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## **BULLETIN 169**

Zagreb, April 2011

# General information on Croatia

## Economic indicators

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Area (square km)	56,538	56,538	56,538	56,538	56,538	56,538	56,538	56,538	56,538	56,538*
Population (million)	4.440	4.440	4.440	4.439	4.442	4.440	4.436	4.434	4.429	4.417*
GDP (million HRK, current prices) <sup>a</sup>	192,289	208,796	228,932	247,428	266,652	291,044	318,308	345,015*	335,189*	334,564*
GDP (million EUR, current prices)	25,738	28,189	30,265	33,009	36,034	39,745	43,390	47,765*	45,669*	45,917*
GDP per capita (in EUR)	5,797	6,349	6,816	7,436	8,112	8,951	9,781	10,772*	10,311*	10,396*
GDP – real year-on-year rate of growth (in %)	3.7	4.9	5.4	4.1	4.3	4.9	5.1	2.2*	-6.0*	-1.2*
Average year-on-year inflation rate <sup>b</sup>	3.8	1.7	1.8	2.1	3.3	3.2	2.9	6.1	2.4	1.1*
Current account balance (million EUR)	-821	-2,099	-1,889	-1,434	-1,976	-2,726	-3,236	-4,336	-2,506	-654*
Current account balance (as % of GDP)	-3.2	-7.4	-6.2	-4.3	-5.5	-6.9	-7.5	-9.1*	-5.5*	-1.4*
Exports of goods and services (as % of GDP)	42.0	39.5	43.4	43.1	42.4	42.7	42.2	41.7*	35.4*	38.3*
Imports of goods and services (as % of GDP)	47.0	49.0	50.2	49.1	48.5	49.4	49.5	49.7*	39.1*	38.6*
External debt (million EUR, end of year) <sup>c</sup>	13,609	15,144	19,884	22,933	25,761	29,274	32,929	39,950	44,606	45,792*
External debt (as % of GDP)	52.9	53.7	65.7	69.5	71.5	73.7	75.9	83.6*	97.7*	99.7*
External debt (as % of exports of goods and services)	125.9	136.1	151.3	161.0	168.7	172.3	179.9	200.7	276.1	260.2*
External debt service (as % of exports of goods and services) <sup>c,d</sup>	27.5	27.5	21.3	22.5	25.0	35.8	33.3	28.2	46.1	41.0*
Gross international reserves (million EUR, end of year)	5,334	5,651	6,554	6,436	7,438	8,725	9,307	9,121	10,376	10,660*
Gross international reserves (in terms of months of imports of goods and services, end of year)	5.3	4.9	5.2	4.8	5.1	5.3	5.2	4.6	7.0	7.2*
National currency: Croatian kuna (HRK)										
Exchange rate on 31 December (HRK : 1 EUR)	7.3700	7.4423	7.6469	7.6712	7.3756	7.3451	7.3251	7.3244	7.3062	7.3852*
Exchange rate on 31 December (HRK : 1 USD)	8.3560	7.1457	6.1185	5.6369	6.2336	5.5784	4.9855	5.1555	5.0893	5.5683*
Average exchange rate (HRK : 1 EUR)	7.4710	7.4070	7.5642	7.4957	7.4000	7.3228	7.3360	7.2232	7.3396	7.2862*
Average exchange rate (HRK : 1 USD)	8.3392	7.8725	6.7044	6.0312	5.9500	5.8392	5.3660	4.9344	5.2804	5.5000*
Consolidated general government overall fiscal balance (as % of GDP) <sup>e</sup>	-5.9*	-4.3*	-5.4*	-4.2*	-3.5*	-3.4*	-3.0*	-2.1*	-4.5*	-5.0*
Public debt (as % of GDP) <sup>f</sup>	35.2	34.8	35.4	37.6	38.2	35.4	32.9	29.2*	35.1*	41.2*
Unemployment rate (ILO, persons above 15 years of age)	15.8	14.8	14.3	13.8	12.7	11.2	9.6	8.4	9.1	11.8*
Employment rate (ILO, persons above 15 years of age)	41.8	43.3	43.1	43.5	43.3	43.6	44.2	44.5	43.3	41.1*

<sup>a</sup> Data for the 2008-2010 period are preliminary.

<sup>b</sup> CPI inflation rate.

<sup>c</sup> In accordance with the obligations assumed during the pre-accession negotiations with the European Commission, the new legislative provisions governing the monitoring of foreign borrowing entered into force early in 2008. The external debt balance at end-2007 is reported in accordance with the old system. In order to provide for the comparability of annual data, the external debt is also calculated in accordance with the new system which shows an upward adjustment in the end-2007 balance, increasing it by EUR 325m or to EUR 33,254m. The advanced data processing system is in use since early 2009. For comparability reasons, the external debt balance at end-2008 is also calculated in accordance with the advanced system which shows an upward adjustment in the end-2008 balance, increasing it by EUR 366m or to EUR 40,316m.

<sup>d</sup> Includes principal payments on bonds, long-term trade credits and long-term loans (excluding liabilities to affiliated enterprises), as well as total interest payments net of interest payments on direct investment.

<sup>e</sup> The overall fiscal balance (GFS 2001) in the 1999-2001 period is shown on a cash basis and from 2002 on a modified accrual basis. CM, CR, CPF and DAB are included from 2001, but CM has been excluded since 2008. Repayments of debt to pensioners are included in the calculation of the balance (for more details on the methodology of the balance calculation, see Box 4 in CNB Bulletin No. 165).

<sup>f</sup> Public debt is the debt of the general government. From 2008 on, it excludes the debt of CM.

Sources: CBS, MoF and CNB.

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# Information on economic trends



## Summary

As in the whole of 2010, real economic activity declined in the last quarter, due to adverse domestic demand movements.

In contrast to this, favourable movements in exports continued.

Unemployment increased and employment decreased.

Inflation accelerated due to foreign inflationary pressures.

The current account deficit continued to shrink.

The needs for foreign capital inflow remained limited.

Despite the high liquidity, there has been no major improvement in domestic financing terms.

Following a rise in real GDP during the third quarter of 2010, overall economic activity slumped again in the fourth quarter. Given the unfavourable movements seen in the first semi-annual period, real GDP dropped by 1.2% at the 2010-level. Such performance was due to negative trends in domestic demand. Specifically, despite slightly more favourable movements in the second half of the year, a severe slump in the first quarter led to an annual decline in all domestic demand components from 2009. Adverse labour market conditions and low consumer optimism inhibited the growth of household consumption, and investment demand slowed down. A breakdown by activity shows that, at the annual level, GVA decreased in all economic activities except financial intermediation and real estate activity, whereas available short-term indicators suggest stagnation in overall output at the beginning of 2011.

Due to a recovery of foreign demand, exports of goods and services were the key drivers of real domestic economic activity in 2010. All the country's major foreign trade partners pulled out of recession during 2010, and, unlike the Croatian economy, most world economies grew much faster than anticipated, with developing countries and emerging markets, expectedly, reporting the highest growth rates.

Against the background of a continuing economic slowdown in Croatia, negative movements in the labour market persisted. During 2010, there was an ever-increasing number of unemployed persons, whereas the number of the employed declined. Similar movements were observed early in 2011, which led to a further increase in the registered unemployment rate, to 19.6% at end-February.

Despite the absence of inflationary pressures, because of the weak domestic demand and labour market trends, consumer price inflation in Croatia increased slightly at end-2010 and early in 2011. This was mainly due to external pressures caused by growth in the prices of food raw materials, energy products and other raw materials on the global market. The annual CPI inflation rate edged up from 1.2% in November 2010 to 2.2% in February 2011, primarily due to an increase in the prices of unprocessed and processed food products.

The current account imbalance correction continued in the last quarter of 2010, reducing the current account deficit by one third relative to the same period in 2009. As in the first three quarters, this trend was mainly due to a narrowing of the foreign trade deficit. According to seasonally adjusted data, positive trends in exports continued, but imports remained stagnant in the last quarter of 2010. However, the first two months of 2011 again saw a slight slowdown in both imports and exports. Among other current account components, a mild deficit contraction in the income account should be pointed out, whereas only slight changes were recorded in the services account and current transfers account. At the end of 2010 and the beginning of 2011, the upward trend in both price and cost competitiveness continued and was reflected in further depreciation of the real effective exchange rates deflated by consumer and producer prices and by unit labour costs.

During 2010, the bulk of the current account deficit was financed by direct investments, the outturns of which were lower than in the previous years, but still more than enough to cover the reduced needs. Total external debt remained almost stagnant, as the strong growth in public sector debt was nearly offset by a reduction in private sector debt. The absence of a recovery in corporate foreign borrowing may be associated with not only weak demand but also the movements in financing costs, which remained at the relatively high level of mid-2010. Viewed at the last quarter's level only, gross external debt rose by EUR 0.9bn, mainly due to a seasonal increase in bank debt. As a result, total debt stood at EUR 45.8bn (99.7% of GDP). As for direct foreign investments into Croatia, the last quarter capital inflows related only to minor projects in trade, real estate and tourism. International reserves dropped by EUR 0.5bn over the last quarter of 2010, standing at EUR 10.7bn, but rose to EUR 11.4bn in the first quarter of 2011.

In the context of negative real economic trends and high foreign borrowing costs, the CNB continued its policy of supporting high kuna liquidity in the domestic banking system during 2010 and early in 2011, with a view to improving domestic financing terms and accelerating the recovery of bank lending. Owing to high liquidity levels in the system, money market interest rates fell to historic lows. However, there was no significant improvement in the financing terms on the domestic banking market. A moderate fall in interest rates was observed in corporate sector borrowing, which contributed to an increase in corporate loans throughout 2010 and in early 2011. In contrast, the cost of household borrowing only slightly decreased from its high levels at end-2009, which, coupled with low credit demand, hampered the recovery of lending to this sector.

By releasing foreign currency liquidity, the CNB aimed at stimulating the lending activity of banks.

Fiscal deficit continued to rise, accompanied by the growth of public debt.

As an additional incentive to bank lending, the central bank reduced the rate of the minimum required foreign currency claims by three percentage points (from 20% to 17%), thus releasing approximately EUR 850m (HRK 6.3bn) to banks. Apart from improving foreign currency liquidity, this measure reduced banks' regulatory costs, which should lead to a further decrease in interest rates on corporate and household loans. Moreover, the CNB continued to maintain a stable kuna/euro exchange rate. After the depreciation pressures were halted by two foreign exchange interventions at the end of November 2010, the exchange rate moved within a very narrow range around an average of HRK 7.40/EUR until March 2011.

According to preliminary MoF data, consolidated central government revenues dropped by 2.9% in 2010 from the previous year. This was mainly due to a fall in income tax revenues. Concurrently, total expenditures continued slowly upwards, mostly on account of higher expenditures for interest and social benefits. The total central government fiscal deficit (including the annual instalment of the debt to pensioners and the change in arrears) thus increased by HRK 2.8bn relative to its balance in 2009, and stood at HRK 16.4bn or 4.9% of GDP. Debt also continued to soar, reaching HRK 135.8bn (40.6% of GDP) at end-2010. As a result of a 3.6% increase in revenues in January 2011 from the same period in 2010, accompanied by a slight decrease in expenditures, total fiscal deficit of the consolidated central government narrowed in annual terms and stood at HRK 1.6bn in January 2011.

## Global developments

At the entire-2010 level, economy in the eurozone rose by 1.7% from the previous year, with a quarterly growth rate of 0.3% recorded in the third and fourth quarters. While having exceeded expectations, the slightest economic recovery among the developed countries was seen in the eurozone. The absence of any major strengthening of economic activity was primarily due to an only gradual recovery in personal consumption against a background of high unemployment, which had an adverse impact on household disposable income, and unfavourable investment demand movements, largely determined by trends in construction activity. In contrast to this, foreign demand speeded up the economic recovery of the eurozone. Available monthly economic indicators suggest a continuing moderate recovery in the first quarter of 2011, and, in contrast to the previous quarter, investment activity is expected to grow.

The US economy strengthened 2.9% in 2010 from the

previous year. According to available data, real GDP rose by 0.7% at the quarterly level in the last quarter, which was an only slight increase from the third quarter. These movements were driven by positive trends in personal consumption and exports. Given the effects of expansive monetary and fiscal policies, as well as the strengthening of business and consumer optimism, positive movements are expected to continue in the upcoming period, whereas high unemployment and the persisting problems in the real estate market are likely to inhibit any significant economic growth.

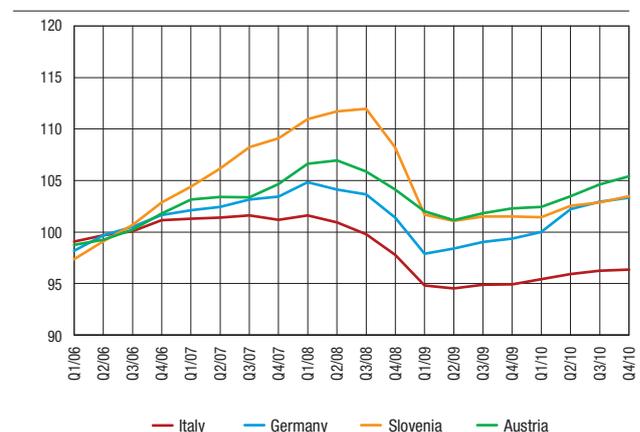
The Japanese economy grew at a real rate of 3.9% in 2010, mostly due to favourable foreign demand movements, but also due to implemented incentive measures. After having boomed in the January-September period, the Japanese economy slowed down slightly over the last quarter of 2010 (-0.3%, according to available data). The economic activity contraction in this period

**Figure 1 Gross domestic product**  
constant prices, 2006 = 100



Note: Data for the eurozone refer to EA17.  
Source: Eurostat.

**Figure 2 Gross domestic product**  
seasonally adjusted data, constant prices, 2006 = 100



Source: Eurostat.

was mainly due to a decline in personal consumption after the expiry of temporary measures aimed at stimulating consumption, and a fall in exports. In response to sliding demand for Japanese exports, the Japanese central bank intervened on the foreign exchange market in order to curb further yen appreciation.

The data for the first two months of 2011 reveal relatively favourable movements in overall economic activity, but the damage caused by destructive earthquake will certainly have adverse effects on economic growth in 2011.

Chinese GDP growth rates reached two-digit values in 2010 (10.3%), and it is noteworthy that economic growth remained stable even after the expiry of the incentive economic policy measures, suggesting domestic demand stability coupled with strong foreign demand. As a result of pronounced economic growth and increasing inflationary pressures, one-year benchmark interest rates increased again by 25 basis points in February 2011. In order to prevent speculation in the real estate market, a special income tax was imposed in a number of major cities at the end of January, coupled with administrative measures aimed at increasing the cost of new mortgage loans.

### Croatia's main trading partners

Economic activity in Italy grew at an annual rate of 1.1% at the entire-2010 level, mainly due to a strong growth in exports. Broken down by quarter, GDP growth slowed down toward the end of the year, leading to only negligible growth of this economy in the fourth quarter (0.1% from the previous quarter). The effects of the expiry of tax relief aimed at supporting new investments in machinery and equipment became evident in the third quarter, and the fourth quarter saw the weakening of foreign demand.

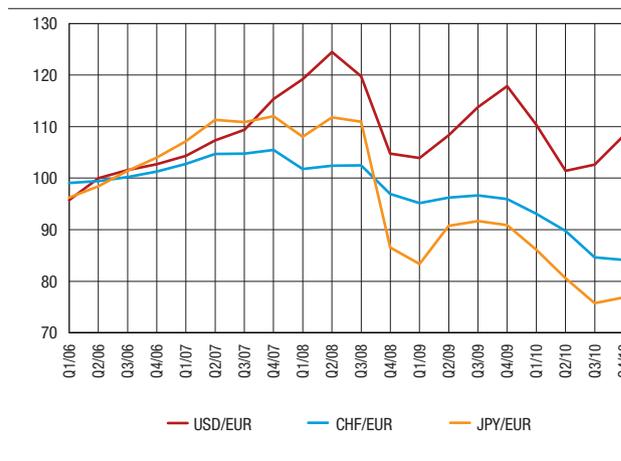
The German economy grew at a high rate of 3.6% in 2010. Favourable economic movements were due to the recovery of exports, which fuelled the growth of other aggregate demand components. While public investments grew in order to compensate for investment in infrastructure delayed due to recession, private investment picked up thanks to the high utilisation of existing production capacities. Concurrently, positive labour market movements (total employment and the number of hours worked at building sites in Germany increased in 2010) encouraged growth in personal consumption. Economic expansion slowed down in the last quarter of 2010, partly due to relatively unfavourable weather conditions, so that the growth rate stood at 0.4%.

The Austrian economy grew at a rate of 2.0% in 2010, whereas real economic activity in this country increased by 0.8% in the last quarter from the previous quarter. Following a sharp contraction in 2009, GDP in Slovenia strengthened by 1.2% in 2010. Serbia as well as Bosnia and Herzegovina also reported positive real growth rates during 2010 (1.5% and 1.1% respectively). The economic recovery in these two countries was also mostly driven by foreign demand.

### Exchange rates and price developments

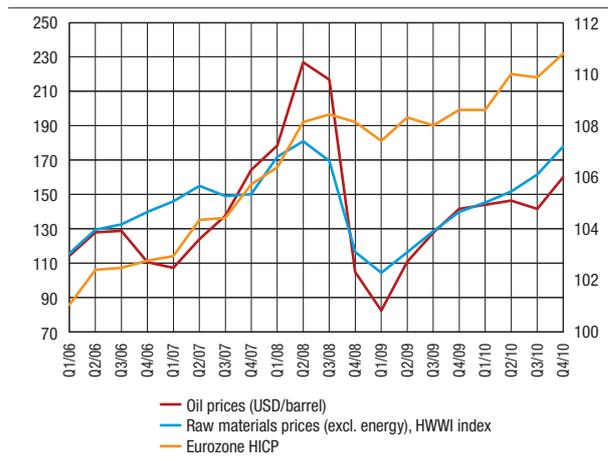
A noticeable depreciation of the euro/US dollar exchange rate over the first half of 2010, with the euro reaching 1.2 US dollar in mid-June, was followed by strong exchange rate fluctuations in the second part of the year. Appreciation pressures prevailed in the period from June to end-October, stirred by growing confidence in the sustainability of fiscal deficits of certain eurozone countries, as well as slightly weaker than expected performance of the US economy and the Fed's embarking on a new cycle of expansive measures. In November 2010, in response to intensified concerns about fiscal problems in certain eurozone countries, the euro collapsed again, but strengthened gradually

Figure 3 Exchange rates of individual currencies  
2006 = 100



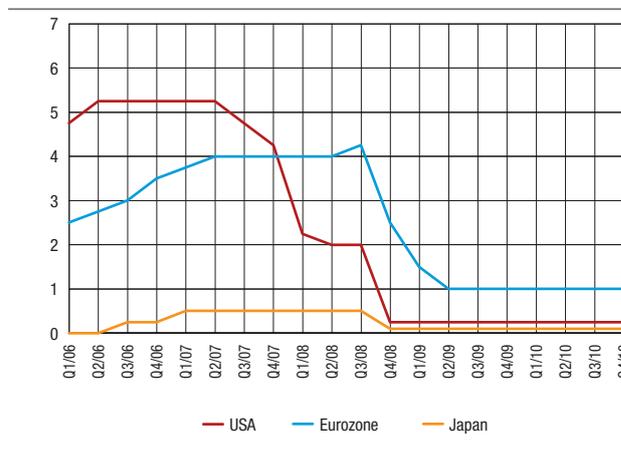
Source: CNB.

Figure 4 Prices  
2005 = 100



Sources: Bloomberg, HWWI and Eurostat.

Figure 5 Benchmark interest rates  
end of period



Source: Bloomberg.

from December 2010 to March 2011, returning to its level of end-October 2010 (USD 1.4/EUR).

After its marked depreciation over the first half of 2010, the euro/Swiss franc exchange rate fluctuated in the second semi-annual period, falling to an all-time low of CHF 1.25/EUR at the end of the year. This was followed by a short period of appreciation, but since mid-February, given the new geopolitical instability, the euro has weakened again.

Crude oil prices per barrel remained stable in most of 2010, standing at below USD 80 per barrel. However, in the last quarter, the price started to rise. The price growth continued into early 2011, in an environment of growing demand, partly fuelled by unfavourable weather conditions and concerns over deepening political instability in the Middle East and North Africa. The main generator of crude oil price growth was the global economic recovery, particularly noticeable in developing countries, such as China and India, so that the International Energy Agency revised upwards its forecasts of global demand for crude oil on several occasions during 2011. However, ample current oil reserves and the possibility of production growth in OPEC countries are likely to curb excess growth of prices in the coming period.

In the second half of 2010, food product prices rose markedly under the influence of some unfavourable demand-side

factors (bad harvests of certain crops due to unfavourable weather conditions, and export bans on cereals by certain countries), and, thanks to rising demand in developing countries, metal prices also continued upwards. In the last quarter of 2010, raw material prices increased under the influence of the US dollar appreciation. The upward trend in global raw material prices observed in 2010 continued into 2011, so that in January 2011, the HWWI index of raw material prices (excluding energy) exceeded the record highs (recorded in the pre-recession period, or in mid-2008).

### Trends in benchmark interest rates

Due to the slow recovery in developed economies, benchmark interest rates in the USA and eurozone remained at historic lows in 2010. As no significant acceleration of economic activity is expected in 2011, the benchmark rate movements will mostly depend on the extent to which the growing inflationary pressures are transferred to consumer price indices in particular economies. More specifically, at the end of 2010, inflation in the eurozone exceeded its target level of 2.0%, and, according to the latest available data, the majority of market participants revised upwards their inflation forecasts for 2011. The market interest rates will follow benchmark interest rate trends.

## Aggregate demand and supply

Quarterly GDP estimate released by the CBS suggests a renewed decline in economic activity during the fourth quarter. Such movements mostly arose from a new weakening of household consumption and investments, following their short-term upturn in the third quarter. By contrast, a positive contribution to GDP movements came from the exports of goods and services, the growth of which accelerated markedly over the observed period. At the entire-2010 level, GDP fell by 1.2%.

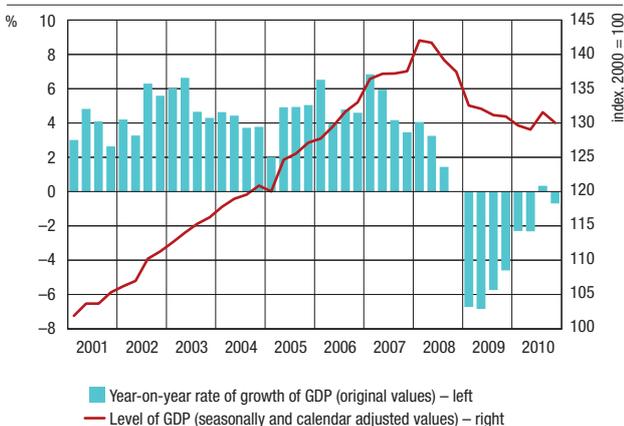
### Aggregate demand

In line with economic recovery in the majority of the main export markets, total exports had a positive impact on domestic real economic activity in the last quarter and in the whole of

2010. Along with growing demand for the products of almost all manufacturing divisions, a slight increase was observed in demand for services. It is worth noting that the largest individual contribution to total growth of exports in the observed period came from the exports of ships. Despite the relatively high annual rate of real growth (6.0%) for 2010, exports remained much below the levels of the pre-crisis years.

