,7	50,0	46,2	47,5
Wages in public sector (%GDP)	12,8	12,1	12,27	11,7	11,8	11,6
Capital budget (%GDP)	3,4	3,7	3,39	7,3	2,7	7,1
Public finance balance (mill.€)	-176,13	-154,64	-101,0	-302,7	-142,2	-227,8
Net increase of liabilities (mill.€)	11,28	21,87	6,50	-37,7	-30,1	0,0
Public finance balance (%GDP)	-5,54	-4,60	-2,9	-8,3	-3,6	-5,4
Primary balance (%GDP)	-3,66	-3,13	-0,83	-4,9	-0,7	-3,0

Table 5a – CENTRAL BUDGET

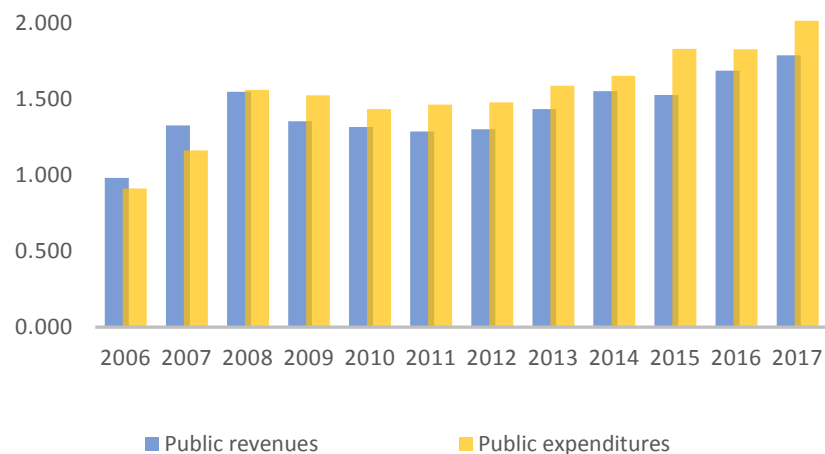
Indicator	2012	2013	2014	2015	2016	2017
Budget revenues (mill.€)	1.121,02	1.243,53	1353,7	1326,7	1487,1	1565,9
Budget revenues (growth in %, period over period)	-0,7	10,9	8,9	-2,0	12,1	5,3
Budget revenues (%GDP)	35,24	36,99	39,1	36,3	37,6	37,0
Budget expenditures (mill.€)	1.316,57	1.444,79	1456,7	1618,0	1622,0	1803,6
Budget expenditures (growth in %, period over period)	-0,2	9,7	0,8	11,1	0,3	11,2
Budget expenditures (%GDP)	41,39	42,97	42,1	44,3	41,0	42,6
Modified Surplus/Deficit (mill.€)	-195,56	-215,70	-107,1	-276,1	-122,3	-237,6 <sup>2</sup>
Modified Surplus/Deficit (%GDP)	-6,15	-6,42	-3,1	-7,6	-3,1	-5,6