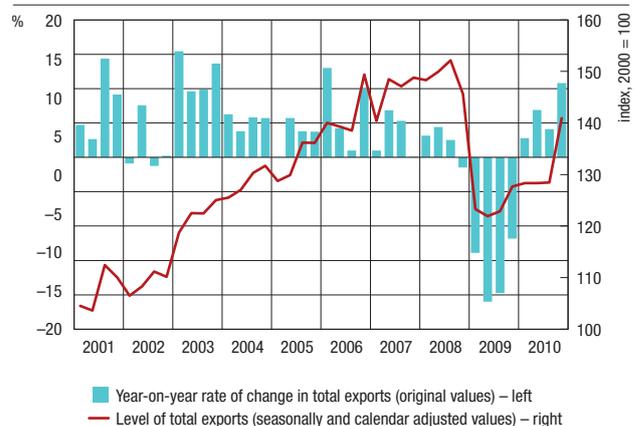
In contrast to foreign demand, domestic demand components mostly saw negative trends in the fourth quarter of 2010. Following a temporary surge during the second and third quarters, household consumption declined again at the end of the year, mostly due to negative labour market movements, but also due to an unfavourable base effect. As shown by the Consumer

**Figure 6 Gross domestic product**  
real values



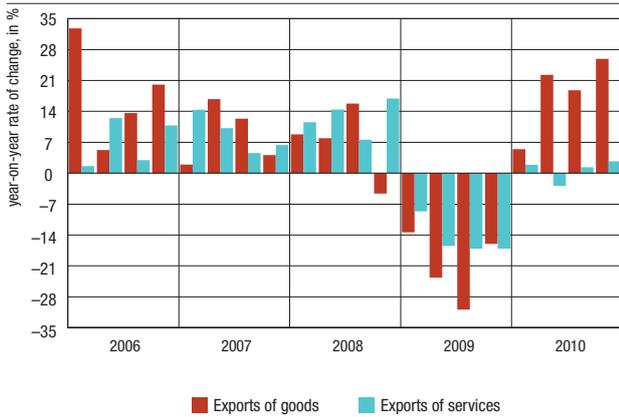
Source: CBS data adjusted by the CNB.

**Figure 7 Exports of goods and services**  
real values



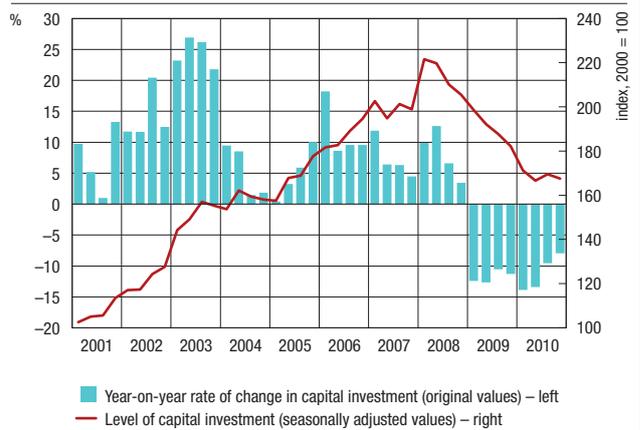
Source: CBS data adjusted by the CNB.

**Figure 8 Exports of goods and services**  
in EUR, nominal values



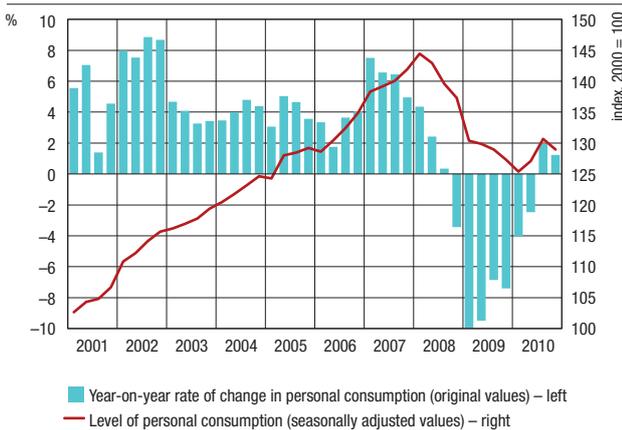
Source: CNB.

**Figure 11 Gross fixed capital formation**  
real values



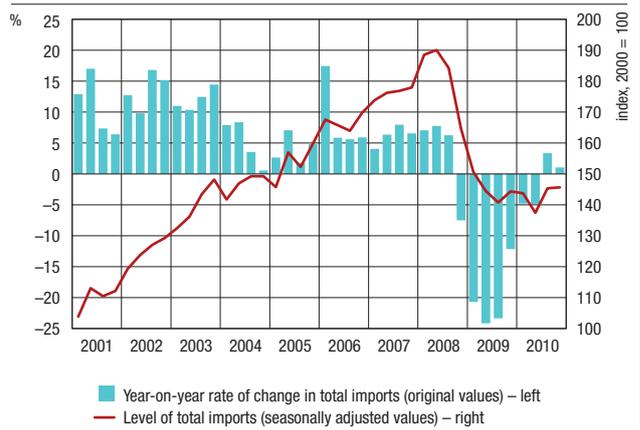
Source: CBS data adjusted by the CNB.

**Figure 9 Personal consumption**  
real values



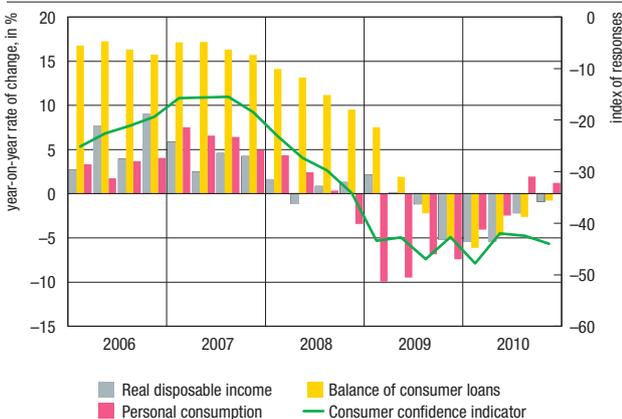
Source: CBS data adjusted by the CNB.

**Figure 12 Imports of goods and services**  
real values



Source: CBS data adjusted by the CNB.

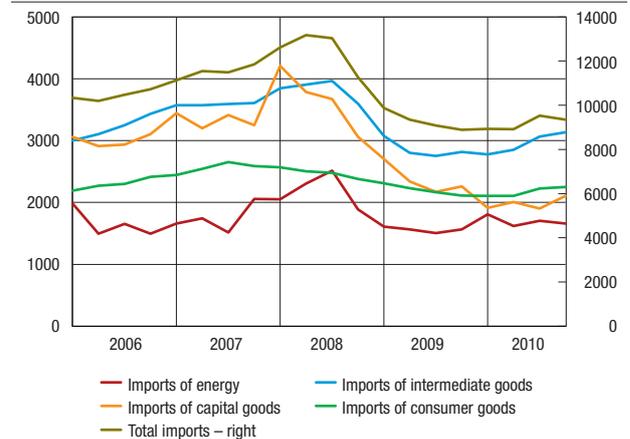
**Figure 10 Determinants of personal consumption**



Note: The presented values of the consumer confidence indicator are calculated as averages of monthly data.

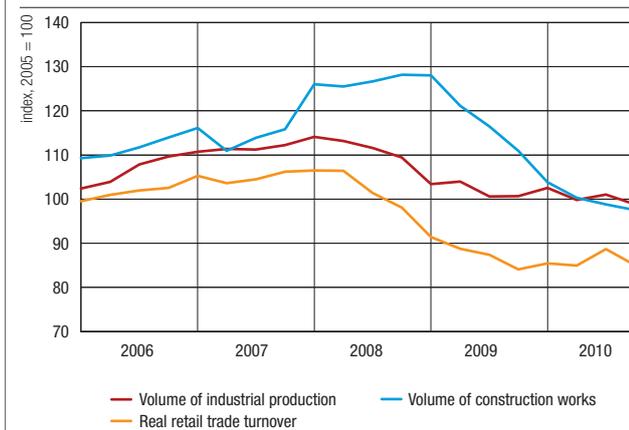
Source: CBS data adjusted by the CNB.

**Figure 13 Goods imports by category**  
in million HRK, nominal values, seasonally adjusted



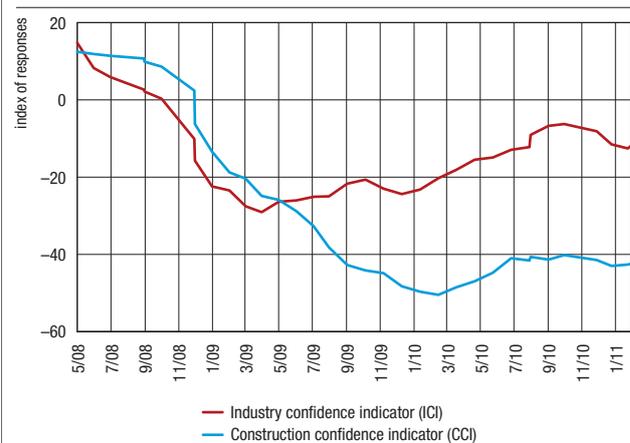
Source: CBS data adjusted by the CNB.

**Figure 14 Short-term economic indicators**  
seasonally and calendar adjusted



Note: Quarterly data are calculated as a simple average of monthly data.  
Source: CBS data adjusted by the CNB.

**Figure 15 Business confidence indicators**  
three-member moving averages of monthly data



Source: Ipsos Puls.

Confidence Survey results, consumer pessimism deepened again. At the entire-2010 level, household consumption fell by 0.9%, which was less than the estimated decrease in disposable income. A negative growth rate of consumer loans and a positive increase in household deposits over this period suggest that the share of household income not covered by the official statistics has gone up. Specifically, the CNB's disposable income estimate is primarily based on the wage bill and current transfer estimates, excluding income from the grey economy as well as some forms of income from work (e.g. royalties) and property income.

After a slight recovery in the third quarter, gross fixed capital formation continued downwards over the last quarter of 2010. As a result of weak domestic demand and uncertainty about its trend in the near future, as well as of unfavourable borrowing terms, enterprises further reduced their capital investments. Moreover, under conditions of deep uncertainty about future income trends, as well as relatively high costs of home loans, households continued to abstain from investing in real estate, which, given the huge number of unsold residential units, hampered the starting of a new investment cycle in residential construction. Unfavourable movements were also observed in the government sector, which reduced its investments (particularly those in infrastructure) due to funding problems. At the entire-2010 level, investments in fixed capital formation fell sharply from 2009 (-11.3%).

In the last quarter of 2010, government consumption held steady at the level reached in mid-year. For the whole of 2010, real government consumption declined slightly from the previous year; expenditures for the use of goods and services and social transfers in kind dropped a little, whereas real compensation for employees went up slightly, due to a minor increase in the number of civil servants and government employees.

As the major share of household consumption and corporate investment related to imported products, the described

movements also contributed to a slowdown in the quarterly imports of goods and services. Imports fell by 1.3% in real terms at the entire-2010 level. Broken down by components of goods imports, the downward trend in the imports of machinery was halted, and the imports of consumer and intermediate goods rose slightly during the last quarter of 2010. By contrast, energy imports continued upwards.

### Aggregate supply

Aggregate demand developments in the last quarter of 2010 protracted the decline in gross value added (GVA) in almost all economic branches. In the reference period, value added in industry, construction, trade, hotels and restaurants and transport and communications contracted in quarterly terms. During the October-December period, slightly stronger activity was recorded in financial intermediation and real estate activity, along with relatively favourable movements of value added in agriculture.

Such aggregate supply trends were confirmed by the business confidence surveys conducted in the last quarter of 2010. The dwindling business confidence in manufacturing was largely attributable to low expectations about short-term developments in production and a decrease in orders from the previous quarter. Business confidence in construction also diminished slightly in the reference period.

A breakdown by activity shows that, at the annual level, GVA decreased in all economic activities except financial intermediation and real estate activity. High negative rates of change in construction were paralleled by a downturn in industry and transport, whereas trade, and hotels and restaurants recorded only a slightly slower annual decline thanks to strong tourist demand.

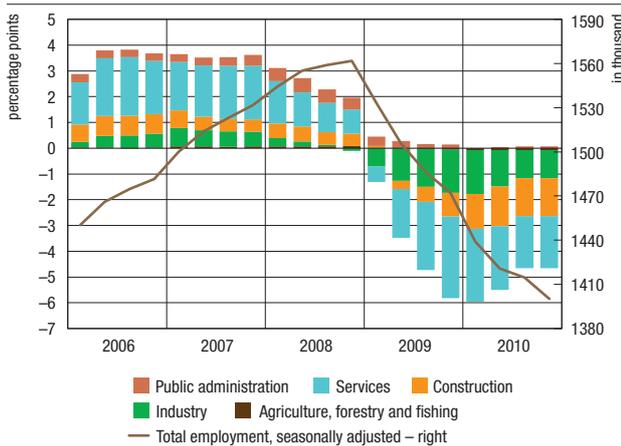
The beginning of 2011 saw a continuing fall in industrial production, with only slight positive movements observed in trade. Moreover, construction activity in January stagnated at the level reached in late 2010.

## Labour market

The end of 2010 was marked by adverse trends in the labour market, continuing into early 2011. The original, as well as seasonally adjusted, data point to a declining number of people in work. If analysed by NCEA activity, employment reduction in construction at the end of last year contributed most to total employment, which decreased by 4.7% according to the preliminary CBS data. A somewhat smaller but still very significant negative contribution came from trade and industry. Since the CBS data on employment are preliminary, it is better to use CPIA data for the analysis of the short-term employment trend, according to which the number of insured persons was reduced by 3.6% at the end of the year compared to end-2009, while in January and February that reduction averaged 2.7%.

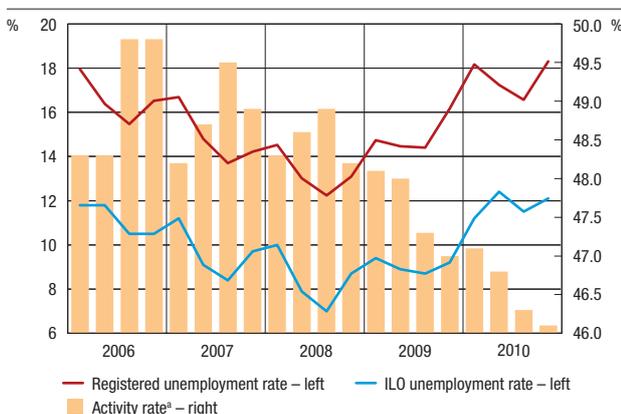
Although outflows from registered unemployment, especially employment from the CES register, continued to grow, inflows that are still at a high level did not allow for a reduction in registered unemployment in the first two months of 2011. A growth

**Figure 16 Total employment and contribution to employment growth by sector**



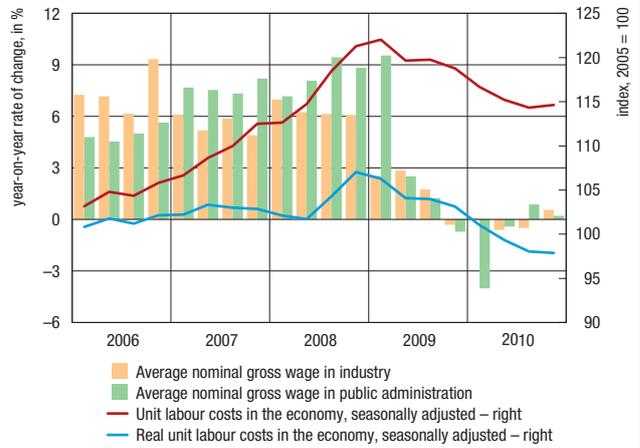
Sources: CBS and CNB calculations.

**Figure 17 Unemployment and activity rates**



<sup>a</sup> The labour force as a percentage of working age population (15+).  
 Note: The Labour Force Survey has been published quarterly since the beginning of 2007.  
 Sources: CES and CBS.

**Figure 18 Gross wages and unit labour costs**



Sources: CBS and CNB calculations.

in inflow into the register of the unemployed was influenced most by persons coming directly from school and from inactivity (i.e. in the large part, those who registered for the purpose of participating in the census), while the number of the newly registered coming directly from employment was reduced. The described inflows into and outflows from unemployment resulted in a continuous growth in unemployment, so that the year ended with 319,845 registered jobless persons. At end-February 2011, registered unemployment amounted to 336,411, which is an increase of 18.8 thousand (5.9%) relative to the same month of the previous year.

The registered unemployment rate rose by 0.7 percentage points compared to the end of the year, reaching 19.5% at end-January and 19.6% at end-February, according to the data available at the time of writing this report. According to the latest Labour Force Survey results, the unemployment rate went up from 11.5% in the third quarter to 12.1% in the last quarter of 2010, standing at 11.8% at the entire 2010 level (compared to 9.1% in 2009).

The application of the special tax was completely abolished in November 2010. Accordingly, after almost a year of adverse annual changes, nominal net wages for December increased by 4.6% relative to those in 2009, but if the special tax-related base effect is excluded, the growth is smaller and amounts to 1.6%. The average nominal gross wage for December also increased, but at a considerably lower rate (0.3%) than in the previous month. Movements of wages in mining and quarrying and construction made the largest contribution to a deceleration of nominal wages. Real wages decreased on an annual basis in the observed period. In early 2011, wage movements did not depart significantly from those recorded at the end of the previous year. At the end of 2010, the annual fall in unit labour costs slowed down, which is a consequence of a mild wage growth and a deceleration of labour productivity growth in that period.

## Inflation

Consumer price inflation in Croatia accelerated at the end of 2010 and in early 2011. This was mainly due to the pressures from the external environment, related to an increase in prices of food raw materials, energy products and other raw materials on the global market. Inflationary trends were mitigated by poor domestic demand dynamics and unfavourable trends on the domestic labour market. Monthly rates of overall and core consumer price inflation (seasonally adjusted and annualised) were relatively low, but pressures on acceleration of their growth were still evident.

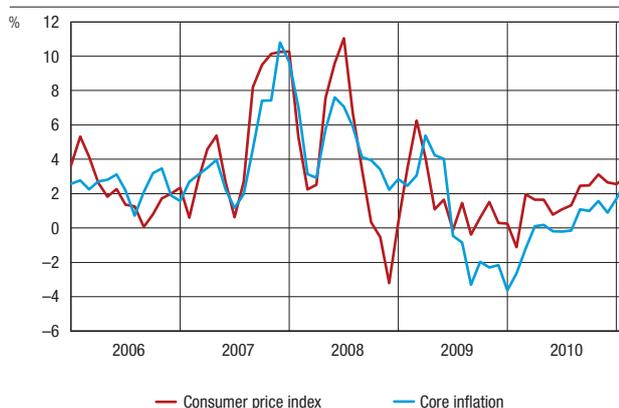
The annual consumer price inflation rate rose from 1.2% in November 2010 to 2.2% in February 2011. The largest contribution to this rise came from an increase in the annual rate of change in the prices of processed and unprocessed food products. The increase in the annual rate of change in the prices of unprocessed food products resulted from a larger growth in prices of agricultural products than in the previous year and partly from a deceleration of the annual decrease in meat prices. Of processed food products, the highest price increase was recorded by milk, bread, cereals and oil, which can partly be attributed to a price rise in food raw materials and food products on the world market. In addition, a growth in tobacco product prices was recorded at the beginning of the year. Furthermore, prices of industrial products excluding food and energy continued to decrease annually, but at a moderately slower rate in the reference period.

Although a growth in energy prices was recorded at end-2010 and in early 2011, it was weaker than in the previous year, which resulted in a deceleration of the annual growth in these prices. Poor domestic demand and unfavourable labour market conditions had the strongest effect on service prices, their annual rate of change dropping to a historical low.

Core inflation also accelerated, its annual rate of change increasing from -0.2% in November 2010 to 1.1% in February 2011. This can mainly be accounted for by an increase in prices of food products.

Furthermore, inflation measured by the annual rate of change of the GDP deflator rose mildly in the fourth quarter of 2010, reaching 1.2%. At the same time, the annual rate of change of

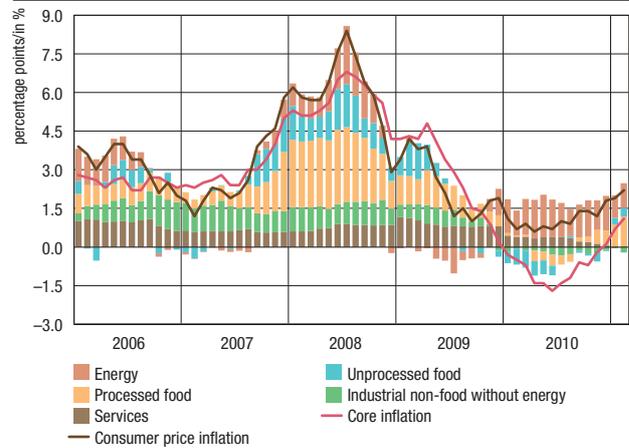
**Figure 19 Consumer price index and core inflation**  
annualised month-on-month rate of change<sup>a</sup>



<sup>a</sup> The month-on-month rate of change is calculated from the quarterly moving average of seasonally adjusted price indices.

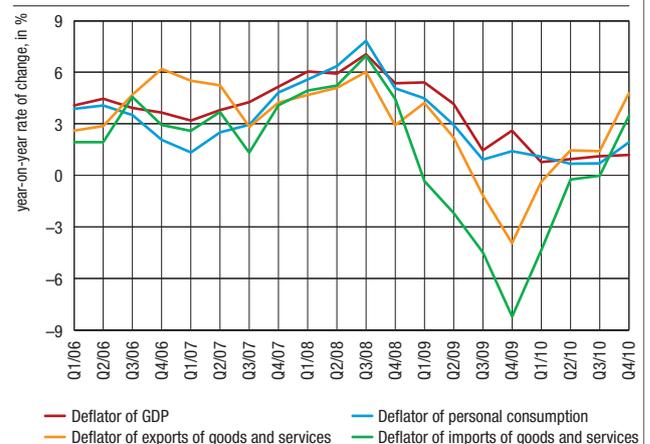
Sources: CBS and CNB calculations.

**Figure 20 Year-on-year inflation rates and contribution of components to consumer price inflation**



Source: CBS.

**Figure 21 Deflator of GDP and its individual components**



Source: CBS.

the personal consumption deflator increased to 1.9%, which is a 1.2 percentage point rise compared to the previous quarter. A strong growth in the deflator of imports of goods and services, recorded in the fourth quarter of 2010, had a negative impact on the movements in prices of goods for personal consumption. Since the annual rate of change of the deflator of exports of goods and services also increased considerably in the fourth quarter 2010, the annual rate of change of the trade conditions was only slightly reduced (pointing to their mild deterioration), so that the change in trade conditions did not have any significant effect on the GDP deflator movements in the fourth quarter.

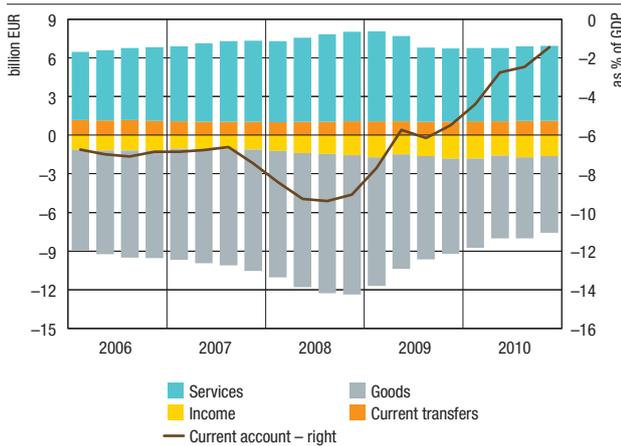
## Foreign trade and competitiveness

A trend of a strong reduction in the current account imbalance, which started at the end of 2008, continued throughout 2010. In the last quarter of the previous year, the current account deficit was thus reduced by EUR 0.5bn, or by one-third compared to the same period of 2009, and it stood at EUR 1.1bn. That contraction of the total deficit mainly reflects the movements in the goods account, i.e. a continued narrowing of the imbalance in foreign trade in goods. An upward trend in goods exports (seasonally adjusted data), which halted temporarily in the third quarter, continued in the last quarter of 2010, mainly as a result of a large value of ship exports. Total goods imports stagnated in the same period, suggesting that the recovery of imports recorded in the third quarter was only temporary. Although ships had a noticeable impact on growth in imports as well, it was offset by a fall in imports of oil and refined petroleum products. In line with these trends, the deficit in total trade in goods again contracted (-18.4% relative to the previous

quarter, seasonally adjusted data), and the same trend, although milder, is also observed if the effect of ships and oil (-4.9%) is excluded. Movements in trade in goods in January and February 2011 again showed a weakening of goods exports and an import recovery. This can, to a large extent, be accounted for by a decreased trade in oil and refined petroleum products and ships, whereas deceleration in trade of other goods was considerably less pronounced.

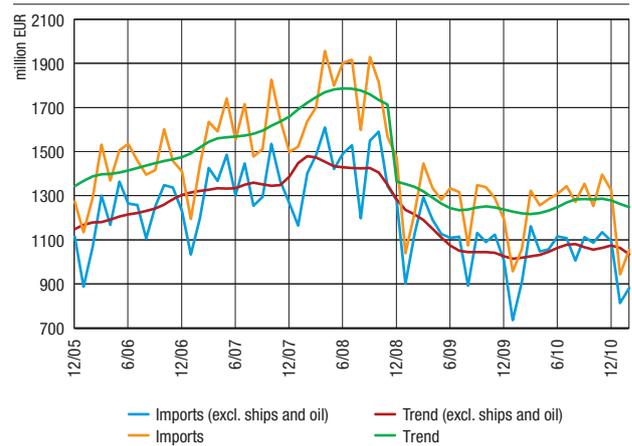
An additional impact on total deficit was made by the movements in the income account, whose deficit was EUR 0.1bn smaller than in the last quarter of 2009. This is a result of reduced expenditures from equity investments, primarily lower profits of foreign owners of domestic enterprises. As regards other components of the current account, services and current transfers, their changes had only a mild impact on movements in the total deficit. The growth in the service account surplus can mostly be accounted for by increased revenues from

**Figure 22 Current account**  
four-quarter moving average



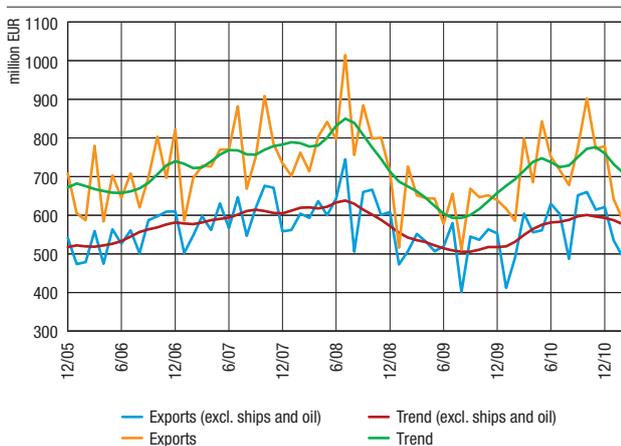
Source: CNB.

**Figure 24 Goods imports (c.i.f.) and trend**



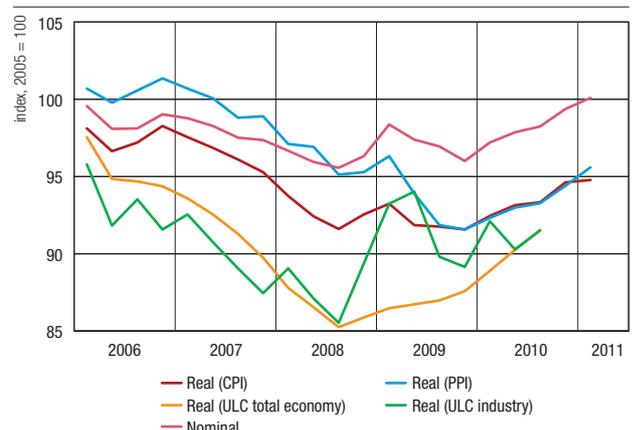
Source: CBS data adjusted by the CNB.

**Figure 23 Goods exports (f.o.b.) and trend**



Source: CBS data adjusted by the CNB.

**Figure 25 Effective exchange rates of the kuna**



Note: Indices of the real effective kuna exchange rate for the first quarter of 2011 refer to January only. A fall in the index denotes an effective appreciation of the kuna.  
Source: CNB.

miscellaneous business services.

Export strengthening was accompanied by positive movements in its price and cost competitiveness indicators. The depreciation trend of the real effective exchange rate of the kuna

deflated by consumer and producer prices continued at the end of 2010. As regards the real effective kuna exchange rates deflated by unit labour costs, the latest available data for the third quarter of 2010 also indicate their continued depreciation.

## Financing conditions and capital flows

### Financing conditions

Domestic sectors' financing conditions were only moderately improved in 2010 and in early 2011, despite favourable financial system liquidity and rather low money market interest rates. A fall in borrowing costs was most pronounced in the corporate sector, primarily for short-term financing. A moderate fall was also observed in long-term interest rates on corporate loans, which were still marked by strong volatility. In addition to enterprises, a considerable improvement in financing conditions was achieved in short-term government borrowing. Accordingly,

interest rates on T-bills (364 T-bills denominated in HRK and EUR) decreased almost to the levels seen before the onset of the crisis. In contrast, long-term borrowing costs for households were only slightly reduced relative to the high levels reached at the end of 2009. In addition, foreign borrowing costs were less favourable than in the middle of the previous year.

Total corporate financing, which includes financing provided by banks and other financial institutions in Croatia and abroad, continued to recover gradually at the end of 2010 and in early 2011. This can mainly be accounted for by a somewhat faster

Figure 26 Costs of domestic and foreign financing

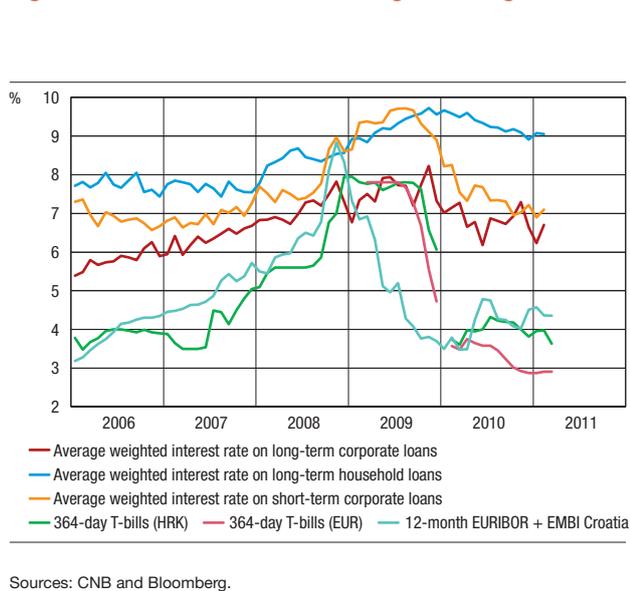


Figure 28 Household loans by purpose

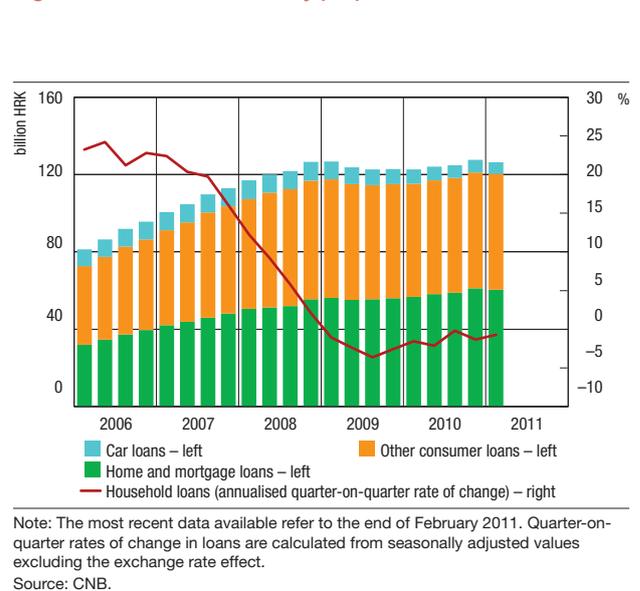
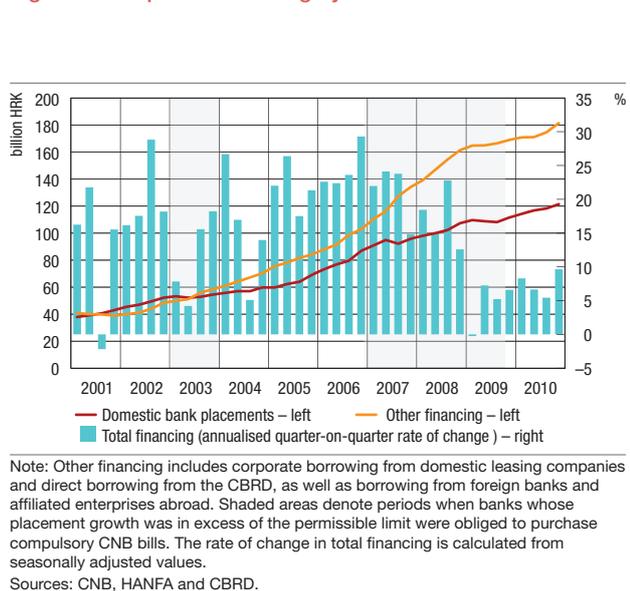


Figure 27 Corporate financing by sources



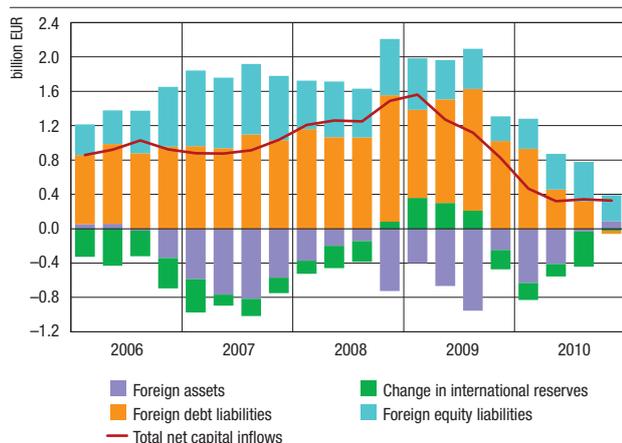
growth of other forms of financing, primarily foreign borrowing. As for individual types of enterprises, the largest contribution to the recent growth was made by enterprises in private ownership, which, following a several month-long stagnation, borrowed more intensely from both domestic and foreign creditors in the last quarter of 2010. In contrast to this, total debt of public enterprises stagnated in the last few months, following a growth throughout most of 2010. This applies equally to their domestic and foreign liabilities.

As regards lending to households, no significant recovery of that aggregate was recorded in early 2011. Poor demand due to unfavourable conditions in the real sector and high interest rates still bring about stagnation of household loans. In the structure of loans granted to households, home loans remain almost stagnant, whereas a considerable fall is recorded by credit card loans and car loans.

### Foreign capital flows

In 2010, the current account deficit was mainly financed by direct investments, which were, although considerably lower than in the previous years, more than sufficient in view of the

**Figure 29 Current account deficit financing**  
four-quarter moving average



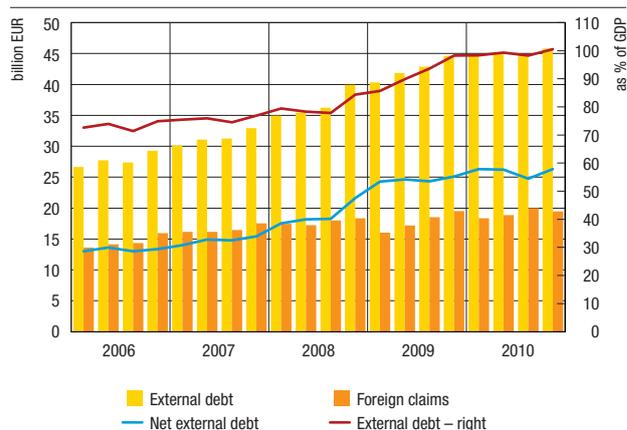
Source: CNB.

reduced needs of domestic sectors. Foreign borrowing was almost absent, with a strong increase in public sector debt and an almost identical decrease in private sector debt. The recent developments point to a somewhat more pronounced borrowing of banks in the last quarter, which compensated for a fall in their debt during the summer months, whereas other sectors recorded stagnation.

The transactions in the last quarter were marked by a takeover of the Slovenian company Droga Kolinska d.d. by Atlantic Grupa d.d. (EUR 2.2bn), which was the main factor in the growth of the foreign equity holdings of domestic sectors. Investments in Croatia in the same period included only smaller projects in trade, real estate and tourism. Changes in ownership relations, i.e. winding-up of companies within the group related to round-tripping transactions, had an unfavourable effect on the balance of direct investments in Croatia (EUR -0.4bn). Afterwards, debt liabilities that were previously classified as round-tripping transactions, no longer had such characteristics and were thus attributed to total debt, increasing its level. Winding-up of the said companies resulted in an equal reduction in Croatia's direct investment abroad, so that the total effect on the financial account was neutral. Following a growth in the first three quarters, in the last quarter of 2010, international reserves dropped by EUR 0.5bn to EUR 10.7bn (7.2 months of imports of goods and services).

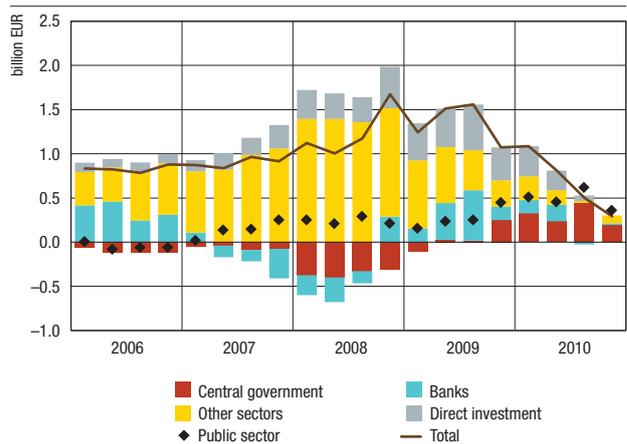
In the last quarter of 2010, gross external debt growth amounted to EUR 0.9bn, EUR 0.3bn of which related to cross-currency changes caused by the weakening of the euro. When only net transactions are taken into account, by withdrawing additional EUR 0.6bn, banks only compensated for a decrease of debt in the previous three quarters. Borrowing of private companies slightly increased in the last quarter, mainly on account of the borrowing by Atlantic Grupa d.d. in relation to a takeover

**Figure 30 Gross and net external debt**



Source: CNB.

**Figure 31 Domestic sectors' contributions to the quarterly changes in external debt**  
four-quarter moving average



Source: CNB.

of Droga Kolinska d.d. The decrease in leasing companies' debt that started in early 2009 continued into 2010, so that their debt at the end of the year was 18.8% smaller than at the end of 2009. In the fourth quarter, the CBRD's indebtedness did not increase, whereas repayment of liabilities of public enterprises were slightly larger than withdrawals of new loans, total debt of the public sector thus mildly dropping in the last quarter. Taking into account the described changes, gross external debt stood at EUR 45.8bn at the end of 2010, or 99.7% of GDP, the said amount also including the debt that was previously ascribed to round-tripping transactions.

## Monetary policy

In early 2011, as in the whole of 2010, the CNB continued to pursue the policy of supporting high kuna liquidity in the domestic banking system in an attempt to improve financing

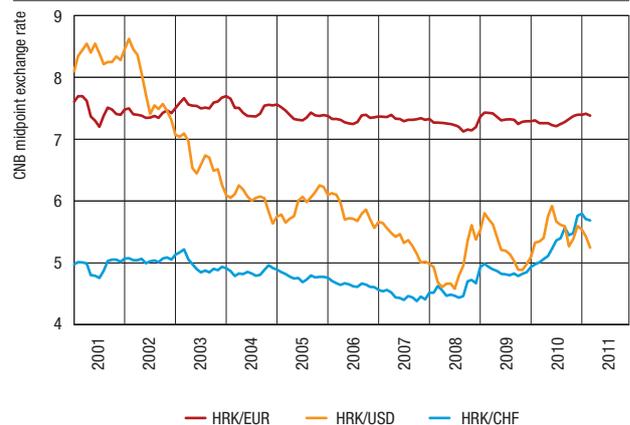
conditions in the domestic market and prompt a stronger recovery of lending to the private sector. There were no significant transactions related to the creation and withdrawal of liquidity

from the beginning of the year; the average kuna liquidity surplus in bank settlement accounts continued to exceed HRK 5bn, while the interest rate on overnight loans was below 1% in the first three months of 2011.

Late in the first quarter, the central bank improved also foreign currency liquidity in the banking system. At the beginning of March, the CNB lowered the prescribed minimum coverage ratio between total foreign currency liabilities and liquid foreign currency claims by three percentage points (from 20% to 17%), thus releasing around EUR 850m (HRK 6.3bn) to banks. Since then, banks have been able to use these funds to finance domestic lending. By changing this monetary policy instrument, the CNB did not only improve the credit potential, but also reduced banks' regulatory costs, which may affect their lending rates, i.e. produce more favourable financing terms for the corporate and household sectors.

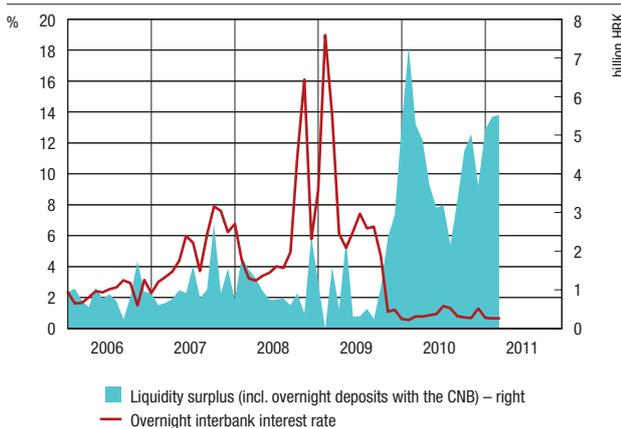
Although improved foreign currency liquidity in the system was paired with a mild appreciation of the kuna in mid-March, the exchange rate of the domestic currency was overall stable from the beginning of 2011. More precisely, after depreciation pressures were eased in late November 2010 by two foreign

Figure 34 Nominal exchange rates HRK/EUR, HRK/USD and HRK/CHF



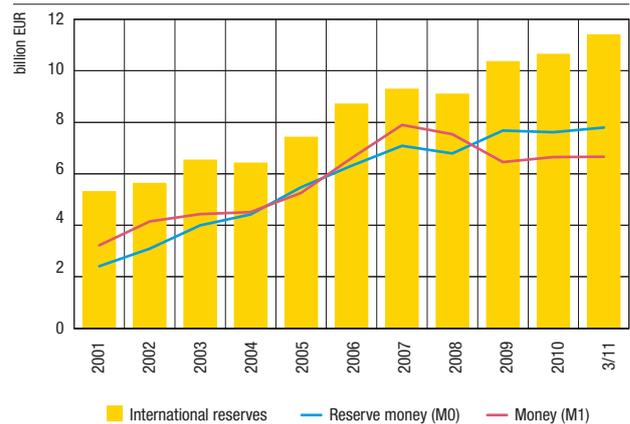
Source: CNB.

Figure 32 Bank liquidity and overnight interbank interest rate



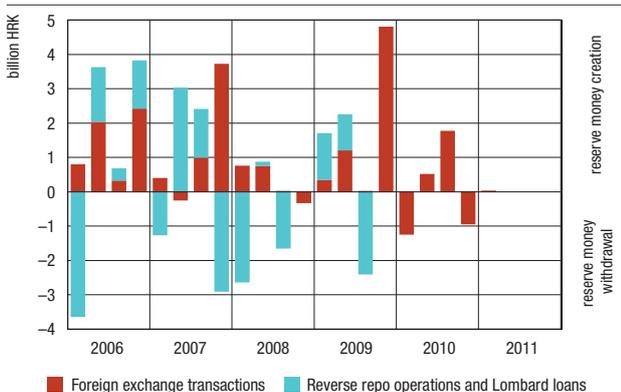
Source: CNB.

Figure 35 International reserves of the CNB and monetary aggregates



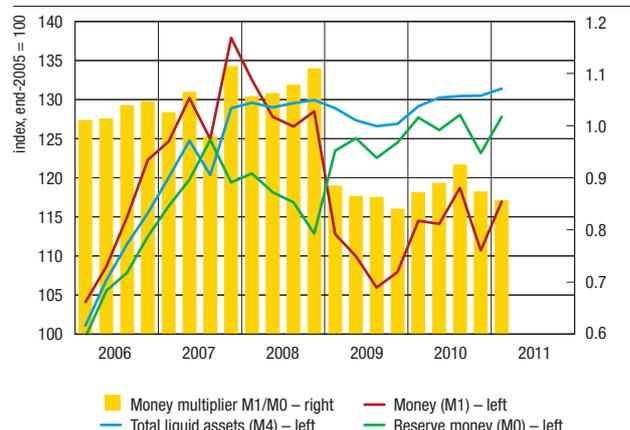
Note: The most recent data available for M1 refer to the end of February 2011.  
Source: CNB.

Figure 33 Flows of reserve money (M0) creation



Note: Foreign exchange transactions include the purchase of foreign exchange from and the sale of foreign exchange to banks and the MoF and foreign currency swaps with banks, where the positive values refer to the purchase of foreign exchange by the CNB.  
Source: CNB.

Figure 36 Monetary aggregates and money multiplier index of developments in seasonally adjusted values, deflated by the consumer price index



Note: The most recent data available refer to the end of February 2011.  
Source: CNB.

exchange interventions of the central bank, the exchange rate moved within a very narrow range around its average value of HRK 7.40/EUR in the period to March 2011. As the Swiss franc/euro exchange rate in the global foreign exchange market was relatively stable, the increase in the kuna/franc exchange rate stopped in early 2011, but this rate remained much higher than in the period before the global economic crisis.

The increase in gross international reserves in the first three months of 2011 was almost entirely due to the rise in government foreign currency deposits. In the context of a relatively stable exchange rate, there was no need for CNB foreign exchange interventions, while no major foreign exchange transaction between the central bank and the government took place in that period. At end-March, gross international reserves stood at EUR 11.4bn, up 7.2% over the end of 2010. Net usable reserves did

not change much in the same period and were EUR 9.5bn at the end of March. The level of both gross and net usable reserves continued to be noticeably higher than money (M1) and reserve money (M0) at end-March.

After a temporary fall in late 2010, money and reserve money returned to their average 2010 levels at the beginning of 2011, as indicated by developments in their real seasonally adjusted values. Therefore, the value of the money multiplier remained almost the same, which confirms that, without significant credit growth, a high level of primary liquidity in the banking system does not translate into an increase in broader monetary aggregates. As in 2010, total liquid assets (M4) continued to trend upward mildly, again mostly due to foreign currency deposits of the household sector.

## Public finance

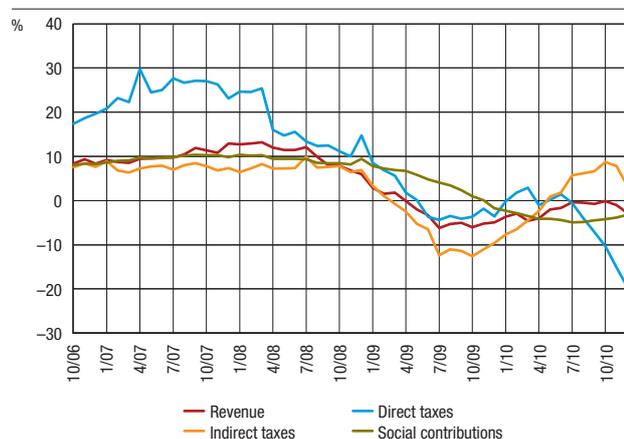
Preliminary MoF data show that consolidated central government revenues were 2.9% lower in 2010 than in 2009. This was largely due to the decrease in profit tax revenues, which reflected the economic downturn of 2009 and 2010. Income tax revenues also fell sharply due to the decrease in the gross wage bill and tax changes of July 2010, while revenues from social contributions were also noticeably lower due to negative trends in the labour market. By contrast, the fall in total revenues was mitigated substantially by special tax and excise revenues (the latter was due to the collection of associated arrears). At the same time, total expenditures continued to grow slightly, largely as a result of increased expenditures on interest and social benefits. It should be noted that the revenue outturn was below the target set in the revised budget of the consolidated central government for 2010, while total expenditures were also lower than planned, mostly due to the postponement of some capital investments.

Expenditures for shares grew noticeably relative to 2009, mainly due to the injection of new capital into Hrvatska poštanska banka, while net loans decreased substantially, largely on account of lower expenditures arising from activated

guarantees. Finally, the overall fiscal deficit of the central government, including the annual instalment of the debt to pensioners and change in arrears, was HRK 2.8bn higher in 2010 than in 2009, standing at HRK 16.4bn or 4.9% of GDP. In line with the deficit increase, debt also grew sharply, to HRK 135.8bn (40.6% of GDP) at the end of 2010. This has raised concerns about the long-term sustainability of public finance, particularly bearing in mind that the deterioration in the public finance situation is expected to continue in 2011.