Table 5b – STATE DEBT

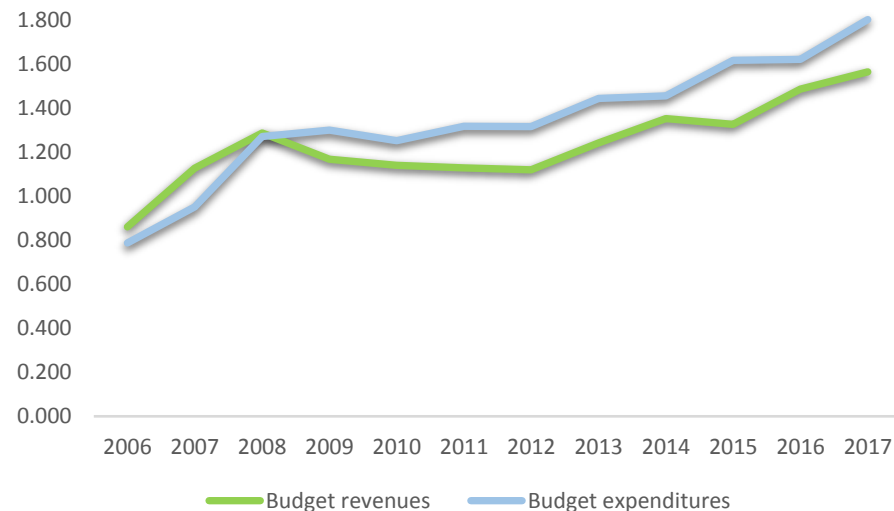
Indicator	2012	2013	2014	2015	2016	2017
State Debt (mill.€)	1.699,5	1.933,7	1942,9	2276,7	2403,0	2627,9
State Debt (%GDP, end of year)	53,4	57,5	56,2	62,3	60,8	62,0
Debt to non-residents (mill.€)	1.295,0	1.433,0	1561,7	1956,4	2002,8	2214,0
Debt to residents (mill.€)	404,5	500,7	381,2	320,3	400,2	413,9
Guarantees (mill.€)	388,3	313,5	307,5	295,2	344,9	312,8
Guarantees (%GDP, end of period)	12,2	9,3	8,4	8,1	8,7	7,4

<sup>2</sup> Cash deficit for 2017, modified will be in the End-year account in October

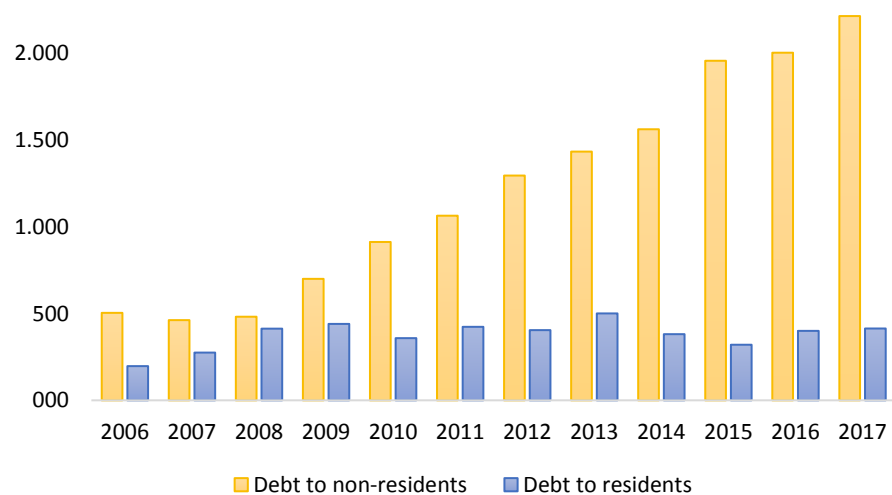
Graphic 11 Public revenues and public expenditures trend in mill. €