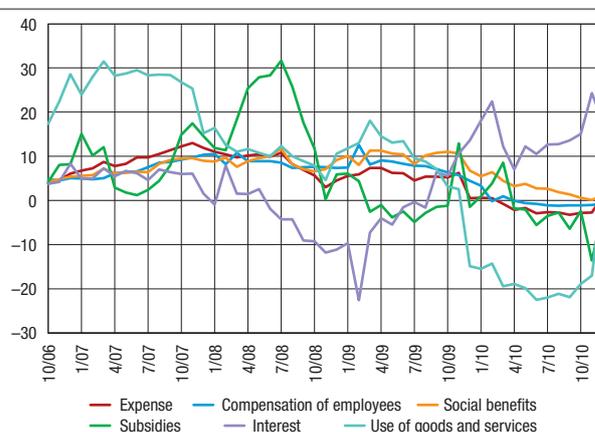
As shown by preliminary MoF data, consolidated central government revenues were 3.6% higher in January 2011 than in the same period of 2010, despite the lack of revenues from the special tax on salaries, pensions and other income. The rise in total revenues was mostly spurred by a strong increase in VAT revenues, the dynamics of which may partly be explained by noticeably larger goods imports in December 2010 than in December 2009, and partly by a favourable base effect. Furthermore, the growth in revenues from excises on refined petroleum products (including road fees) prompted the increase in excise revenues, while revenues from social contributions grew despite the continued fall in the gross wage bill. This may in part be attributed

**Figure 37 Consolidated central government revenue**  
year-on-year rate of change of twelve-month moving sums

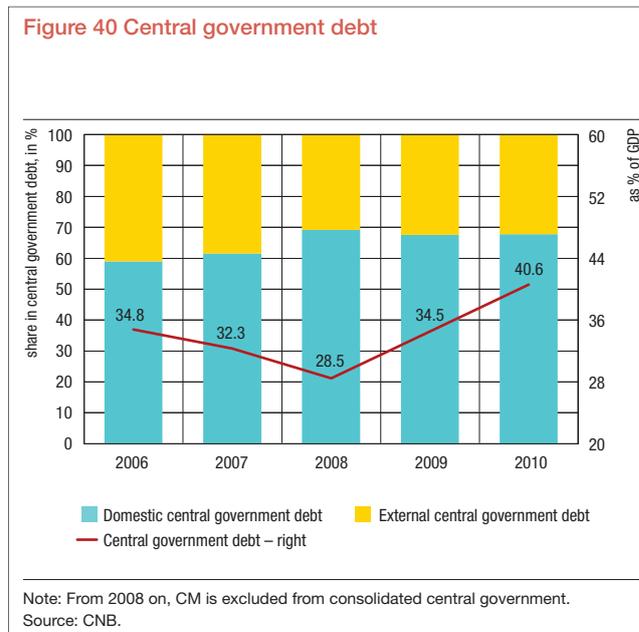
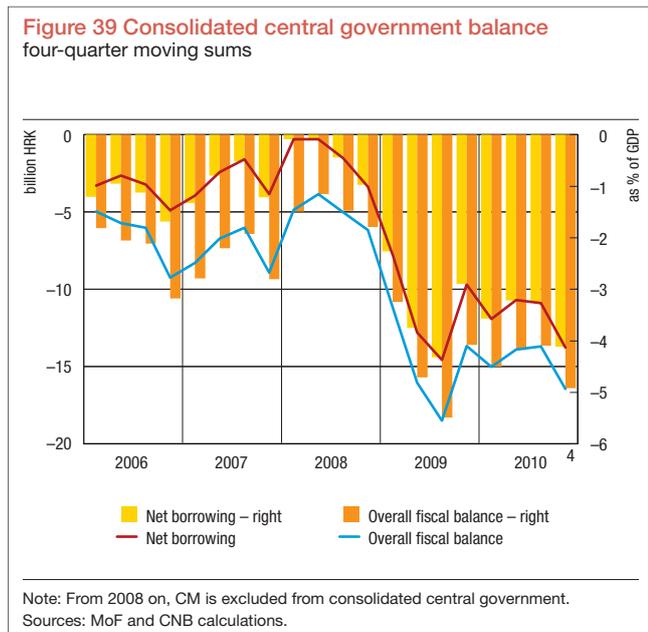


Note: From 2008 on, CM is excluded from consolidated central government.  
Sources: MoF and CNB calculations.

**Figure 38 Consolidated central government expense**  
year-on-year rate of change of twelve-month moving sums



Note: From 2008 on, CM is excluded from consolidated central government.  
Expense includes expenditures for the acquisition of non-financial assets.  
Sources: MoF and CNB calculations.



to improved collection of these revenues and the fact that after being dismissed from work (with severance allowance), some individuals continued to pay social contributions. Income and profit tax revenues moved in the opposite direction due to the decline in economic activity and changes in the income tax system in effect since July 2010.

Expenditures decreased slightly in the same period, mostly on account of the reduction in expenditures for grants within general government and other expenditures, which was due to

the base effect. More specifically, government incentives for housing savings were in 2010 paid in January, while in 2011, they were paid in February.

The overall fiscal deficit of the consolidated central government stood at HRK 1.6bn in January 2011. As the deficit was largely financed by deposit funds transferred from 2010 to 2011 and as the kuna appreciated against the US dollar, central government debt in the observed period was not much higher than at the end of 2010.

## Comparison between Croatia and selected Central and Eastern European countries

Favourable developments in overall economic activities in most Central and Eastern European countries in the first half of 2010 continued into the second half of the year. All countries, except Romania and Croatia, witnessed positive quarterly rates of change in real GDP. Economic growth was again mainly fuelled by increased foreign demand spurred by economic recovery in the EU, notably in Germany, which is the major export market of most of the observed countries. As a result, the nominal annual growth rates of goods exports rose in almost all the observed countries in the second half of 2010, relative to their growth rates in the first half of that year. Growing foreign demand accelerated industrial production growth in the second half of the year (with the exception of Poland, whose industrial production held steady, and Slovakia, which had witnessed a very strong growth in industrial production in the previous period). Only in Croatia did industrial production also fall on an annual level in the second half of 2010, the growth in exports of goods notwithstanding.

The implications of economic activity recovery began to show slowly in the labour market indicators as seen in favourable developments in employment and unemployment in almost all the observed countries in the second half of 2010. However, at the overall 2010 level, employment fell (except in Romania and Hungary, where it remained unchanged and Poland where it rose) and unemployment rose, relative to their average level in 2009. The fall in employment can largely be attributed to

negative developments in private sector activities, notably industry, construction and trade, while Bulgaria, the Baltic countries and Romania witnessed a fall in public sector employment. In line with the described developments, the Labour Force Survey unemployment rate fell in the second half of the year compared

**Table 1 Gross domestic product**  
quarterly rate of change, seasonally adjusted data

	Q3/ 2009	Q4/ 2009	Q1/ 2010	Q2/ 2010	Q3/ 2010	Q4/ 2010
Bulgaria	-0.1	-0.2	-0.5	0.5	0.7	2.1
Czech R.	0.5	0.4	0.7	0.7	0.9	0.3
Estonia	-1.1	1.0	1.1	2.1	1.1	2.3
Croatia	-0.7	-0.2	-0.9	-0.2	1.7	-1.4
Latvia	-3.7	0.1	0.2	0.6	1.6	1.1
Lithuania	-0.1	-1.1	1.4	1.0	0.3	1.8
Hungary	-0.8	0.1	1.4	0.1	0.5	0.2
Poland	0.4	1.5	0.6	1.1	1.2	0.8
Romania	0.9	-1.4	-0.2	0.2	-0.7	0.1
Slovak R.	1.2	1.4	0.7	0.9	0.9	0.9
Slovenia	0.4	0.0	-0.1	1.1	0.3	0.6
EU-27	0.3	0.3	0.4	1.0	0.5	0.2

Sources: Eurostat and CBS.

to the first half of the year in all the observed countries except Bulgaria, Croatia and Slovenia, though on an overall 2010 level it was still higher than the year before, with its highest levels being recorded in the Baltic countries.

The economic crisis forced employers to make cuts in their operating expenses through wage adjustments as well, though on an annual level gross wages fell in the past quarter only in Hungary. Similarly, at the overall 2010 level, wages were lower only in Lithuania, Latvia and Croatia, relative to 2009. Public sector wages fell on an annual level in most of the countries, while developments in private sector wages were more favourable.

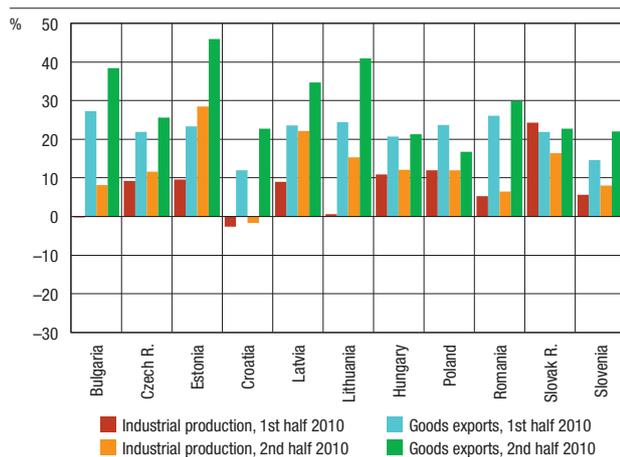
Developments in consumer prices towards the end of 2010 and in early 2011 in most Central and Eastern European countries were under the dominant influence of external factors, particularly an increase in the prices of food raw materials, energy and other raw materials on the global market. Particularly noticeable was acceleration in the annual growth in food prices which contributed the most to total inflation acceleration in most countries, particularly in the Baltic countries and Romania. Special note should be made of the increase in energy prices, which contributed the most to total inflation acceleration

in Slovakia, Poland and the Czech R. However, developments in core inflation indicators which stand at considerably lower levels compared to total consumer price inflation, show that the spillover effect of increased prices of raw materials was relatively limited. This can largely be explained by domestic factors such as continued poor domestic demand and unfavourable developments in the labour market.

The trends and the intensity of private sector lending were different in the observed countries in 2010. While some countries witnessed further growth or even acceleration in private sector lending (Czech R., Hungary, Slovakia) in the fourth quarter of 2010, the Baltic countries witnessed further credit activity weakening. As regards the countries that witnessed recovery in lending, it should be noted that such developments were largely attributable to the growth in household lending, which is particularly true of Poland, the country with the strongest loan growth. The corporate sector was the major and almost exclusive generator of growth in bank placements to the private sector only in Croatia and Romania, both in the last quarter and throughout 2010.

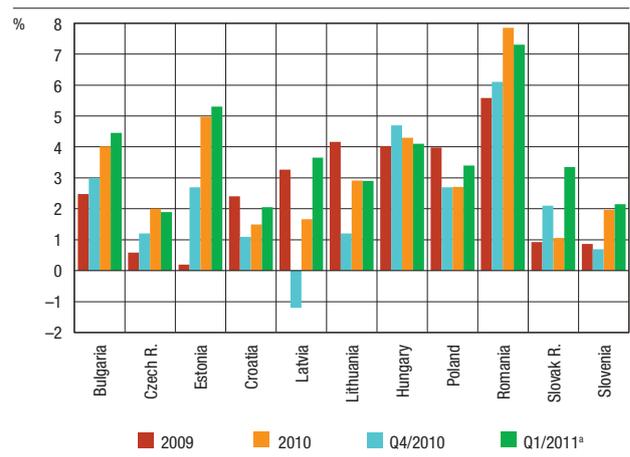
Domestic sector deposits, observed at the entire 2010 level,

**Figure 41 Industrial production (calendar adjusted data) and goods exports (original data, in euros) year-on-year rate of change**



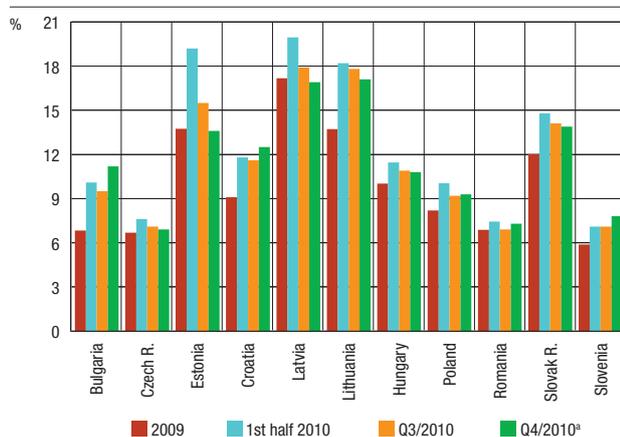
Sources: Eurostat and CBS.

**Figure 43 Consumer price inflation average year-on-year rate of change**



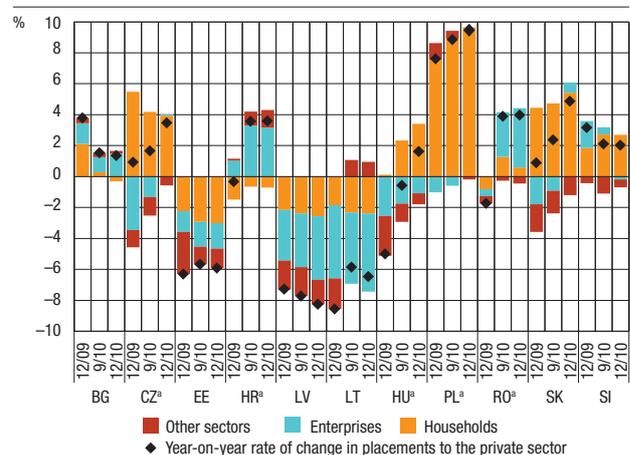
<sup>a</sup> Data for the first quarter of 2011 refer to January and February 2011. Sources: Eurostat and CBS.

**Figure 42 Labour Force Survey unemployment rate**



<sup>a</sup> Labour Force Survey unemployment rate in the fourth quarter of 2010 refers to the population aged 15–64. Source: Eurostat.

**Figure 44 Bank placements to the private sector contribution to the year-on-year rate of change, end of period**



<sup>a</sup> Excluding the exchange rate effect. Source: National central banks.

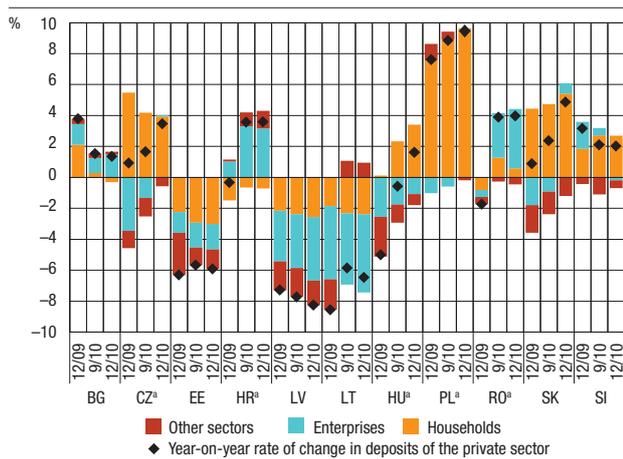
either fell or grew at a slower rate in almost all the observed countries than in the year before. Such developments are in line with the still slow credit activities of banks. Negative trends were again the most pronounced in the Baltic countries, while Romania and Slovakia and Croatia and Bulgaria could be singled out as positive exceptions, as evidenced by their moderate and steady deposits growth mainly generated by the household sector. Given a faster slowdown in credit activities of banks compared to changes in deposits, the loan-to-deposit ratio of the private sector kept declining steadily in most of the observed countries in 2010. In the Czech R. and Hungary, the loan-to-deposit ratio increased and in Slovenia and Croatia this ratio remained at the 2009 level.

As regards fiscal developments, it should be stressed that the fiscal deficit, after widening sharply in 2009, narrowed in most of the countries in 2010. Most of the countries tried to limit expenditure growth and several countries witnessed a reduction in government expenditures. The beginning of economic recovery also had a favourable effect on revenues, which grew on an annual level in most of the observed countries. By contrast, unfavourable fiscal developments, as seen in an annual increase in the deficit,

were recorded in Poland, Croatia and Slovakia. Public debt continued to grow in all the observed countries in 2010, though at a much slower rate than in the previous year. In terms of debt stock level, Hungary and Poland stand out with 78.5% and 55.5%, respectively, in contrast with Estonia whose public debt remained below 10% of GDP even at the time of the financial crisis.

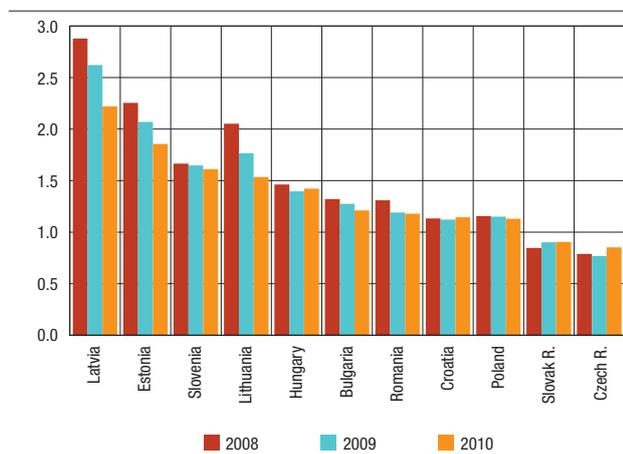
The economic recovery in the Central and Eastern European countries in 2010 started affecting developments in the external sector. The trend of current account deficit narrowing, present since the onset of the economic crisis, came to a halt in most of the observed countries in the first three quarters of 2010 and in some cases there were indications of a reversal in the trend. Such developments were mainly the result of faster growth in goods imports as well as other expenditures, most notably those associated with direct investments and external debt interest payments. A reversal in the trend was most obvious in the Baltic countries, while in Croatia, whose goods imports started recovering a little later, this change only became discernible by mid-2010. There were no significant changes in foreign trade in goods or in current transfers, which are responsible for generating surpluses in most of the countries.

**Figure 45 Deposits of the private sector**  
contribution to the year-on-year rate of change, end of period



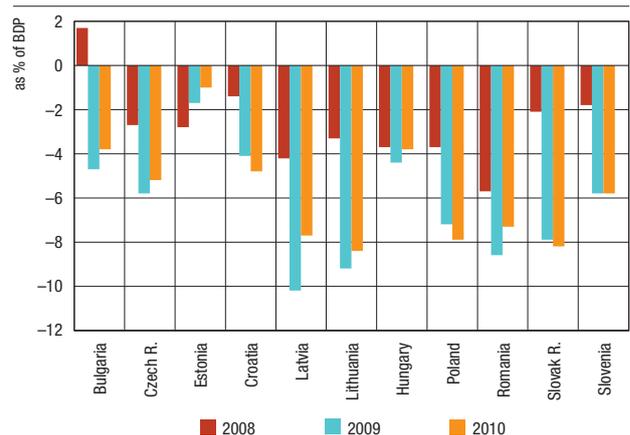
<sup>a</sup> Excluding the exchange rate effect.  
Source: National central banks.

**Figure 46 Placement to deposit ratio of the private sector**



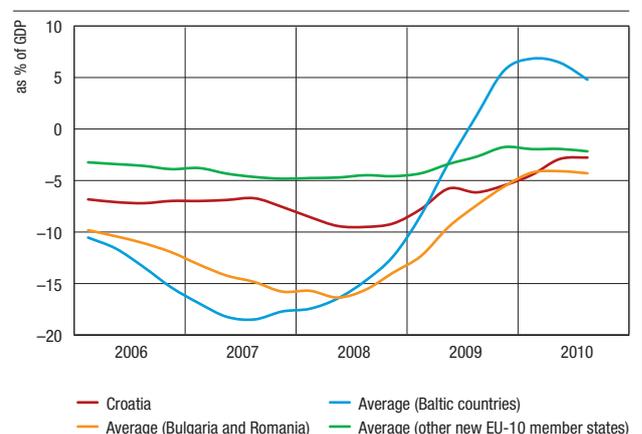
Source: National central banks.

**Figure 47 Consolidated general government balance (ESA 95)**

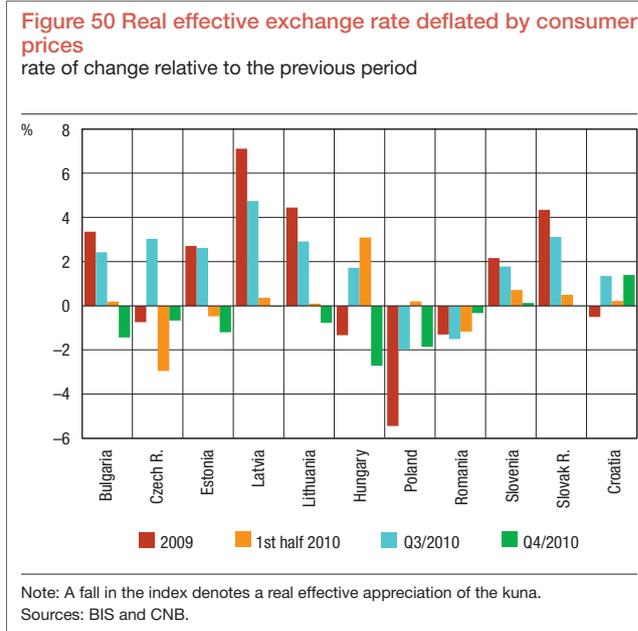
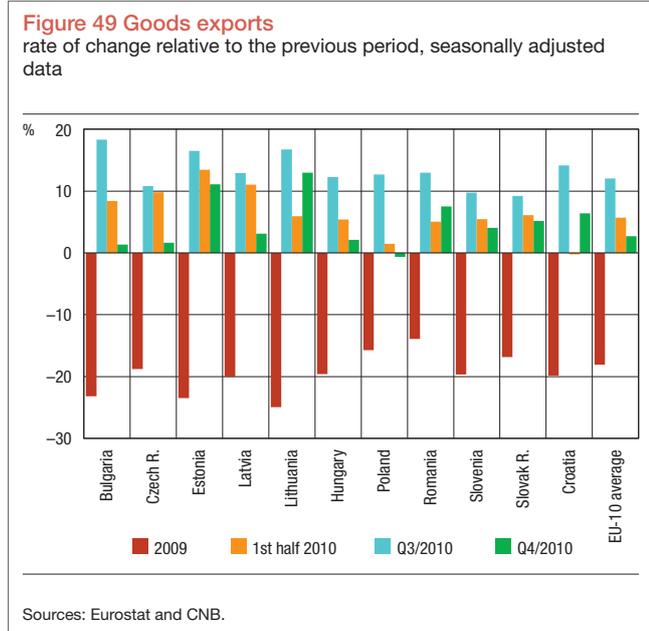


Note: The 2010 data for Croatia and other countries are projected by the CNB and the EC respectively.  
Sources: EC and CNB.

**Figure 48 Current account balance**  
four-quarter moving average



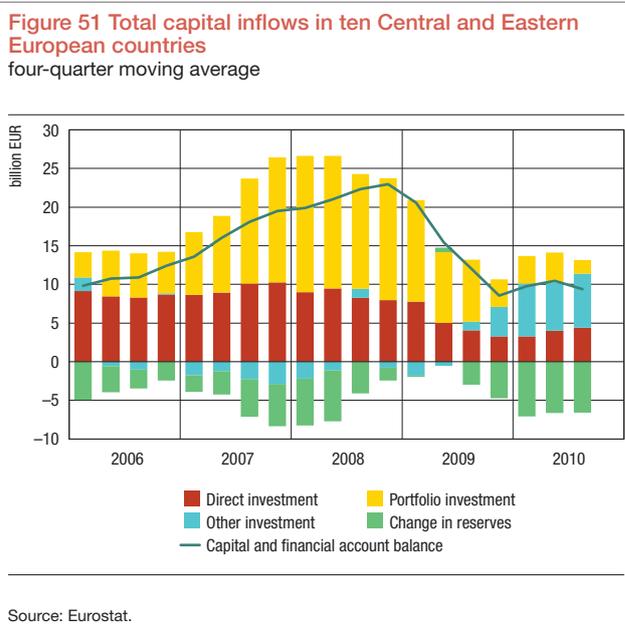
Sources: Eurostat and CNB.