Graphic 12 Budget revenues and expenditures trend in mill. €



Graphic 13 State debt trend in mill. €



Graphic 14 Guarantees trend in mill. €

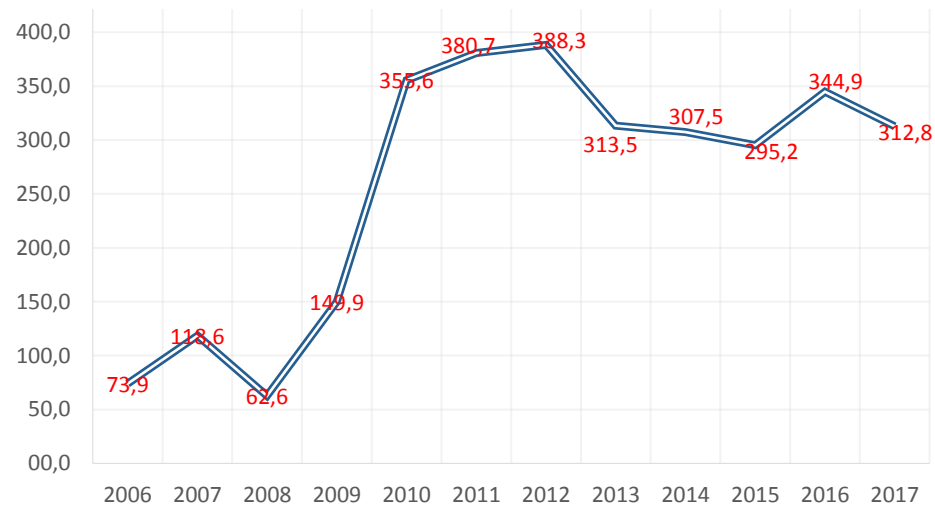
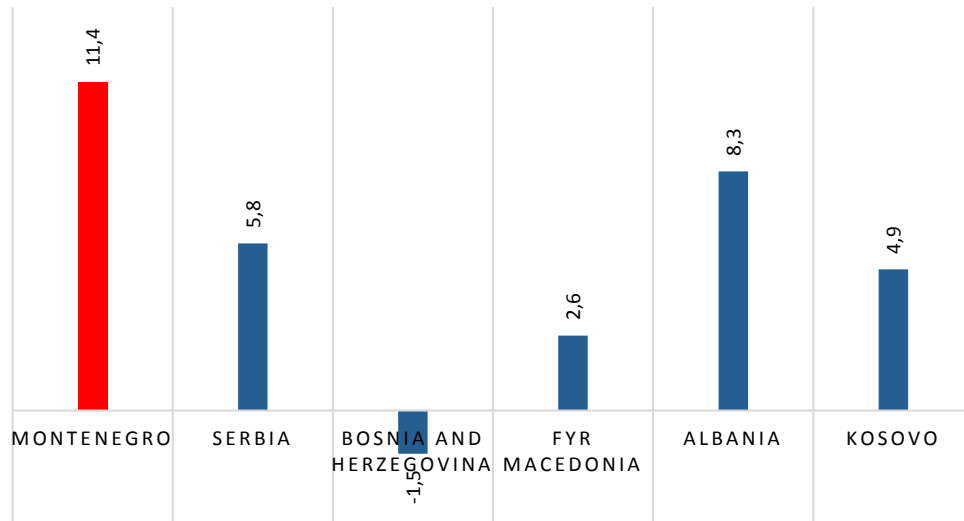


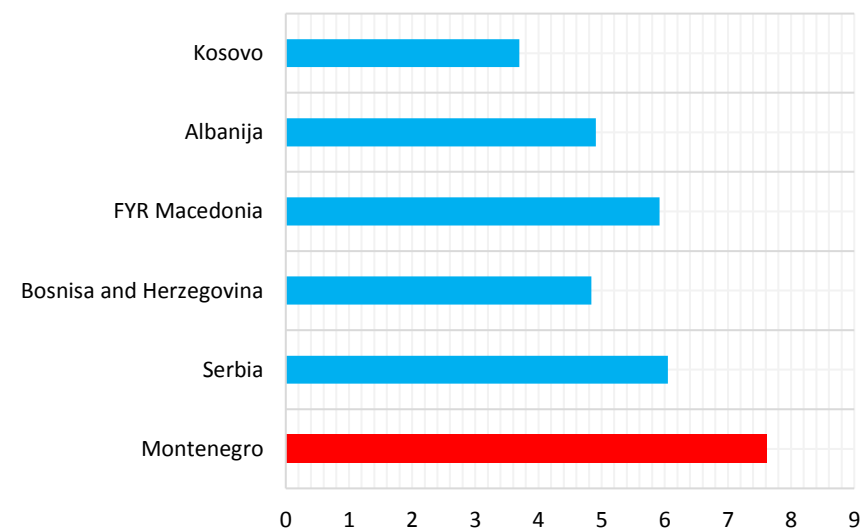
Table 6 – REGIONAL COMPARISON OF INDICATORS SEE6 IN 2017

Indicator	Montenegro	Serbia	Bosnia and Herzegovina	FYR Macedonia	Albania	Kosovo
GDP per capita <sup>3</sup> Nominal, in USD	7.62	6.05	4.84	5.92	4.91	3.7
GDP real growth rate <sup>4</sup> %	4,2	2,0	3,0	1,5	3,8	4,4
Balance of payment %GDP	-18,6	-4,6	-5,3	-3,1	-8,3	-9,7
Net inflow FDI %GDP	11,4	5,8	-1,5	2,6	8,3	4,9
Unemployment rate %, period average	17,0	13,5	20,5	22,0	14,0	n.p.
Public expenditure %GDP	45,9	42,1	44,2	33,4	30,2	29,0
Public finance deficit %GDP	-3,9	0,3	-1,5	-3,0	-2,0	-2,0
Public debt %GDP gross	68,4	62,3	37,4	39,7	65,7	16,8

Graphic 15 Net inflow FDI, % GDP



Graphic 16 GDP per capita, nominal in .000 US \$



<sup>3</sup> IMF, in thousands

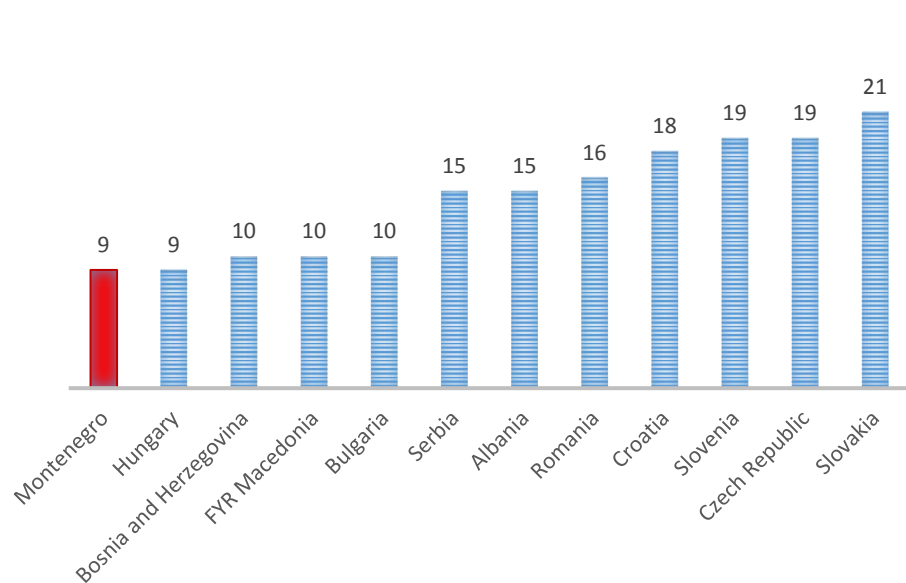
<sup>4</sup> World Bank, estimation



Table 7- REGIONAL COMPARISON OF INDICATORS

Indicator	Montenegro	Serbia	Bosnia and Herzegovina	Croatia	Slovenia	FYR Macedonia	Albania	Romania	Bulgaria	Slovakia	Czech Republic	Hungary
Value added tax (VAT) rate, %	21 7 0	20 10	17	25 13 5	22 9,5	18 5	20 10	19 9 5	20 9	20 10	21 15 10	27 18 5
Income Tax rate, %	11 9	10	10	36 24	50 39 34 16	10	23 13 0	16	10	25	22 15	15
Corporate Tax rate, %	9	15	10	18	19	10	15	16	10	21	19	9

Graphic 17 Comparison of corporate rate tax in %



Graphic 18 Comparison of standard VAT rate in %