Despite a strong recovery in goods exports in 2010 in all Central and Eastern European countries, including Croatia, (average growth of 22.8%), only some of them, which does not include Croatia, reached the pre-crisis level of goods exports. Some countries that witnessed a particularly fast recovery in exports that exceeded their exports in the pre-crisis level, such as Bulgaria or Poland, recorded a slight slowdown in this growth and a fall in exports on a quarterly level in the second half of 2010. As a result, the observed countries' exports, according to seasonally adjusted data, rose on average by 2.7% in the last quarter of the year, which is a deceleration compared to 5.7% and 12.0% in the previous three months and the first half of the year, respectively. As regards imports, weakened domestic demand led to their slowdown in most countries in the last quarter of the year, one that was even a little more pronounced than the slowdown in exports. As a result, the balance of trade in goods in most countries continued to improve.

Unlike in Croatia, where the real effective exchange rate deflated by consumer prices continued to depreciate towards the end of 2010, in most of the observed countries it appreciated, which points to a weakening of price competitiveness. The biggest contribution to such developments was the nominal effective appreciation of these countries' currencies.

A slightly higher need for current account deficit financing in the first three quarters of 2010 prompted increased capital inflows compared to 2009, though still much lower than in the previous years. Moderate recovery notwithstanding, one can still feel the absence of direct investments, which stand at less than half of what they were in the period before the economic crisis.



No signs of recovery in borrowing can be seen either, particularly in private sector borrowing, while the public sector, pressed by the wide budget deficit, borrowed more intensively on foreign markets throughout the major part of 2010. The purchase of foreign exchange associated with portfolio investments led to an increase in international reserves in a large number of observed countries.





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# Statistical survey



## Classification and presentation of data on claims and liabilities

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Data on financial institutions' claims and liabilities are classified according to institutional sectors and financial instruments. Institutional sectors are: financial institutions, central government and funds, other domestic sectors and foreign sector.

The financial institutions sector includes the following subsectors: monetary authorities (the central bank), banks, other banking institutions and non-banking financial institutions. The central bank is the Croatian National Bank (CNB). Banks are institutions to which the Croatian National Bank has issued a license to perform banking business services in accordance with the Banking Act, including savings banks during a transition period. Data on banks do not include claims and liabilities of banks undergoing bankruptcy proceedings, nor former branches of banks headquartered outside the Republic of Croatia. Other banking institutions comprise housing savings banks, savings and loan cooperatives and investment funds. Non-banking financial institutions are financial institutions not classified as banks or other banking institutions (e.g. insurance companies, pension funds).

The central government and funds consists of two subsectors, the Republic of Croatia and central government funds. Until December 2003, the subsector Republic of Croatia included government authorities, comprising the Croatian Roads, the Croatian Motorways and the State Agency for Deposit

Insurance and Bank Rehabilitation. The subsector central government funds includes the Croatian Institute for Health Insurance, the Croatian Pension Insurance Administration, the Croatian Employment Service, the Croatian Privatisation Fund, the Croatian Waters and the Croatian Bank for Reconstruction and Development.

Since January 2004, the Croatian Roads, the Croatian Motorways, and the State Agency for Deposit Insurance and Bank Rehabilitation have been reclassified, from the subsector Republic of Croatia to the subsector central government funds.

Other domestic sectors include local government authorities, public and other enterprises and households, including craftsmen and non-profit institutions providing services to households. The subsector other enterprises also comprises banks undergoing bankruptcy proceedings. In some tables other domestic sectors are divided into the following subsectors: local government (which comprises units of local and regional self-government), public and other enterprises, and households (including craftsmen and non-profit institutions).

Foreign sector includes foreign legal and natural persons.

All data on claims and liabilities refer to balances at the end of the reporting period. Foreign currency items are reported in their kuna equivalent at the CNB's midpoint exchange rate at the end of the reporting period.

## A Monetary and credit aggregates

Table A1 Monetary and credit aggregates

end of period, in million HRK and %

Year	Month	Reserve money	Money M1	Money M1a	Broadest money M4	Net domestic assets	Domestic credit	Monthly rates of growth					
								Reserve money	Money M1	Money M1a	Broadest money M4	Net domestic assets	Domestic credit
1998	December	9,954.2	13,531.4	13,615.2	57,340.3	44,626.8	59,792.0	7.24	6.92	6.59	2.51	3.73	0.25
1999	December <sup>a</sup>	10,310.0	13,858.9	13,965.7	56,659.3	40,003.8	55,875.8	4.53	5.46	5.48	2.28	0.35	-4.58
2000	December	11,717.3	18,030.3	18,256.4	73,061.1	44,043.9	60,883.8	7.32	10.04	9.89	3.66	10.46	2.66
2001	December	17,803.2	23,703.5	23,936.5	106,071.4	57,410.0	74,964.5	8.01	13.00	11.96	11.65	3.40	1.16
2002	December	23,027.9	30,869.8	31,876.7	116,141.8	83,324.4	97,463.7	10.72	6.11	6.79	1.65	7.92	2.15
2003	December	30,586.2	33,888.7	34,630.9	128,893.1	96,121.7	111,661.4	8.90	1.78	1.93	0.14	3.11	0.66
2004	December	33,924.4	34,562.1	35,186.5	139,947.7	108,205.1	127,308.6	8.69	2.86	2.68	0.23	2.15	1.99
2005	December	40,390.8	38,817.1	39,855.4	154,647.0	131,343.2	149,168.3	9.38	4.34	3.87	-0.02	1.84	1.94
2006	December	46,331.2	48,521.0	49,141.7	182,458.6	154,844.1	183,379.5	3.17	4.75	4.07	1.57	3.38	2.99
2007	December	51,923.9	57,878.3	58,663.4	215,822.1	166,375.5	210,828.4	3.73	6.71	6.62	3.95	3.54	2.65
2008	December	49,743.0	55,222.3	56,044.6	225,018.5	183,279.1	232,982.1	-9.89	8.17	8.49	3.17	5.68	1.96
2009	December	56,141.9	47,181.7	47,760.5	223,094.6	178,083.2	231,661.9	4.55	3.13	3.25	-0.23	-0.91	0.10
2010	March	54,694.4	47,726.2	48,329.4	222,043.1	184,290.7	233,912.8	-4.44	-2.00	-1.75	-0.58	0.12	0.51
	April	54,076.0	48,982.2	49,554.8	222,055.0	184,328.8	234,763.6	-1.13	2.63	2.54	0.01	0.02	0.36
	May	54,796.4	47,986.9	48,636.6	222,569.0	185,391.6	236,037.1	1.33	-2.03	-1.85	0.23	0.58	0.54
	June	55,858.3	49,715.7	50,349.9	224,581.4	187,596.3	238,070.7	1.94	3.60	3.52	0.90	1.19	0.86
	July	54,794.4	50,749.5	51,454.6	226,952.6	177,911.9	239,485.1	-1.90	2.08	2.19	1.06	-5.16	0.59
	August	54,707.7	51,234.6	51,991.4	231,585.1	177,141.4	240,991.2	-0.16	0.96	1.04	2.04	-0.43	0.63
	September	55,881.8	51,734.5	52,434.1	232,683.0	178,595.2	240,940.2	2.15	0.98	0.85	0.47	0.82	-0.02
	October	56,243.4	50,695.8	51,496.0	232,440.6	178,850.5	241,289.8	0.65	-2.01	-1.79	-0.10	0.14	0.15
	November	54,710.8	48,343.0	49,170.1	232,467.4	182,917.1	246,240.0	-2.73	-4.64	-4.52	0.01	2.27	2.05
	December	56,249.1	49,151.7	49,748.5	232,869.6	188,845.0	247,520.2	2.81	1.67	1.18	0.17	3.24	0.52
2011	January	56,847.0	49,467.6	50,086.6	231,800.0	190,919.0	246,211.2	1.06	0.64	0.68	-0.46	1.10	-0.53
	February	57,627.2	49,436.2	50,148.0	231,562.5	192,815.1	247,554.2	1.37	-0.06	0.12	-0.10	0.99	0.55

<sup>a</sup> Domestic credit decreased by a one-off HRK 2,759.4m.

**Table A1 Monetary and credit aggregates** • The table shows data on some basic monetary and credit aggregates, including their monthly growth rates. In September 1999, all the monetary aggregates were revised. In previous publications of the CNB, data on claims and obligations of savings banks were not included in the compilation of the monetary aggregates.

Reserve money is taken over in its entirety from the Monetary authorities accounts (Table C1).

Money (M1) is defined in the same way as the corresponding item in the Monetary survey (Table B1). It comprises currency outside banks, deposits with the CNB by other banking institutions and other domestic sectors as well as banks' demand deposits. Money (M1a) comprises currency outside banks and banks' demand deposits, increased by the demand deposits of the central government and funds with banks.

Broadest money (M4) comprises Money (M1), savings and

time deposits, foreign currency deposits as well as bonds and money market instruments (all components are taken over from the Monetary survey, Table B1).

Net domestic assets are defined as a difference between total liquid assets and foreign assets (net).

Domestic credit comprises banks' claims on other domestic sectors, other banking institutions and non-banking financial institutions.

In May 1999, bankruptcy proceedings have been initiated against several banks so their assets and liabilities are excluded from monetary statistics. In April 1999, those banks' share in monetary aggregate M1 amounted to HRK 259.3m and in monetary aggregate M4 amounted to HRK 4,035.8m. Data for June 1999 are comparable with data for July 1999 if Domestic credit is increased by HRK 3,513.5m.

## B Monetary institutions

**Table B1 Monetary survey**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
<b>ASSETS</b>								
1 Foreign assets (net)	23,303.8	27,614.5	49,446.5	41,739.4	45,011.4	44,024.6	40,880.9	38,747.4
2 Domestic credit	168,427.7	200,328.9	226,076.1	254,569.8	253,523.6	272,601.4	273,798.4	277,104.9
2.1 Claims on central government and funds (net)	19,259.4	16,949.4	15,247.7	21,587.7	21,861.7	25,081.2	27,587.2	29,550.7
2.2 Claims on other domestic sectors	147,414.3	181,031.9	207,398.7	231,472.7	229,870.2	244,039.2	242,852.4	244,126.5
2.3 Claims on other banking institutions	592.2	1,029.5	1,640.0	441.9	681.7	890.9	1,021.3	1,006.4
2.4 Claims on non-banking financial institutions	1,161.8	1,318.1	1,789.7	1,067.4	1,109.9	2,590.0	2,337.5	2,421.3
<b>Total (1+2)</b>	<b>191,731.5</b>	<b>227,943.3</b>	<b>275,522.6</b>	<b>296,309.2</b>	<b>298,534.9</b>	<b>316,626.0</b>	<b>314,679.4</b>	<b>315,852.4</b>
<b>LIABILITIES</b>								
1 Money	38,817.1	48,521.0	57,878.3	55,222.3	47,181.7	49,151.7	49,467.6	49,436.2
2 Savings and time deposits	27,992.1	44,836.8	53,644.9	50,070.3	39,139.4	34,823.4	35,521.7	35,748.1
3 Foreign currency deposits	86,760.8	88,256.7	103,090.1	117,194.8	135,410.6	147,557.1	145,494.5	145,244.9
4 Bonds and money market instruments	1,077.0	844.1	1,208.8	2,531.1	1,362.8	1,337.4	1,316.2	1,133.3
5 Restricted and blocked deposits	2,092.3	2,504.5	2,280.9	3,094.2	2,598.3	2,389.0	2,331.5	2,626.6
6 Other items (net)	34,992.2	42,980.2	57,419.6	68,196.5	72,842.0	81,367.5	80,547.9	81,663.3
<b>Total (1+2+3+4+5+6)</b>	<b>191,731.5</b>	<b>227,943.3</b>	<b>275,522.6</b>	<b>296,309.2</b>	<b>298,534.9</b>	<b>316,626.0</b>	<b>314,679.4</b>	<b>315,852.4</b>

**Table B1 Monetary survey** • The monetary survey shows consolidated data from the Monetary authorities accounts (Table C1) and Banks' accounts (Table D1).

Foreign assets (net) are the difference between total foreign assets and total foreign liabilities of the CNB and banks.

Domestic credit is the sum of corresponding items from Monetary authorities accounts and Banks' accounts. Claims on central government and funds are reported on a net basis, i.e. decreased by central government and funds' deposits with the CNB and banks.

Money is the sum of currency outside banks, deposits by

other banking institutions with the CNB, deposits by other domestic sectors with the CNB and banks' demand deposits (item Demand deposits in Banks' accounts, Table D1).

Items Savings and time deposits, Foreign currency deposits as well as Bonds and money market instruments are entirely taken over from the Banks' accounts, while item Restricted and blocked deposits represents the sum of corresponding items from the Monetary authorities accounts (excluding banks' blocked deposits with the CNB) and Banks' accounts. Other items (net) are unclassified liabilities decreased by unclassified assets.

Table B2 Number of reporting banks and savings banks and their classification by total assets

Year	Month	Total number of reporting banks	Reporting banks classified according to their total assets						Total number of reporting savings banks	Savings banks classified according to their total assets			
			Less than 100 million kuna	100 million kuna to less than 500 million kuna	500 million kuna to less than 1 billion kuna	1 billion kuna to less than 2 billion kuna	2 billion kuna to less than 10 billion kuna	10 billion kuna and over		Less than 10 million kuna	10 million kuna to less than 100 million kuna	100 million kuna and over	
1	2	3	4	5	6	7	8	9	10	11	12	13	
1998	December	60	3	26	8	11	10	2	33	4	25	4	
1999	December	53	4	23	7	7	10	2	30	5	21	4	
2000	December	45	3	15	9	6	10	2	29	5	19	5	
2001	December	44	3	13	7	7	10	4	21	4	12	5	
2002	December	46	4	13	7	9	8	5	10	3	5	2	
2003	December	42	2	13	8	5	8	6	7	3	2	2	
2004	December	39	1	12	9	6	5	6	6	3	3	–	
2005	December	36	1	10	6	8	5	6	3	2	1	–	
2006	December	35	2	6	5	10	4	8	3	2	1	–	
2007	December	35	2	5	2	12	5	9	2	1	1	–	
2008	December	36	2	7	1	11	6	9	2	1	1	–	
2009	December	36	3	5	3	10	7	8	2	1	1	–	
2010	March	36	3	5	2	11	7	8	2	1	1	–	
	April	36	3	5	2	11	7	8	2	1	1	–	
	May	36	3	5	2	11	7	8	2	1	1	–	
	June	36	3	5	2	11	7	8	2	1	1	–	
	July	36	3	5	2	11	7	8	2	1	1	–	
	August	36	3	5	2	11	7	8	2	1	1	–	
	September	36	3	5	2	11	7	8	2	1	1	–	
	October	36	3	5	2	11	7	8	2	1	1	–	
	November	36	3	5	2	11	7	8	2	1	1	–	
	December	36	3	5	2	9	9	8	2	1	1	–	
	2011	January	36	3	5	2	10	8	8	2	1	1	–
		February	36	3	5	2	10	8	8	2	1	1	–

Table B2 Number of reporting banks and savings banks and their classification by total assets • The table shows the total number of banks and savings banks during the transition period which report monthly to the CNB. Their operations are shown in the Banks' accounts. Monetary statistics includes reporting

institutions under winding-up and, until February 2005, institutions whose operating licences have been revoked, but which have not initiated winding-up proceedings.

The table also shows the classification of reporting banks and savings banks according to their total assets.



	2005	2006	2007	2008	2009	2010	2011	
	Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	Jan.	Feb.
5.2 CNB bills in f/c	-	-	-	-	-	-	-	-
6 Capital accounts	5,357.4	5,408.8	6,664.5	9,562.4	11,151.3	13,090.1	12,641.5	12,678.5
7 Other items (net)	-498.2	-515.8	-665.6	-707.1	-735.9	-792.9	-799.6	-799.9
<b>Total (1+2+3+4+5+6+7)</b>	<b>59,153.0</b>	<b>68,064.6</b>	<b>72,425.1</b>	<b>66,885.8</b>	<b>75,828.3</b>	<b>78,745.2</b>	<b>77,467.6</b>	<b>77,607.7</b>

<sup>a</sup> The CDA accounts with the CNB for the gross and net settlement of purchased securities are reclassified from the central government sector to other domestic sectors from December 2002 onwards. <sup>b</sup> From October 2001 to May 2003, Liabilities to foreign banks include also liabilities based on CNB bills subscribed by non-residents.

**Table C1 Monetary authorities accounts** • The table reports data on claims and liabilities by monetary authorities.

Foreign assets include the following forms of foreign currency and kuna claims on foreign legal and natural persons: monetary gold, holdings of special drawing rights, foreign cash in vault, reserve position in the International Monetary Fund, current account balances with foreign banks, time deposits with foreign banks and accrued interest, foreign currency security investments and other claims.

Claims on central government and funds are loans and overdue claims on the budget of the Republic of Croatia. In accordance with the Croatian National Bank Act that entered into force in April 2001, the Croatian National Bank may not extend credit to the Republic of Croatia. Hence, this item comprises only overdue claims on the budget of the Republic of Croatia based on the payment system operations and the liabilities to the IMF and foreign banks. Until April 2001, Claims in kuna were short-term loans granted for the purpose of overcoming timing differences between incoming revenues and execution of budgetary expenditures, long-term loans granted by special regulations by the government of the Republic of Croatia, and overdue claims on the budgetary central government, while Claims in foreign currency was a counter-entry to the liability to the IMF based on the succession of membership in that institution.

Claims on other domestic sectors are loans and overdue claims on other domestic sectors, including banks in bankruptcy proceedings.

Claims on banks are credits to banks and overdue claims on banks. Credits to banks comprise Lombard credits, short-term liquidity credits, other credits and reverse repo transactions. Item Lombard credits comprises credits to banks for regular maintaining of the day-to-day liquidity, which were replaced by Lombard credits in December 1994. Short-term liquidity credits, which have been granted since the beginning of 1999, also serve to bridge liquidity problems. Other credits include intervention credits, special credits for bridging liquidity problems granted in the past (initial credits, prerehabilitation credits), due but unpaid credits and deposits of the CNB with banks. From April 2005 on, reverse repo transactions are conducted on a weekly basis. Overdue claims on banks comprise settlement account overdrafts (until mid-1994) and banks' failure to correctly and promptly allocate and maintain statutory reserve requirements.

Since May 1999, Claims on other domestic sectors include overdue claims on banks against which bankruptcy proceedings have been initiated. Due to the reclassification of savings banks from the subsector other banking institutions to the subsector

banks, data for Claims on banks and Claims on other banking institutions have been revised.

Reserve money consists of currency outside banks, cash in banks' vaults, banks' deposits with the CNB, other banking institutions' deposits and other domestic sectors' deposits with the CNB. Banks' deposits are: settlement account balances, statutory reserves deposited on a special account with the CNB (including, from March 2006, special reserve requirement on liabilities arising from issued securities), CNB bills on an obligatory basis and overnight deposits. Deposits by other banking institutions included, until September 2003, settlement account balances of housing savings banks. Deposits by other domestic sectors are other domestic sectors' giro account balances which are deposited with the Croatian National Bank in accordance with law or other regulation.

Restricted and blocked deposits include required foreign currency reserves and accrued interest, restricted deposits and blocked foreign currency deposits. Banks are required to set aside the reserve requirements against certain foreign currency sources of funds and the marginal reserve requirements (from August 2004 to October 2008) in special accounts at the Croatian National Bank. Restricted deposits are kuna funds set aside on the basis of a court order or regulations, kuna funds set aside in the period between May 1999 and April 2002 and deposits of banks against which bankruptcy proceedings have been initiated. Blocked foreign currency deposits are funds that were set aside in special accounts at the Croatian National Bank for repaying unpaid amounts due to foreign creditors.

Foreign liabilities include use of IMF credits, liabilities to international financial institutions and foreign banks and accrued interest.

Central government and funds' deposits are demand deposits and foreign currency deposits of the Republic of Croatia and central government funds with the CNB, and CNB bills purchased by central government institutions.

CNB bills are kuna and f/c CNB bills on a voluntary basis, excluding CNB bills voluntarily purchased by central government institutions.

Capital accounts include reserves, provisions and the income and cost accounts.

Other items (net) are unclassified liabilities decreased by unclassified assets of the Monetary authorities accounts.

Due to the reclassification of savings banks from the subsector other banking institutions to the subsector banks, data for Currency outside banks, Banks' cash in vaults, Banks' deposits and Deposits of other banking institutions were revised.

## D Banks

**Table D1 Banks' accounts**  
end of period, in million HRK

	2005	2006	2007	2008	2009	2010	2011	
	Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	Jan.	Feb.
<b>ASSETS</b>								
1 Reserves with the CNB	41,775.2	48,384.7	50,178.9	40,705.6	45,902.1	45,759.6	46,648.7	47,483.1
1.1 In kuna	28,283.1	31,814.1	35,929.1	32,700.5	40,860.4	40,986.4	41,988.7	42,705.8
1.2 In f/c	13,492.1	16,570.6	14,249.8	8,005.1	5,041.7	4,773.2	4,660.0	4,777.3
2 Foreign assets	35,572.5	39,621.2	46,438.5	50,246.6	49,577.0	47,245.4	44,705.0	44,131.8
3 Claims on central government and funds	28,877.2	27,936.8	28,971.5	37,801.1	44,249.5	50,307.6	51,122.4	51,291.5
4 Claims on other domestic sectors	147,340.9	180,967.8	207,330.7	231,408.6	229,866.1	244,035.4	242,848.6	244,122.7
4.1 Claims on local government	1,767.2	1,892.0	2,140.8	2,077.4	2,074.2	2,412.8	2,526.1	2,520.9
4.2 Claims on enterprises	67,017.9	83,386.5	92,265.1	102,779.8	104,898.1	114,089.7	114,450.0	115,269.3
4.3 Claims on households	78,555.7	95,689.3	112,924.9	126,551.4	122,893.7	127,532.9	125,872.6	126,332.5
5 Claims on other banking institutions	592.2	1,029.5	1,640.0	441.9	681.7	890.9	1,021.3	1,006.4
6 Claims on non-banking financial institutions	1,161.8	1,318.1	1,789.7	1,067.4	1,109.9	2,590.0	2,337.5	2,421.3
<b>Total (1+2+3+4+5+6)</b>	<b>255,319.8</b>	<b>299,258.1</b>	<b>336,349.4</b>	<b>361,671.2</b>	<b>371,386.3</b>	<b>390,829.0</b>	<b>388,683.5</b>	<b>390,456.8</b>
<b>LIABILITIES</b>								
1 Demand deposits	26,653.3	33,911.7	41,870.8	38,171.2	31,899.6	33,888.9	34,604.4	34,505.9
2 Savings and time deposits	27,992.1	44,836.8	53,644.9	50,070.3	39,139.4	34,823.4	35,521.7	35,748.1
3 Foreign currency deposits	86,760.8	88,256.7	103,090.1	117,194.8	135,410.6	147,557.1	145,494.5	145,244.9
4 Bonds and money market instruments	1,077.0	844.1	1,208.8	2,531.1	1,362.8	1,337.4	1,316.2	1,133.3
5 Foreign liabilities	67,112.3	76,076.0	65,152.6	75,296.1	80,365.3	81,940.4	81,266.6	82,964.6
6 Central government and funds' deposits	9,287.0	10,800.4	13,525.8	16,007.5	18,219.3	19,870.3	19,483.2	18,481.0
7 Credit from central bank	4,215.6	3,911.4	4,178.3	14.0	13.5	12.9	12.9	12.9
8 Restricted and blocked deposits	2,036.4	2,447.6	2,252.3	3,038.4	2,548.4	2,328.3	2,273.2	2,572.5
9 Capital accounts	32,665.7	40,805.1	53,178.9	60,317.4	66,306.4	71,826.9	72,268.5	72,761.1
10 Other items (net)	-2,480.4	-2,631.7	-1,753.2	-969.7	-3,879.1	-2,756.6	-3,557.5	-2,967.6
<b>Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>255,319.8</b>	<b>299,258.1</b>	<b>336,349.4</b>	<b>361,671.2</b>	<b>371,386.3</b>	<b>390,829.0</b>	<b>388,683.5</b>	<b>390,456.8</b>

**Table D1 Banks' accounts** • Banks' accounts include data on banks' claims and liabilities. Banks' mutual claims and liabilities are consolidated.

Required reserves held at the central bank include kuna and foreign currency reserves. Kuna reserves include vault cash and kuna funds held in accounts at the central bank. Foreign currency reserves include foreign currency held in the CNB's foreign currency accounts.

Foreign assets are the following forms of kuna and foreign currency claims on foreign legal and natural persons: foreign cash in vaults, current account balances with foreign banks and time deposits with foreign banks (including loro letters of credit and other forms of collateral), securities, loans, and equities.

Claims on central government and funds are the following forms of claims in kuna and foreign currency: securities and loans.

Claims on other domestic sectors include the following claims in kuna and foreign currency: money market instruments, bonds, loans (including acceptances), and equities.

The same forms of kuna and foreign currency claims are included in claims on other banking institutions and non-banking financial institutions, with one difference: Claims on other banking institutions also include deposits with those institutions.

Items Demand deposits, Savings and time deposits, Foreign currency deposits as well as Bonds and money market

instruments comprise banks' liabilities to other domestic sectors, other banking institutions and non-banking financial institutions.

Demand deposits include giro and current accounts balances and banks' obligations arising from kuna payment instruments issued, minus currency in the payment system, i.e. checks in banks' vaults and checks in collection.

Savings and time deposits are kuna sight deposits as well as kuna time and notice deposits.

Foreign currency deposits are foreign currency sight deposits as well as foreign currency time and notice deposits.

Bonds and money market instruments are banks' liabilities for securities issued (net) and loans received. Issued subordinated and hybrid instruments, purchased by foreign investors, are excluded from this item.

Foreign liabilities comprise the following forms of kuna and foreign currency liabilities to foreign legal and natural persons: giro and current accounts, savings deposits (including loro letters of credit and other forms of collateral), time deposits, loans received and liabilities due. Issued subordinate and hybrid instruments, purchased by foreign investors, are also included in loans received.

Central government and funds' deposits are all forms of banks' kuna and foreign currency liabilities (except restricted and blocked deposits) to the central government and funds.

Credit from central bank comprises loans received from the CNB and deposits by the CNB with banks. Repurchase of securities is also considered and treated as a loan.

Restricted and blocked deposits comprise the following banks' liabilities: kuna and foreign currency restricted deposits by other domestic sectors, other banking institutions, non-banking financial institutions, central government and funds as well as foreign legal and natural persons, and households' blocked foreign currency deposits, regulated by the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia.

Capital accounts are share capital, profit or loss for the

previous and current year, retained earnings (loss), legal reserves, reserves provided for by the articles of association and other capital reserves, hedging reserves, unrealised gains (losses) from financial assets classified as available-for-sale assets, value adjustments and collectively assessed impairment provisions.

Other items (net) are unclassified liabilities decreased by unclassified assets, including the fair value of derivative financial instruments.

**Tables D2 – D12** • This group of tables (with the exception of Table D5) provides a detailed analysis of the relevant asset and liability items from Table D1 (Banks' accounts).

**Table D2 Banks' foreign assets**

end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Foreign assets in f/c	35,457.9	39,454.5	45,837.2	49,705.1	49,230.3	46,920.2	44,331.2	43,836.1
1.1 Claims on foreign financial institutions	27,228.5	30,404.1	37,824.9	38,038.3	34,186.6	32,069.1	30,463.2	30,718.8
Foreign currencies	1,136.1	1,232.1	1,245.5	1,973.2	1,772.6	1,628.4	1,443.8	1,455.7
Demand deposits	860.2	870.1	1,305.2	2,109.8	1,338.7	1,584.7	1,357.7	1,476.5
Time and notice deposits	20,874.6	23,509.4	31,726.1	31,444.5	29,254.5	26,728.1	25,532.7	25,661.9
Securities	4,197.0	4,441.5	3,210.4	2,307.1	1,629.0	1,896.5	1,975.7	1,971.9
Loans and advances	152.9	339.2	195.9	166.3	117.6	170.1	92.4	91.9
Shares and participations	7.8	11.8	141.9	37.4	74.2	61.3	60.8	61.0
1.2 Claims on foreign non-banks	8,229.4	9,050.4	8,012.3	11,666.8	15,043.7	14,851.2	13,868.0	13,117.2
Claims on foreign governments	7,735.7	8,217.0	6,696.1	9,976.8	13,477.2	13,047.3	12,196.9	11,196.7
Claims on other non-residents	493.1	798.1	1,295.2	1,613.5	1,534.5	1,785.9	1,653.3	1,876.2
Securities	68.0	141.5	180.9	235.1	205.4	131.0	93.7	74.7
Loans and advances	425.2	656.6	1,114.3	1,378.4	1,329.1	1,654.9	1,559.7	1,801.5
Shares and participations	0.5	35.3	20.9	76.5	32.0	17.9	17.7	44.4
2 Foreign assets in kuna	114.6	166.7	601.3	541.5	346.7	325.2	373.8	295.7
2.1 Claims on foreign financial institutions	71.3	96.9	408.1	144.1	86.3	72.4	133.4	53.7
2.2 Claims on foreign non-banks	43.4	69.8	193.3	397.4	260.3	252.8	240.5	242.0
o/w: Loans and advances	42.6	69.2	192.7	396.8	260.0	252.5	240.2	241.7
<b>Total (1+2)</b>	<b>35,572.5</b>	<b>39,621.2</b>	<b>46,438.5</b>	<b>50,246.6</b>	<b>49,577.0</b>	<b>47,245.4</b>	<b>44,705.0</b>	<b>44,131.8</b>

**Table D2 Banks' foreign assets** • This table shows banks' claims on foreign legal and natural persons.

Foreign assets of banks comprise foreign assets in kuna and foreign currency.

Claims on foreign banks and Claims on foreign non-banks (total and by financial instruments) are shown separately within both foreign assets in kuna and in foreign currency.

**Table D3 Banks' claims on the central government and funds**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 In kuna	20,532.7	22,703.0	24,081.8	24,901.6	24,461.9	28,491.6	29,245.3	29,053.3
1.1 Claims on central government	17,352.6	18,361.2	19,057.3	19,899.5	19,230.6	21,461.5	22,113.3	21,735.1
Securities	16,037.7	14,546.7	16,099.8	16,969.0	16,305.4	17,752.1	18,348.8	17,809.2
o/w: Bonds (c'part to f/c savings deposits)	20.6	8.3	6.4	6.1	5.2	6.7	6.6	6.4
Loans and advances	1,314.9	3,814.5	2,957.5	2,930.4	2,925.1	3,709.4	3,764.5	3,925.9
1.2 Claims on central government funds	3,180.1	4,341.9	5,024.5	5,002.1	5,231.3	7,030.2	7,132.0	7,318.3
Securities	–	–	–	6.1	–	–	–	–
Loans and advances	3,180.1	4,341.9	5,024.5	4,996.1	5,231.3	7,030.2	7,132.0	7,318.3
2 In f/c	8,344.5	5,233.8	4,889.7	12,899.5	19,787.7	21,815.9	21,877.2	22,238.1
2.1 Claims on central government	7,241.0	4,624.4	4,388.6	9,843.6	14,793.1	14,901.3	14,961.1	14,988.6
Securities	1,248.1	429.0	268.4	300.7	234.7	207.7	223.7	246.5
Loans and advances	5,992.8	4,195.4	4,120.1	9,542.9	14,558.4	14,693.5	14,737.4	14,742.1
2.2 Claims on central government funds	1,103.5	609.4	501.2	3,055.9	4,994.6	6,914.7	6,916.1	7,249.5
Securities	144.2	109.2	82.1	50.9	52.0	84.7	85.3	85.9
Loans and advances	959.3	500.2	419.1	3,005.1	4,942.6	6,830.0	6,830.8	7,163.6
<b>Total (1+2)</b>	<b>28,877.2</b>	<b>27,936.8</b>	<b>28,971.5</b>	<b>37,801.1</b>	<b>44,249.5</b>	<b>50,307.6</b>	<b>51,122.4</b>	<b>51,291.5</b>

**Table D3 Banks' claims on the central government and funds** • The table shows banks' kuna and foreign currency claims on the central government and funds. The item Securities, shown under Claims in kuna on the Republic of Croatia,

also comprises bonds arising from blocked foreign currency savings deposits issued in accordance with the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia.

**Table D4 Banks' claims on other domestic sectors**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Claims in kuna	133,603.5	166,755.1	194,476.7	216,530.8	211,273.4	221,988.6	220,537.3	221,791.5
1.1 Money market instruments	2,329.9	1,980.7	2,147.4	2,674.5	2,040.2	1,873.2	1,846.0	1,878.4
1.2 Bonds	361.6	1,088.8	1,366.0	1,341.4	1,691.0	1,702.7	1,672.2	1,624.9
1.3 Loans and advances	128,882.3	161,694.2	188,462.5	210,424.0	205,279.3	215,923.2	214,522.4	215,812.7
1.4 Shares and participations	2,029.6	1,991.4	2,500.8	2,090.8	2,262.9	2,489.5	2,496.7	2,475.5
2 Claims in f/c	13,737.4	14,212.8	12,854.0	14,877.8	18,592.7	22,046.8	22,311.3	22,331.3
2.1 Securities	307.6	221.1	249.2	109.3	441.1	105.7	142.1	135.9
2.2 Loans and advances	13,429.8	13,991.6	12,604.9	14,768.5	18,151.7	21,941.1	22,169.2	22,195.3
<b>Total (1+2)</b>	<b>147,340.9</b>	<b>180,967.8</b>	<b>207,330.7</b>	<b>231,408.6</b>	<b>229,866.1</b>	<b>244,035.4</b>	<b>242,848.6</b>	<b>244,122.7</b>

**Table D4 Banks' claims on other domestic sectors** • The table shows banks' kuna and foreign currency claims on other domestic sectors, classified according to financial instruments:

money market instruments (including factoring and forfeiting since January 2004), loans and advances (including acceptances and purchased claims), and equities.

**Table D5 Distribution of banks' loans by domestic institutional sectors**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
<b>LOANS IN KUNA</b>								
1 Loans to central government and funds	4,495.0	8,156.4	7,982.0	7,926.5	8,156.4	10,739.6	10,896.5	11,244.2
1.1 Loans to central government	1,314.9	3,814.5	2,957.5	2,930.4	2,925.1	3,709.4	3,764.5	3,925.9
1.2 Loans to central government funds	3,180.1	4,341.9	5,024.5	4,996.1	5,231.3	7,030.2	7,132.0	7,318.3
2 Loans to local government	1,613.9	1,720.3	1,867.5	1,786.9	1,795.4	2,168.1	2,288.7	2,296.8
3 Loans to enterprises	49,105.9	64,666.3	74,001.7	82,431.7	80,913.1	86,564.6	86,684.9	87,507.9
4 Loans to households	78,162.4	95,307.6	112,593.3	126,205.3	122,570.8	127,190.5	125,548.8	126,008.0
o/w: Housing loans	27,571.1	36,927.3	45,218.6	52,305.5	52,949.4	57,984.0	57,027.2	57,375.5
5 Loans to other banking institutions	46.5	304.4	213.6	36.1	236.5	293.2	246.7	272.1
6 Loans to non-banking financial institutions	591.8	854.4	947.6	741.4	689.0	2,063.0	1,884.2	1,966.3
<b>A Total (1+2+3+4+5+6)</b>	<b>134,015.6</b>	<b>171,009.4</b>	<b>197,605.7</b>	<b>219,128.0</b>	<b>214,361.3</b>	<b>229,018.9</b>	<b>227,549.8</b>	<b>229,295.3</b>
<b>LOANS IN F/C</b>								
1 Loans to central government and funds	6,952.1	4,695.6	4,539.2	12,548.0	19,501.0	21,523.5	21,568.2	21,905.8
1.1 Loans to central government	5,992.8	4,195.4	4,120.1	9,542.9	14,558.4	14,693.5	14,737.4	14,742.1
1.2 Loans to central government funds	959.3	500.2	419.1	3,005.1	4,942.6	6,830.0	6,830.8	7,163.6
2 Loans to local government	63.0	11.3	8.7	5.5	3.0	0.5	0.4	0.4
3 Loans to enterprises	12,973.5	13,598.5	12,264.5	14,416.8	17,825.7	21,598.3	21,845.0	21,870.5
4 Loans to households	393.3	381.8	331.6	346.1	323.0	342.4	323.8	324.5
5 Loans to other banking institutions	19.9	68.1	74.0	1.2	31.0	0.6	54.2	48.7
6 Loans to non-banking financial institutions	512.3	360.5	668.0	143.5	269.4	341.3	260.0	259.2
<b>B Total (1+2+3+4+5+6)</b>	<b>20,914.1</b>	<b>19,115.9</b>	<b>17,886.0</b>	<b>27,461.1</b>	<b>37,953.0</b>	<b>43,806.5</b>	<b>44,051.6</b>	<b>44,409.0</b>
<b>TOTAL (A+B)</b>	<b>154,929.7</b>	<b>190,125.3</b>	<b>215,491.7</b>	<b>246,589.1</b>	<b>252,314.3</b>	<b>272,825.4</b>	<b>271,601.4</b>	<b>273,704.3</b>

**Table D5 Distribution of banks' loans by domestic institutional sectors** • The table shows data on kuna and foreign currency loans granted by banks to domestic sectors, including

acceptances, financial leases, payments made on the basis of guarantees and similar instruments, purchased claims, and until December 2003 factoring and forfeiting.

**Table D6 Demand deposits with banks**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Local government	1,688.7	1,803.8	2,689.4	2,441.1	1,377.7	1,303.3	1,119.2	1,034.8
2 Enterprises	13,344.2	16,668.6	19,599.3	16,896.1	14,893.1	15,860.4	16,800.2	16,539.8
3 Households	10,728.3	14,257.8	17,896.7	17,620.1	14,218.6	15,581.9	15,320.9	15,311.8
4 Other banking institutions	322.1	485.1	481.1	293.6	517.1	347.5	591.2	812.4
5 Non-banking financial institutions	571.3	697.6	1,205.2	921.1	893.4	796.0	773.1	807.2
6 Less: Checks of other banks and checks in collection	-1.3	-1.2	-0.9	-0.7	-0.3	-0.2	-0.2	-0.2
<b>Total (1+2+3+4+5+6)</b>	<b>26,653.3</b>	<b>33,911.7</b>	<b>41,870.8</b>	<b>38,171.2</b>	<b>31,899.6</b>	<b>33,888.9</b>	<b>34,604.4</b>	<b>34,505.9</b>

**Table D6 Demand deposits with banks** • The table shows demand deposits with banks, classified by domestic institutional sectors.

Demand deposits are the sum of other domestic sectors', other banking institutions' and non-banking financial institutions'

giro and current accounts balances, minus currency in the payment system (i.e. checks in banks' vaults and checks in collection). Banks' obligations arising from kuna payment instruments issued are included in the household sector.

**Table D7 Time and savings deposits with banks**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Savings deposits	2,493.6	2,905.6	3,086.1	2,770.3	2,523.1	2,503.2	2,514.0	2,488.5
1.1 Local government	2.7	2.8	2.5	0.0	0.0	0.1	7.6	7.2
1.2 Enterprises	101.6	110.3	154.7	108.8	203.7	318.9	330.4	332.2
1.3 Households	2,388.3	2,792.4	2,929.0	2,657.7	2,268.9	2,167.4	2,164.4	2,134.5
1.4 Other banking institutions	–	–	–	–	5.0	–	–	–
1.5 Non-banking financial institutions	1.0	0.0	–	3.7	45.5	16.9	11.6	14.5
2 Time and notice deposits	25,498.4	41,931.3	50,558.8	47,300.1	36,616.3	32,320.2	33,007.7	33,259.6
2.1 Local government	508.7	491.8	549.5	726.0	498.8	355.2	604.9	677.8
2.2 Enterprises	8,222.5	14,715.4	18,414.8	16,268.0	11,559.0	8,933.3	9,111.8	8,787.6
2.3 Households	13,254.9	20,755.0	20,479.1	22,721.6	16,910.7	17,188.1	17,537.9	17,730.1
2.4 Other banking institutions	931.9	2,697.9	6,386.5	2,563.4	3,039.8	2,448.8	2,607.5	2,730.8
2.5 Non-banking financial institutions	2,580.4	3,271.3	4,728.9	5,021.1	4,608.1	3,394.8	3,145.6	3,333.4
<b>Total (1+2)</b>	<b>27,992.1</b>	<b>44,836.8</b>	<b>53,644.9</b>	<b>50,070.3</b>	<b>39,139.4</b>	<b>34,823.4</b>	<b>35,521.7</b>	<b>35,748.1</b>

**Table D7 Time and savings deposits with banks** • The table shows kuna savings and time deposits by other domestic sectors, other banking institutions and non-banking financial institutions with banks.

**Table D8 Foreign currency deposits with banks**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Savings deposits	22,641.0	22,698.6	22,845.0	21,262.2	20,781.0	22,906.1	22,319.5	22,474.0
1.1 Local government	11.9	30.8	27.5	22.1	25.5	15.8	14.8	13.6
1.2 Enterprises	4,408.3	4,589.7	5,543.6	5,132.0	5,053.6	5,738.5	5,442.5	5,719.1
1.3 Households	17,933.6	17,609.9	16,720.8	15,682.8	15,148.7	16,313.0	16,152.3	16,021.4
1.4 Other banking institutions	116.0	276.7	251.7	121.4	150.4	268.5	182.5	149.3
1.5 Non-banking financial institutions	171.3	191.4	301.5	303.9	402.9	570.2	527.5	570.7
2 Time deposits	64,119.7	65,558.1	80,245.1	95,932.6	114,629.6	124,651.0	123,175.0	122,770.9
2.1 Local government	3.2	1.9	2.1	2.3	2.5	2.3	2.3	2.2
2.2 Enterprises	8,154.2	7,086.2	10,391.9	11,215.5	13,516.9	15,097.8	12,750.5	12,479.5
2.3 Households	55,036.1	57,210.8	66,465.7	80,419.6	95,598.0	104,621.4	105,360.5	105,710.3
2.4 Other banking institutions	242.0	366.2	1,038.6	808.2	663.0	1,384.1	1,337.9	1,131.8
2.5 Non-banking financial institutions	684.2	892.9	2,346.8	3,487.0	4,849.1	3,545.4	3,723.9	3,447.1
<b>Total (1+2)</b>	<b>86,760.8</b>	<b>88,256.7</b>	<b>103,090.1</b>	<b>117,194.8</b>	<b>135,410.6</b>	<b>147,557.1</b>	<b>145,494.5</b>	<b>145,244.9</b>

**Table D8 Foreign currency deposits with banks** • The table shows foreign currency savings and time deposits by other domestic sectors, other banking institutions and non-banking financial institutions with banks. Foreign currency savings deposits are all foreign currency sight deposits and foreign currency payment instruments issued, while foreign currency time deposits also include foreign currency notice deposits.

**Table D9 Bonds and money market instruments**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Money market instruments (net)	–	0.8	0.8	0.8	0.8	–	–	–
2 Bonds (net)	164.9	340.9	632.0	609.5	765.3	1,016.7	1,027.0	911.8
3 Other domestic borrowing	912.1	502.5	576.0	1,920.8	596.7	320.7	289.2	221.5
3.1 Local government	–	–	–	–	–	–	–	–
3.2 Enterprises	40.8	0.0	152.9	3.5	4.6	2.4	2.4	1.9
3.3 Other banking institutions	828.1	492.8	266.4	1,719.2	551.8	318.1	286.7	219.4
3.4 Non-banking financial institutions	43.2	9.6	156.6	198.0	40.4	0.1	0.1	0.1
<b>Total (1+2+3)</b>	<b>1,077.0</b>	<b>844.1</b>	<b>1,208.8</b>	<b>2,531.1</b>	<b>1,362.8</b>	<b>1,337.4</b>	<b>1,316.2</b>	<b>1,133.3</b>

**Table D9 Bonds and money market instruments** • The table shows banks' liabilities for securities issued (net) and loans received from other domestic sectors, other banking institutions and non-banking financial institutions.

Money market instruments (net) comprise banks' net liabilities for CNB bills, bills of exchange (issued and accepted) and other securities issued.

Bonds (net) comprise banks' net liabilities for kuna and foreign currency bonds issued, as well as issued subordinated and hybrid instruments, excluding those purchased by foreign investors.

Other domestic borrowing comprises loans received, which are reported in the total amount and classified by institutional sectors.

**Table D10 Banks' foreign liabilities**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Foreign liabilities in f/c	52,073.3	55,114.3	48,461.3	54,726.8	60,046.7	58,715.8	57,198.5	59,083.8
1.1 Liabilities to foreign financial institutions	45,747.7	48,561.3	41,483.1	47,878.5	51,702.3	48,789.0	47,251.8	49,148.2
Demand deposits	156.3	195.0	258.8	176.6	221.0	208.3	222.6	214.3
Time and notice deposits	12,523.1	12,174.1	10,562.9	14,016.4	21,945.8	20,188.9	21,177.5	22,778.4
Loans and advances	29,775.6	32,903.9	27,373.0	30,408.3	29,535.4	28,391.9	25,851.6	26,155.5
o/w: Subordinated and hybrid instruments	1,167.4	820.7	405.9	1,585.1	2,000.7	2,079.8	2,069.4	2,076.5
Bonds	3,292.6	3,288.3	3,288.4	3,277.1	–	–	–	–
1.2 Liabilities to foreign non-banks	6,325.6	6,553.0	6,978.2	6,848.4	8,344.4	9,926.7	9,946.6	9,935.5
Savings and time deposits	5,846.3	6,192.4	6,729.9	6,719.0	8,336.3	9,909.3	9,929.2	9,918.1
Sight deposits	1,172.9	1,635.8	1,537.2	1,374.5	1,267.8	1,434.3	1,417.1	1,406.5
Time and notice deposits	4,673.4	4,556.7	5,192.7	5,344.6	7,068.6	8,475.0	8,512.1	8,511.6
Loans and advances	479.3	360.5	248.3	129.3	8.0	17.5	17.4	17.5
o/w: Subordinated and hybrid instruments	–	–	–	–	–	11.1	11.1	11.1
2 Foreign liabilities in kuna	15,039.1	20,961.8	16,691.3	20,569.2	20,318.6	23,224.6	24,068.2	23,880.8
2.1 Liabilities to foreign financial institutions	14,099.6	20,087.0	16,093.8	20,061.0	19,943.0	22,817.7	23,658.5	23,455.3
Demand deposits	179.6	1,438.1	519.0	898.1	359.1	696.3	831.1	566.0
Time and notice deposits	6,979.5	11,198.8	11,423.7	15,014.2	14,654.3	15,963.5	16,702.9	16,743.0
Loans and advances	6,940.5	7,450.2	4,151.2	4,148.8	4,929.6	6,158.0	6,124.6	6,146.3
o/w: Subordinated and hybrid instruments	405.7	404.0	0.4	–	749.2	899.0	865.6	877.3
2.2 Liabilities to foreign non-banks	939.5	874.8	597.5	508.2	375.7	406.8	409.6	425.6
Demand deposits	180.3	170.1	253.2	257.0	222.8	250.3	258.4	258.3
Time and notice deposits	755.2	703.3	340.6	245.7	144.4	148.0	136.7	152.7
Loans and advances	4.0	1.4	3.7	5.5	8.5	8.5	14.5	14.5
o/w: Subordinated and hybrid instruments	4.0	1.4	3.7	5.5	8.5	8.5	14.5	14.5
<b>Total (1+2)</b>	<b>67,112.3</b>	<b>76,076.0</b>	<b>65,152.6</b>	<b>75,296.1</b>	<b>80,365.3</b>	<b>81,940.4</b>	<b>81,266.6</b>	<b>82,964.6</b>

**Table D10 Banks' foreign liabilities** • The table shows banks' total foreign currency and kuna liabilities to foreign legal and natural persons, with the exception of restricted kuna and foreign currency deposits by foreign legal and natural persons.

Banks' foreign liabilities comprise foreign currency liabilities and foreign kuna liabilities.

Within foreign kuna and foreign currency liabilities, liabilities to foreign banks are reported separately from liabilities to foreign non-banks (total and by financial instruments). Loans and advances also include issued subordinated and hybrid instruments purchased by foreign investors.

**Table D11 Central government and funds' deposits with banks**  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 In kuna	7,596.1	9,030.0	11,535.0	14,185.1	15,124.1	16,089.9	15,819.8	15,842.5
1.1 Central government deposits	605.0	497.5	666.4	429.5	356.6	806.8	791.8	821.4
Demand deposits	458.1	366.2	454.9	176.7	189.3	306.0	304.8	342.6
Savings deposits	1.8	2.1	1.2	1.1	0.6	0.5	0.5	0.6
Time and notice deposits	144.0	128.1	209.3	251.6	166.7	485.3	471.5	463.1
Loans and advances	1.0	1.0	1.0	–	–	15.0	15.0	15.0
1.2 Central government funds' deposits	6,991.1	8,532.6	10,868.6	13,755.5	14,767.5	15,283.1	15,028.0	15,021.1
Demand deposits	580.2	254.6	330.1	645.6	389.5	290.9	314.2	369.6
Savings deposits	1.9	14.6	2.4	0.0	0.3	0.0	0.0	0.0
Time and notice deposits	251.7	496.7	413.6	385.8	410.8	329.0	318.9	286.9
Loans and advances	6,157.3	7,766.7	10,122.4	12,724.1	13,966.9	14,663.3	14,394.9	14,364.6
2 In f/c	1,690.9	1,770.4	1,990.8	1,822.5	3,095.2	3,780.4	3,663.3	2,638.5
2.1 Central government deposits	906.2	811.7	759.4	1,122.5	1,088.3	1,656.1	1,646.7	1,644.9
Savings deposits	340.6	264.8	527.4	666.8	716.8	993.9	802.6	894.1
Time and notice deposits	38.7	275.0	49.7	330.0	309.4	662.0	844.0	750.5
Refinanced loans and advances	527.0	271.9	182.3	125.7	62.2	0.2	0.2	0.2
2.2 Central government funds' deposits	784.7	958.6	1,231.4	699.9	2,006.9	2,124.3	2,016.6	993.6
Savings deposits	139.4	93.4	85.7	107.1	106.6	90.2	114.4	746.0
Time and notice deposits	25.8	356.2	153.8	519.6	256.4	601.3	465.2	247.7
Loans and advances	619.6	509.0	991.8	73.2	1,643.9	1,432.7	1,437.0	–
<b>Total (1+2)</b>	<b>9,287.0</b>	<b>10,800.4</b>	<b>13,525.8</b>	<b>16,007.5</b>	<b>18,219.3</b>	<b>19,870.3</b>	<b>19,483.2</b>	<b>18,481.0</b>

**Table D11 Central government and funds' deposits with banks** • The table reports total banks' kuna and foreign currency liabilities to the central government and funds, with the exception of restricted (kuna and foreign currency) deposits by the central government and funds with banks.

Kuna and foreign currency deposits by the Republic of

Croatia and central government funds are shown separately. Kuna deposits comprise demand deposits, savings deposits, time and notice deposits, and loans received from the central government and funds. Foreign currency deposits comprise savings deposits, time and notice deposits, and refinanced loans and advances.

**Table D12 Restricted and blocked deposits with banks**  
end of period, in million HRK

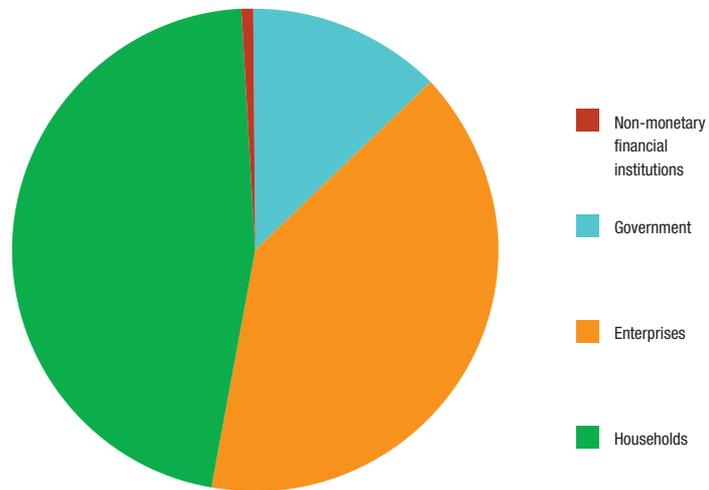
	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
1 Restricted deposits	2,036.4	2,447.6	2,252.3	3,038.4	2,548.4	2,328.3	2,273.2	2,572.5
1.1 In kuna	1,277.1	1,427.0	1,322.8	1,478.8	1,366.0	1,428.9	1,407.1	1,432.5
1.2 In f/c	759.3	1,020.5	929.5	1,559.6	1,182.5	899.4	866.1	1,140.0
2 Blocked f/c deposits of households	–	–	–	–	–	–	–	–
<b>Total (1+2)</b>	<b>2,036.4</b>	<b>2,447.6</b>	<b>2,252.3</b>	<b>3,038.4</b>	<b>2,548.4</b>	<b>2,328.3</b>	<b>2,273.2</b>	<b>2,572.5</b>

**Table D12 Restricted and blocked deposits with banks** • The table shows households' restricted (kuna and foreign currency) deposits and blocked deposits.

Blocked foreign currency deposits include households'

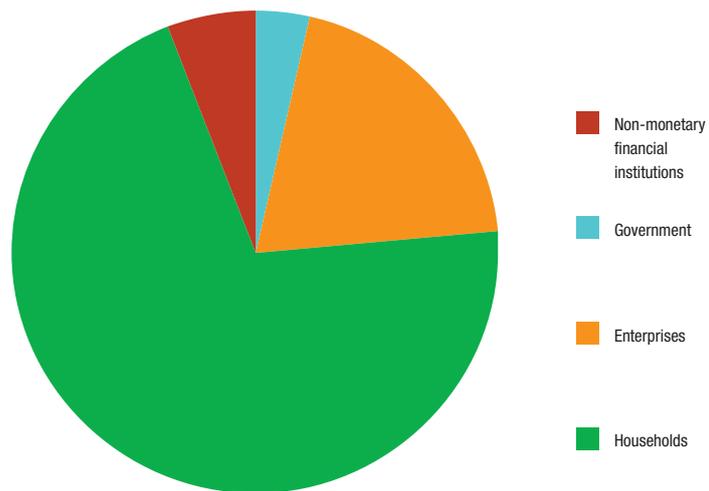
foreign currency deposits, regulated by the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia.

Figure D1

**Distribution of banks' loans by domestic institutional sectors**

February 2011

Figure D2

**Distribution of banks' deposits by domestic institutional sectors**

February 2011

Note:

Sector "Non-monetary financial institutions" includes other banking institutions and non-banking financial institutions.  
Sector "Government" includes the central government and funds and local government.

## E Housing savings banks

Table E1 Housing savings banks' accounts  
end of period, in million HRK

	2005 Dec.	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011	
							Jan.	Feb.
<b>ASSETS</b>								
1 Reserves with the CNB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Claims on central government and funds	4,274.3	4,674.8	4,036.5	3,395.5	3,137.9	3,315.9	3,352.0	3,503.0
3 Claims on other domestic sectors	575.5	1,296.0	2,220.4	2,857.9	2,979.1	2,987.3	2,980.5	2,971.9
o/w: Claims on households	575.5	1,296.0	2,220.4	2,857.9	2,979.1	2,987.3	2,980.5	2,971.9
4 Claims on banks	994.4	181.4	133.6	533.7	294.8	258.5	209.7	212.5
5 Claims on other banking institutions	-	-	-	-	-	-	-	-
<b>Total (1+2+3+4+5)</b>	<b>5,844.2</b>	<b>6,152.3</b>	<b>6,390.5</b>	<b>6,787.1</b>	<b>6,411.7</b>	<b>6,561.8</b>	<b>6,542.2</b>	<b>6,687.4</b>
<b>LIABILITIES</b>								
1 Time deposits	5,514.7	5,803.6	6,037.9	6,297.6	5,711.8	5,791.5	5,761.1	5,881.1
2 Bonds and money market instruments	10.3	61.7	40.1	91.5	230.8	279.7	286.8	290.4
3 Capital accounts	258.0	244.7	303.0	390.6	478.1	512.1	514.9	530.0
4 Other items (net)	61.1	42.2	9.6	7.4	-8.9	-21.5	-20.6	-14.1
<b>Total (1+2+3+4)</b>	<b>5,844.2</b>	<b>6,152.3</b>	<b>6,390.5</b>	<b>6,787.1</b>	<b>6,411.7</b>	<b>6,561.8</b>	<b>6,542.2</b>	<b>6,687.4</b>

Table E1 Housing savings banks' accounts • Housing savings banks' accounts include data on claims and liabilities of the Croatian housing savings banks. All housing savings banks' claims and liabilities refer exclusively to domestic sectors.

Housing savings banks' required reserves held at the central bank include funds in vaults. Until September 2003, they also included kuna funds held in accounts at the central bank.

Claims on central government and funds are claims in kuna on the Republic of Croatia and central government funds.

Claims on other domestic sectors include kuna loans to local government and households.

Claims on banks include loans to banks, as well as deposits with banks, including, from October 2003 on, accounts for regular operations with banks.

Claims on other banking institutions include investments in investment funds.

Item Time deposits includes local government and households' time deposits.

Bonds and money market instruments are housing savings banks' liabilities for securities issued (net) and loans received.

Capital accounts are share capital, profit or loss for the previous and current year, retained earnings (loss), legal reserves, reserves provided for by the articles of association and other capital reserves, hedging reserves, unrealised gains (losses) from financial assets classified as available-for-sale assets, value adjustments and collectively assessed impairment provisions. Other items (net) are unclassified liabilities decreased by unclassified assets.

## F Monetary policy instruments and liquidity

Table F1 Credit rates of the Croatian National Bank  
in percentage, on annual basis

Year	Month	CNB discount rate	CNB repo rate <sup>a</sup>	Credit rates						
				On Lombard credits <sup>b</sup>	On intervention credits	On intra-day refinance facility <sup>b</sup>	On short-term liquidity credits	On inaccurately calculated statutory reserves <sup>b</sup>	On arrears	
1	2	3	4	5	6	7	8	9	10	
1998	December	5.90	–	12.00	19.00	7.00	14.00	19.00	18.00	
1999	December	7.90	–	13.00	19.00	–	14.00	19.00	18.00	
2000	December	5.90	–	12.00	18.00	–	13.00	18.00	18.00	
2001	December	5.90	–	10.00	–	–	11.00	15.00	18.00	
2002	December	4.50	–	9.50	–	–	10.50	15.00	15.00	
2003	December	4.50	–	9.50	–	–	10.50	15.00	15.00	
2004	December	4.50	–	9.50	–	–	10.50	15.00	15.00	
2005	December	4.50	3.50	7.50 <sup>c</sup>	–	–	8.50 <sup>c</sup>	15.00	15.00	
2006	December	4.50	3.50	7.50	–	–	8.50	15.00	15.00	
2007	December	9.00 <sup>d</sup>	4.06	7.50	–	–	8.50	15.00	15.00	
2008	December	9.00	6.00	9.00	–	–	10.00	15.00	15.00	
2009	December	9.00	–	9.00	–	–	10.00	15.00	15.00	
2010	March	9.00	–	9.00	–	–	10.00	15.00	15.00	
	April	9.00	–	9.00	–	–	10.00	15.00	15.00	
	May	9.00	–	9.00	–	–	10.00	15.00	15.00	
	June	9.00	–	9.00	–	–	10.00	15.00	15.00	
	July	9.00	–	9.00	–	–	10.00	15.00	15.00	
	August	9.00	–	9.00	–	–	10.00	15.00	15.00	
	September	9.00	–	9.00	–	–	10.00	15.00	15.00	
	October	9.00	–	9.00	–	–	10.00	15.00	15.00	
	November	9.00	–	9.00	–	–	10.00	15.00	15.00	
	December	9.00	–	9.00	–	–	10.00	15.00	15.00	
	2011	January	9.00	–	9.00	–	–	10.00	15.00	15.00
		February	9.00	–	9.00	–	–	10.00	15.00	15.00

<sup>a</sup> Weighted averages of weighted repo rates achieved at regular reverse repo auctions of the CNB in the reporting month. <sup>b</sup> Breaks in the series of data are explained in notes on methodology. <sup>c</sup> Since 14 December 2005. <sup>d</sup> Since 31 December 2007.

**Table F1 Credit rates of the Croatian National Bank** • The table shows interest rates used by the CNB to calculate and charge interest on credits from the primary issue and on all other claims.

Credit rates of the CNB are set by decisions of the Council of the Croatian National Bank, on a yearly basis. Exceptionally, from June 1995 interest rate charged by the CNB on Lombard credits was 1.5 percentage points higher than the weighted average interest rate on CNB bills on a voluntary basis (which serve as collateral for Lombard credits) in cases when the weighted average interest rate was higher than 16.5%. Congruently, from June 1995 to August 1996 the table reports the weighted average interest rate on Lombard credits.

Time series presented in the table contain certain breaks, due to changes in the CNB's monetary policy instruments.

Data shown in column 4 refer to the weighted averages of the weighted repo rates achieved at regular reverse repo auctions of the CNB in the reporting month.

Data shown in column 7 refer, until September 1994, to interest rates on special credits for savings deposits' payments

and for payments from households' current accounts, and from October 1994 until September 1997 to interest rates on daily credits for savings deposits and households' current accounts in kuna. Daily credits, as opposed to special credits, are paid back on the same day. In October 1997, this instrument was replaced by daily credits for overcoming short-term liquidity problems that are collateralised by CNB bills. From December 1998 to April 1999, this credit is incorporated in Lombard credit, applying different interest rate for its usage within one day.

Data shown in column 8 refer, until December 1994, to interest rate on initial credits, and since 18 March 1998, to credits for overcoming liquidity problems of banks under evaluation for entry into rehabilitation and restructuring procedures and since February 1999, to interest rates on short-term liquidity credits. From December 1999 on, data show interest rates on short-term liquidity credit with a maturity over 3 months which is 1 percentage point higher than interest rate on Lombard credits. Interest rate on short-term liquidity credit up to 3 months is 0.5 percentage point higher than interest rate on Lombard credits.

**Table F2 Deposit rates of the Croatian National Bank**  
in percentage, on annual basis

Year	Month	Interest rates on statutory reserves dep. with the CNB	Interest rates on CNB bills on an obligatory basis	Interest rates on CNB bills on a voluntary basis <sup>a</sup>				Interest rates on f/c CNB bills on a voluntary basis					Interest rates on overnight deposits
				Due in 7 days	Due in 35 days	Due in 70 days	Due in 105 days	Due in 35 days	Due in 63 days	Due in 91 days	Due in 182 days	Due in 364 days	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1998	December	5.90	–	–	9.50	10.50	11.00	–	4.60	3.12	3.08	–	–
1999	December	5.90	–	–	10.50	11.55	12.50	–	4.83	3.56	–	–	–
2000	December	4.50	–	–	6.65	7.00	7.70	–	5.51	4.83	–	–	–
2001	December	2.00	–	–	3.36	4.26	4.85	–	2.62	3.06	–	–	–
2002	December	1.75	–	–	2.08	–	–	2.30	2.68	–	–	–	–
2003	December	1.25	0.50	–	–	–	–	1.75	1.48	–	–	–	–
2004	December	1.25	–	–	–	–	–	–	–	–	–	–	–
2005	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2006	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2007	December	0.75	0.75	–	–	–	–	–	–	–	–	–	0.50
2008	December	0.75	0.25	–	–	–	–	–	–	–	–	–	0.50
2009	December	0.75	0.25	–	–	–	–	–	–	–	–	–	0.50
2010	March	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	April	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	May	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	June	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	July	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	August	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	September	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	October	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	November	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2011	January	0.25 <sup>b</sup>	–	–	–	–	–	–	–	–	–	–	0.50
	February	0.25	–	–	–	–	–	–	–	–	–	–	0.50

<sup>a</sup> Breaks in the series of data are explained in notes on methodology. <sup>b</sup> Since 6 January 2011.

**Table F2 Deposit rates of the Croatian National Bank** • The table shows interest rates used by the CNB to calculate and pay interest on funds deposited with the CNB and on issued securities.

Interest rates paid by the CNB for appropriated statutory reserve funds are set by a decision of the Council of the Croatian National Bank. Until April 2005, the appropriated statutory reserve funds included the calculated statutory reserve funds that were deposit in a special statutory reserve account with the CNB, or maintained (in average) in banks' settlement accounts, or deposited in a special account with the CNB for the settlement of net positions in the National Clearing System (NCS). From April 2005, they include the calculated statutory reserve funds allocated to a special statutory reserve account with the CNB (column 3).

Interest rates on CNB bills on an obligatory basis are set by a decision of the Council of the Croatian National Bank.

Interest rates on CNB bills on a voluntary basis are set at CNB bills' auction sales. Congruently, columns 5, 6 and 7 report the weighted average interest rates attained at auctions of CNB bills. From November 1994 through January 2001, columns 7 and 8 report interest rates on CNB bills on a voluntary basis due in 91 and 182 days respectively.

From April 1998 on, columns 9 through 13 report the weighted average interest rates on CNB bills on a voluntary basis in EUR and USD (until December 1998, in DEM and USD) attained at CNB bills' auctions as a weighted average of subscribed amounts in those two currencies.

Column 14 reports the interest rate on overnight deposits with the CNB.

**Table F3 Banks' reserve requirements** • This table shows data on monthly averages of day-to-day balances of banks' kuna and foreign currency reserve requirements with the CNB. Savings banks are included beginning in July 1999.

Column 3 shows the weighted average reserve requirement ratio as a percentage of the kuna and foreign currency reserve requirements (column 4) in the reserve base.

Reserve requirement (column 4) represents the prescribed amount of funds banks are required to deposit in a special statutory reserve account with the CNB, or to maintain (in average) in their settlement accounts and in vaults, or in accounts of liquid foreign currency claims (which include foreign cash and checks in foreign currency, liquid foreign currency claims maintained in the accounts with the high-grade foreign banks and foreign currency CNB bills).

Column 5 shows the amount of kuna reserve requirements. Between January 1995 and December 2000, this amount corresponded with the statutory reserve requirement instrument, while until December 1994 it comprised two instruments: statutory reserves and liquid assets requirement – LAR (except for the part in which banks were conforming to this requirement by registering CNB bills on a voluntary basis). In December 2000, reserve requirements in kuna and in foreign currency were unified, i.e. reserve requirements rate, periods for calculating, allocating and maintaining reserve requirements were unified, as

Table F3 Banks' reserve requirements

daily averages and percentages, in million HRK and %

Year	Month	Weighted average res. requirement in % on res. base	Reserve requirement (RR)			Other obligatory deposits with the CNB	Statutory reserves deposited with the CNB		Weighted avg. remuneration rate on immobilised funds in kuna	Weighted avg. remuneration rate on allocated funds in f/c
			Total	In kuna	In f/c		In kuna	In f/c		
1	2	3	4=5+6	5	6	7	8	9	10	11
1998	December	29.57	13,112.7	3,967.2	9,145.4	57.4	3,469.8	1,467.6	5.28	....
1999	December	30.50	13,579.0	4,210.1	9,368.9	37.3	3,695.1	4,606.5	5.62	....
2000	December	23.22	16,245.8	4,646.8	11,599.0	5.0	4,191.6	5,544.6	4.05	....
2001	December	19.67	21,187.1	8,691.5	12,495.5	-	6,287.8	5,950.0	1.97	2.73
2002	December	19.00	25,985.1	11,447.1	14,538.0	-	8,156.7	7,139.9	1.72	2.16
2003	December	19.00	31,009.4	18,023.8	12,985.6	109.4	12,459.8	6,850.2	1.17	1.47
2004	December	18.00	33,615.7	20,040.9	13,574.8	430.1	14,664.1	10,171.3	1.22	1.36
2005	December	18.00	37,424.5	24,997.9	12,426.6	3,940.2	17,497.7	9,271.4	0.52	0.92
2006	December	17.00	40,736.4	28,966.1	11,770.4	7,332.5	20,257.0	8,780.9	0.52	1.06
2007	December	17.00	44,465.9	31,809.1	12,656.8	6,641.1	22,266.4	9,203.5	0.53	1.29
2008	December	14.87	41,474.4	29,179.7	12,294.7	461.9	20,425.8	8,807.0	0.52	0.81
2009	December	14.00	40,423.5	33,693.7	6,729.8	30.9	23,585.6	4,898.0	0.52	-
2010	March	13.00	37,874.7	31,468.5	6,406.3	-	22,027.9	4,681.7	0.52	-
	April	13.00	37,779.3	31,362.6	6,416.7	-	21,953.8	4,692.1	0.52	-
	May	13.00	37,765.9	31,349.9	6,416.0	-	21,944.9	4,689.1	0.52	-
	June	13.00	37,970.3	31,515.2	6,455.1	-	22,060.6	4,712.6	0.52	-
	July	13.00	38,106.9	31,647.5	6,459.4	-	22,153.3	4,715.9	0.52	-
	August	13.00	38,335.3	31,863.5	6,471.9	-	22,304.4	4,724.1	0.52	-
	September	13.00	38,527.9	31,992.5	6,535.5	-	22,394.7	4,740.9	0.52	-
	October	13.00	38,700.5	32,137.0	6,563.5	-	22,495.9	4,737.4	0.52	-
	November	13.00	38,746.3	32,180.9	6,565.4	-	22,526.6	4,710.0	0.52	-
	December	13.00	38,990.6	32,374.8	6,615.8	-	22,662.4	4,736.7	0.52	-
2011	January	13.00	39,248.7	32,581.8	6,666.9	-	22,807.2	4,776.8	0.23	-
	February	13.00	39,528.1	32,839.2	6,688.9	-	22,987.4	4,798.1	0.17	-

well as a minimum percentage of the total reserve requirements deposited with the Croatian National Bank. From September 2001 on, column 5 includes also the f/c component of reserve requirements that is set aside/maintained in kuna.

Column 6 shows the amount of foreign currency reserve requirements, i.e. the prescribed amount of funds banks are required to deposit in the CNB's foreign currency accounts, or to maintain (in average) in accounts of liquid claims. Until November 2000, the calculation base consisted of the average daily balances of household foreign currency savings deposits with a remaining maturity of up to 3 months, while starting from December 2000 the base consists of foreign currency sources of funds, including: ordinary foreign currency accounts, special foreign currency accounts, foreign currency accounts and foreign currency sight deposits, received foreign currency deposits and received foreign currency loans, as well as obligations arising from securities issued in foreign currency (excluding banks' equity securities). From November 2001 on, the base includes also hybrid and subordinated instruments.

Column 7 shows the total amount of other obligatory deposits with the CNB, including CNB bills on an obligatory basis, those CNB bills on a voluntary basis used by banks to maintain the prescribed minimal liquidity (LAR), special statutory reserves until July 1995, special reserve requirement on liabilities arising from issued securities from March 2006 to February 2009, statutory reserves on f/c deposits, f/c credits from foreign banks and guarantees for such credits and marginal reserve

requirement (from August 2004 to October 2008).

Column 8 shows the portion of the kuna reserve requirement which banks deposit in a statutory reserve account with the CNB (until December 1994, this amount corresponded with the statutory reserve instrument, while since January 1995 a minimum percentage of the total reserve requirement banks are required to deposit in a special statutory reserve account with the CNB has been prescribed). In April 2005, this percentage was set at 70%.

Column 9 shows the portion of the foreign currency reserve requirement which banks deposit in the CNB's foreign currency accounts. The percentage for allocating the foreign currency component of reserve requirements calculated on the basis of foreign currency funds of non-residents and foreign currency funds received from legal persons in a special relationship with a bank amounts to 100%, while the percentage for allocating the remaining portion of the foreign currency component of reserve requirements amounts to 60%.

Column 10 shows the weighted average remuneration rate on all forms of immobilised kuna funds which include reserve requirements and other obligatory deposits with the CNB.

Column 11 shows the weighted average remuneration rate on allocated funds in foreign currency, including the marginal reserve requirement funds (from August 2004 to October 2008). From November 2009 on, the CNB does not pay remuneration on the allocated foreign currency component of reserve requirements.

Table F4 Banks' liquidity indicators

daily averages and percentages, in million HRK and %

Year	Month	Free reserves		Primary liquidity ratio	Secondary liquidity sources	Kuna CNB bills	F/c CNB bills	Kuna MoF treasury bills
		In kuna	In f/c					
1	2	3	4	5	6	7	8	9
1998	December	221.9	....	1.65	445.5	850.4	1,377.4	141.3
1999	December	179.6	....	1.30	1,183.6	1,311.1	1,507.6	373.9
2000	December	638.8	10,721.4	3.32	80.1	2,485.3	1,692.7	2,006.5
2001	December	794.4	17,247.4	3.23	2.6	2,656.2	2,630.8	3,360.9
2002	December	1,225.0	10,398.0	3.53	0.6	4,965.5	1,273.9	4,279.5
2003	December	451.6	20,561.4	0.98	501.6	–	4,316.0	3,073.2
2004	December	1,495.5	26,126.1	2.64	0.0	–	–	4,581.7
2005	December	672.5	20,493.4	0.96	0.2	–	–	4,163.3
2006	December	840.8	20,239.1	0.83	–	–	–	5,993.7
2007	December	1,161.5	30,412.6	1.03	330.4	–	–	4,449.4
2008	December	1,168.7	28,101.4	1.03	289.1	–	–	6,171.2
2009	December	880.0	24,885.6	0.91	–	–	–	4,776.6
2010	March	555.7	23,023.3	0.59	–	–	–	5,116.9
	April	445.3	23,604.0	0.48	–	–	–	5,533.6
	May	387.1	25,201.0	0.42	–	–	–	5,430.2
	June	469.6	25,994.3	0.50	–	–	–	5,737.2
	July	404.0	27,045.2	0.43	–	–	–	6,119.9
	August	378.8	29,727.3	0.40	–	–	–	5,748.8
	September	389.5	31,279.0	0.41	–	–	–	5,840.4
	October	374.0	31,209.0	0.39	–	–	–	6,453.4
	November	357.1	30,479.7	0.37	–	–	–	6,598.1
	December	407.1	30,511.9	0.42	–	–	–	5,705.9
2011	January	318.5	28,629.6	0.33	–	–	–	5,797.1
	February	218.7	26,853.3	0.22	–	–	–	6,567.5

**Table F4 Banks' liquidity indicators** • The table reports monthly averages of day-to-day balances of some indicators of banks' liquidity. Savings banks are included beginning in July 1999.

Column 3 shows free reserves in kuna, defined as a difference between the average balance in the settlement account and the average balance in the vault (until October 2008). From November 2008 on, they are defined as a difference between the average balance in the settlement account in the kuna reserve requirement maintenance period and the minimal average settlement account balance prescribed by the kuna reserve requirement calculation methodology.

Column 4 shows free reserves in foreign currency, defined as funds for the maintenance of foreign currency reserve requirements (foreign cash and checks in foreign currency, liquid foreign currency claims maintained in the accounts with the high-grade foreign banks and foreign currency CNB bills) decreased by the minimal required balance of these funds in the same period.

Column 5 shows the primary liquidity ratio as a percentage

of monthly day-to-day kuna free reserves averages (column 3) in monthly day-to-day averages of deposits which constitute the reserve base.

Column 6 shows the monthly average of day-to-day balances of secondary liquidity sources used. Secondary liquidity sources comprise: Lombard credits (since December 1994), short-term liquidity credits (since February 1999) and overdue liabilities to the CNB.

Column 7 reports the monthly average of day-to-day balances of kuna CNB bills on a voluntary basis (until December 1994, this amount is decreased by the portion of voluntarily registered CNB bills used by banks to maintain the prescribed minimal liquidity).

Column 8 reports the monthly average of day-to-day balances of foreign currency CNB bills on a voluntary basis (in EUR and USD).

Column 9 reports the monthly average of day-to-day balances of kuna MoF treasury bills. Until September 2002, it shows the discounted value of treasury bills, while starting from October 2002, it shows their nominal value.

## G Financial markets

**Table G1 Banks' interest rates on kuna credits not indexed to foreign currency**  
weighted averages of monthly interest rates, in % on annual basis

Year	Month	Interest rates on interbank demand deposit trading		Interest rates on kuna credits not indexed to foreign currency									
		On overnight credits	On other credits	Total average	On short-term credits						On long-term credits		
					Total average	Enterprises	Households			Total average	Enterprises	Households	
							Total average	Credit lines	Other				
1	2	3	4	5	6	7	8	9	10	11	12	13	
1998	December	10.00	15.91	16.06	16.22	14.89	20.77	20.80	19.92	11.73	11.48	13.16	
1999	December	9.92	12.78	13.54	13.52	10.55	20.83	20.84	20.39	15.14	15.31	14.16	
2000	December	2.39	4.45	10.45	10.45	6.81	20.30	20.33	19.05	9.90	9.64	12.97	
2001	December	2.49	2.18	9.51	9.49	5.43	18.81	18.85	14.88	11.42	10.06	13.14	
2002	December	1.03	1.59	10.91	11.24	7.44	15.16	15.28	9.84	7.32	6.48	7.88	
2003	December	6.54	6.36	11.45	11.80	8.02	14.89	15.01	12.38	8.51	6.14	10.69	
2004	December	4.87	4.74	11.44	11.71	8.33	14.19	14.27	12.29	9.31	6.90	11.16	
2005	December	3.08	3.91	9.91	9.99	7.71	11.26	13.18	5.35	8.75	6.48	10.35	
2006	December	3.14	2.52	9.07	9.37	6.75	11.84	13.21	4.67	7.53	5.86	9.44	
2007	December	6.23	7.33	9.32	9.74	7.39	12.34	13.19	4.95	7.50	6.66	8.01	
2008	December	5.77	6.77	10.71	10.89	8.98	12.33	12.97	4.96	9.05	8.10	10.35	
2009	December	1.20	1.50	11.12	11.22	9.29	12.68	13.24	4.89	9.77	8.27	11.33	
2010	March	0.77	1.02	10.20	10.27	7.24	12.60	13.16	4.02	9.37	7.10	11.03	
	April	0.77	1.41	10.28	10.31	7.24	12.64	13.16	4.00	9.87	7.19	10.79	
	May	0.85	1.42	10.59	10.74	7.76	12.64	13.17	4.50	9.03	6.41	10.72	
	June	0.94	1.40	10.35	10.52	7.57	12.65	13.15	3.92	8.51	6.03	10.77	
	July	1.45	2.20	10.31	10.50	7.29	12.65	13.19	4.44	8.54	6.31	10.98	
	August	1.31	1.71	10.36	10.47	7.17	12.73	13.19	3.83	8.89	6.34	11.35	
	September	0.79	1.30	10.19	10.29	7.05	12.66	13.17	4.78	8.93	6.59	11.09	
	October	0.71	1.16	10.23	10.29	6.78	12.51	13.03	4.25	9.43	6.44	11.26	
	November	0.68	1.21	10.28	10.29	6.99	12.70	13.18	4.28	10.13	6.36	11.24	
	December	1.28	1.70	9.90	10.05	6.98	12.64	13.17	4.66	8.38	6.45	11.29	
2011	January	0.69	1.34	10.29	10.39	7.08	12.73	13.17	4.25	8.76	5.58	11.55	
	February	0.66	0.83	10.21	10.30	7.01	12.73	13.17	4.14	8.97	5.70	11.31	
Relative significance <sup>a</sup>		-	-	73.91	68.93	29.30	39.62	37.70	1.92	4.99	2.08	2.91	

<sup>a</sup> Relative significance is calculated as a percentage of corresponding credit category in total credits disbursed in the reporting month (according to data for the last period included in the table).

Note: A break in the time series occurred due to changes in the methodology used in interest rate statistics as of 1 January 2001. This especially refers to interest rates shown in columns 5, 6 and 7. Interbank credits, which bear relatively low interest rates, were, among others, excluded from short-term credits to enterprises. The increase in interest rates was also caused by the weighting method: all categories are weighted by the amounts of newly-granted credits, except credit lines whose relative share grew in the new coverage, which are weighted by book balances.

**Table G1 Banks' interest rates on kuna credits not indexed to foreign currency** • The table contains the weighted averages of banks' monthly interest rates on kuna credits not indexed to f/c, reported on a yearly basis.

Up to December 2001, data refer to the weighted averages of banks' monthly interest rates on kuna credits not indexed to f/c granted to legal persons (which included enterprises, the public sector, financial institutions, non-profit institutions and non-residents) and households, reported on a yearly basis. Savings banks are not covered.

From January 2002 on, data refer to the weighted averages of banks' monthly interest rates on kuna credits not indexed to f/c granted only to enterprises (public and other) and households, reported on a yearly basis.

Up to February 1996, columns 3 and 4 show interest rates

on the interbank money market, according to information published by the Zagreb Money Market (ZMM). From March 1996 to August 2002, interest rates on the money market were calculated as the weighted monthly averages of the weighted daily interest rates and shown separately for trading in overnight credits and trading in other credits on the ZMM. In the period between May 1998 and January 2001, the repayment of credits granted on the interbank overnight market was guaranteed by banks' required reserves with the CNB.

As from Bulletin No. 157 columns 3 and 4 contain the revised data for the period from September 2002 onward. From September 2002 on, interest rates on overnight credits and other credits are calculated as the weighted monthly averages of the weighted daily interest rates on interbank demand deposit trading.

Table G2 Banks' interest rates on kuna credits indexed to foreign currency and on credits in euros weighted averages of monthly interest rates, in % on annual basis

Year	Month	Interest rates on kuna credits indexed to foreign currency									Interest rates on credits in euros		
		Total average	On short-term credits			On long-term credits					Total average	On short-term credits	On long-term credits
			Total average	Enterprises	Households	Total average	Enterprises	Households					
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1998	December	13.04	14.28	14.25	13.64	11.15	10.55	12.12	....	....	6.95	8.37	5.71
1999	December	12.53	13.66	13.54	17.21	10.81	10.46	11.65	....	....	6.75	7.43	6.07
2000	December	10.74	11.17	11.10	13.59	10.52	9.41	11.64	....	....	7.70	7.49	8.05
2001	December	9.29	9.45	9.45	11.30	9.20	7.52	10.79	....	....	5.94	5.70	7.27
2002	December	8.25	9.34	8.72	11.37	7.98	6.37	9.50	7.42	10.11	5.91	6.66	5.44
2003	December	7.07	7.21	7.00	8.66	7.03	5.76	8.04	6.02	9.70	5.62	6.22	5.18
2004	December	6.89	7.25	7.09	8.47	6.77	5.55	7.73	5.71	8.79	5.34	5.92	4.83
2005	December	6.18	6.52	6.34	7.91	6.07	5.18	6.98	4.95	8.10	5.29	5.28	5.30
2006	December	6.30	6.56	6.29	8.33	6.22	6.21	6.22	4.75	7.57	5.65	6.19	5.34
2007	December	6.73	6.86	6.86	6.84	6.66	6.51	6.80	5.12	8.24	6.79	6.59	7.10
2008	December	7.73	8.20	8.18	8.65	7.43	6.92	7.89	6.08	9.02	7.08	7.17	6.83
2009	December	8.28	8.48	8.41	10.23	8.11	7.31	9.02	6.45	9.96	6.98	7.35	6.49
2010	March	8.45	8.72	8.68	9.32	8.28	7.67	8.82	6.41	9.77	6.95	7.42	6.50
	April	8.17	8.29	8.09	10.02	8.09	7.07	8.87	6.37	9.85	6.23	6.87	5.68
	May	7.91	7.85	7.77	8.93	7.95	7.05	8.73	6.43	9.84	6.81	7.15	6.43
	June	7.93	8.45	8.53	7.77	7.65	6.82	8.65	6.46	9.66	5.77	6.97	5.62
	July	8.01	8.13	7.94	9.65	7.97	7.28	8.53	6.38	9.42	6.70	6.81	6.57
	August	7.94	8.08	8.14	7.67	7.87	7.03	8.45	6.30	9.28	7.22	7.63	6.80
	September	8.14	8.60	8.56	9.23	7.94	7.02	8.45	6.33	9.05	6.86	7.93	6.12
	October	8.05	8.05	7.90	9.82	8.04	7.14	8.45	6.15	9.09	6.78	6.69	6.90
	November	8.07	8.07	7.99	8.93	8.07	7.49	8.37	6.16	9.05	6.93	6.48	7.28
	December	7.78	7.95	7.91	8.86	7.67	7.19	8.16	6.02	8.94	6.38	7.12	6.06
2011	January	7.50	7.41	7.28	9.37	7.54	7.00	8.06	6.02	8.85	5.55	6.05	5.10
	February	7.70	7.61	7.52	9.13	7.75	7.04	8.23	6.01	9.00	6.93	6.90	6.98
<b>Relative significance<sup>a</sup></b>		<b>21.07</b>	<b>7.27</b>	<b>6.90</b>	<b>0.37</b>	<b>13.80</b>	<b>5.65</b>	<b>8.15</b>	<b>2.07</b>	<b>6.08</b>	<b>5.02</b>	<b>3.02</b>	<b>1.99</b>

<sup>a</sup> Relative significance is calculated as a percentage of corresponding credit category in total credits disbursed in the reporting month (according to data for the last period included in the table).

Columns 5 through 13 show the weighted averages of banks' monthly interest rates classified by maturity and sectors. Interest rates on short-term credits to enterprises also include interest rates on callable loans.

Data on banks' interest rates on kuna credits not indexed to f/c are based on banks' periodic reports. The basis for the calculation of the weighted averages are amounts of credits bearing corresponding interest rates, which were disbursed during the reporting month, with the exception of interest rates on giro and current account credit lines, for which the weighted averages were calculated based on the balance of these loans at the end of the reporting month.

Table G2 Banks' interest rates on kuna credits indexed to foreign currency and on credits in euros • The table contains the weighted averages of banks' monthly interest rates on kuna credits indexed to f/c and on credits in euros, reported on a yearly basis.

Up to December 2001, data refer to the weighted averages of banks' monthly interest rates on kuna credits indexed to f/c and on credits in euros (or German marks) granted to legal persons (which included enterprises, the public sector, financial

institutions, non-profit institutions and non-residents) and households, reported on a yearly basis. Savings banks are not covered.

From January 2002 on, data refer to the weighted averages of banks' monthly interest rates on kuna credits indexed to f/c and on credits in euros granted only to enterprises (public and other) and households, reported on a yearly basis.

Data on banks' interest rates on kuna credits indexed to f/c and on credits in euros are based on banks' periodic reports. The basis for the calculation of the weighted averages are amounts of credits bearing corresponding interest rates, which were disbursed during the reporting month.

Columns 3 through 11 show the weighted averages of banks' monthly interest rates classified by maturity and sectors. Interest rates on short-term credits to enterprises also include interest rates on callable loans.

Up to December 2001, interest rates on credits in euros (columns 12, 13 and 14) refer to credits released in German marks in the reporting month, and starting from January 2002, they refer to credits released in euros, while the weighted averages are calculated based on their kuna equivalent using the current exchange rate. Credits released in other currencies are not included in this table.

**Table G3 Banks' interest rates on kuna deposits not indexed to foreign currency**  
weighted averages of monthly interest rates, in % on annual basis

Year	Month	Interest rates on kuna deposits not indexed to foreign currency								
		Total average	In giro and current accounts	On time deposits						
				Total average	On short-term deposits			On long-term deposits		
					Total average	Households	Enterprises	Total average	Households	Enterprises
1	2	3	4	5	6	7	8	9	10	11
1998	December	4.11	2.31	7.73	7.63	9.47	7.15	10.19	10.72	9.56
1999	December	4.27	2.24	8.87	8.79	9.62	8.38	10.96	11.56	10.18
2000	December	3.40	1.64	7.20	7.13	7.44	7.03	8.89	9.19	8.63
2001	December	2.76	1.40	5.68	5.60	6.35	5.38	7.35	7.93	6.70
2002	December	1.55	0.94	3.64	3.53	4.39	2.86	6.05	7.24	3.23
2003	December	1.66	0.75	4.46	4.46	3.62	4.69	4.58	4.90	2.82
2004	December	1.83	0.74	4.11	4.11	3.93	4.13	4.10	4.65	3.30
2005	December	1.58	0.61	3.36	3.34	3.89	3.23	4.12	5.04	3.49
2006	December	1.91	0.56	2.98	2.94	4.10	2.69	4.32	4.98	3.11
2007	December	2.67	0.49	5.42	5.34	4.47	5.48	6.28	5.45	6.45
2008	December	2.92	0.43	5.65	5.60	5.34	5.64	6.58	5.88	6.85
2009	December	2.22	0.43	2.52	2.49	4.89	2.04	2.76	6.12	2.07
2010	March	1.80	0.40	2.07	2.10	4.44	1.18	1.95	5.42	1.37
	April	1.76	0.36	2.15	2.25	4.35	1.44	1.81	5.52	1.34
	May	1.78	0.36	2.19	2.25	4.22	1.37	2.00	5.38	1.53
	June	1.72	0.35	1.94	1.91	4.12	1.22	2.07	5.34	1.59
	July	1.73	0.36	2.04	1.93	4.06	1.31	2.44	5.19	2.05
	August	1.68	0.36	1.79	1.71	3.93	1.32	2.20	5.10	1.91
	September	1.64	0.37	1.76	1.72	3.92	1.23	1.92	4.90	1.60
	October	1.64	0.40	1.95	1.94	3.85	1.30	1.96	4.81	1.54
	November	1.65	0.38	1.91	1.87	3.75	1.16	2.04	4.66	1.68
	December	1.61	0.34	1.93	1.85	3.66	1.41	4.26	4.76	3.03
2011	January	1.61	0.35	1.90	1.83	3.60	1.14	2.14	4.69	1.73
	February	1.59	0.34	1.47	1.42	3.42	0.98	1.68	4.61	1.32
Relative significance <sup>a</sup>		53.19	33.79	16.69	13.61	2.44	11.18	3.08	0.33	2.74

<sup>a</sup> Relative significance is calculated as a percentage of corresponding deposit category in total deposits received in the reporting month (according to data for the last period included in the table).

**Table G3 Banks' interest rates on kuna deposits not indexed to foreign currency** • The table contains the weighted averages of banks' monthly interest rates on kuna deposits not indexed to f/c, reported on a yearly basis.

Up to December 2001, data refer to the weighted averages of banks' monthly interest rates on kuna deposits not indexed to f/c received from legal persons (which included enterprises, the public sector, financial institutions, non-profit institutions and non-residents) and households, reported on a yearly basis. Savings banks are not covered.

From January 2002 on, data refer to the weighted averages of banks' monthly interest rates on kuna deposits not indexed to f/c received from enterprises (public and other) and households, reported on a yearly basis.

Data on banks' interest rates on kuna deposits not indexed to f/c are based on banks' periodic reports.

Column 3 reports the weighted averages of monthly interest rates on total kuna deposits (giro and current accounts, household savings deposits and time deposits) not indexed to f/c.

Column 4 shows the weighted averages of monthly interest rates on deposits in giro and current accounts not indexed to f/c received from enterprises (until December 2001, all legal persons) and households, and column 5 shows the weighted averages of monthly interest rates on total time deposits not indexed to f/c.

The basis for the calculation of the weighted averages for kuna time deposits not indexed to f/c are the amounts of those deposits received during the reporting month. The basis for the calculation of the weighted averages for deposits in giro and current accounts are the end-of-month book balances of those deposits. The averages of interest rates on total kuna deposits not indexed to f/c (column 3) are weighted by the end-of-month balances of all categories included in the calculation.

Kuna and foreign currency deposits used as collateral for credit are included, while restricted deposits (deposits used for payment of imports and other restricted deposits) are not included into the calculation of the weighted averages.

Table G4a Banks' interest rates on kuna deposits indexed to foreign currency and on foreign currency deposits weighted averages of monthly interest rates, in % on annual basis

Year	Month	Interest rates on savings and time deposits indexed to f/c			Interest rates on foreign currency deposits					
		Total average	On short-term deposits	On long-term deposits	Total average	Savings deposits				
						Total average	Households		Enterprises	
							EUR	USD	EUR	USD
1	2	3	4	5	6	7	8	9	10	11
1998	December	7.47	7.67	5.58	3.98	2.09	2.38	2.40	0.72	0.74
1999	December	6.62	6.91	1.10	4.23	1.80	1.95	2.04	0.78	1.30
2000	December	5.54	5.94	2.16	3.47	1.03	0.99	1.23	0.65	1.29
2001	December	4.58	4.92	2.56	2.60	0.71	0.71	0.81	0.82	0.40
2002	December	2.92	3.45	1.48	2.55	0.50	0.52	0.41	0.52	0.38
2003	December	3.48	3.74	5.55	2.22	0.31	0.35	0.23	0.23	0.15
2004	December	4.17	3.61	5.19	2.65	0.31	0.34	0.22	0.22	0.21
2005	December	3.99	3.63	4.77	2.61	0.27	0.27	0.17	0.27	0.76
2006	December	3.67	3.30	4.07	2.94	0.25	0.23	0.17	0.32	0.44
2007	December	3.98	3.76	4.35	3.44	0.25	0.22	0.15	0.36	0.43
2008	December	4.09	4.05	4.42	3.97	0.21	0.20	0.15	0.26	0.13
2009	December	3.01	3.12	3.31	3.98	0.18	0.22	0.16	0.10	0.07
2010	March	3.52	2.73	2.63	3.57	0.18	0.21	0.16	0.09	0.07
	April	3.63	2.99	5.46	3.51	0.17	0.20	0.16	0.09	0.09
	May	3.21	2.78	2.54	3.37	0.17	0.20	0.16	0.09	0.07
	June	3.32	2.79	3.82	3.26	0.18	0.22	0.16	0.10	0.08
	July	3.57	3.02	4.06	3.26	0.19	0.21	0.16	0.11	0.08
	August	2.68	2.84	3.85	3.20	0.20	0.21	0.17	0.23	0.06
	September	3.38	2.57	3.89	3.13	0.20	0.19	0.17	0.27	0.06
	October	2.66	2.47	3.19	3.13	0.23	0.24	0.17	0.25	0.07
	November	3.01	2.57	4.36	3.08	0.23	0.24	0.17	0.22	0.07
	December	2.91	2.75	3.46	3.09	0.19	0.21	0.14	0.18	0.07
2011	January	2.85	2.51	1.29	2.97	0.18	0.21	0.14	0.13	0.06
	February	2.81 <sup>b</sup>	2.84	2.75	2.97	0.18	0.21	0.14	0.12	0.09
Relative significance <sup>a</sup>		0.26	0.23	0.03	46.55	21.85	14.69	1.85	4.86	0.47

<sup>a</sup> Relative significance is calculated as a percentage of corresponding deposit category in total deposits received in the reporting month (according to data for the last period included in the table). <sup>b</sup> Of the total amount of deposits to which this interest rate refers, 38.53% refers to enterprises.

Tables G4a – G4b Banks' interest rates on kuna deposits indexed to foreign currency and on foreign currency deposits • The table contains the weighted averages of banks' monthly interest rates on kuna deposits indexed to f/c and on foreign currency deposits, reported on a yearly basis.

Up to December 2001, data refer to the weighted averages of banks' monthly interest rates on kuna deposits indexed to f/c and on foreign currency deposits received from legal persons (which included enterprises, the public sector, financial institutions, non-profit institutions and non-residents) and households, reported on a yearly basis. Savings banks are not covered.

From January 2002 on, data refer to the weighted averages of banks' monthly interest rates on kuna deposits indexed to f/c and on foreign currency deposits received from enterprises (public and other) and households, reported on a yearly basis.

Data on banks' interest rates on kuna deposits indexed to f/c and on foreign currency deposits are based on banks' periodic reports.

Column 3 reports the weighted averages of monthly interest rates on total kuna savings and time deposits indexed to f/c received from enterprises (until December 2001, all legal persons) and households, whereas the weighted averages of monthly

interest rates on time deposits are shown in column 4 (short-term deposits) and column 5 (long-term deposits) respectively.

Up to December 2001, interest rates on foreign currency deposits refer to deposits received in German marks or US dollars, and starting from January 2002, they refer to deposits received in euros and US dollars, while the weighted averages are calculated based on their kuna equivalent using the current exchange rate. Deposits received in other currencies are not included in this table.

The basis for the calculation of the weighted averages for kuna time deposits indexed to f/c and foreign currency time deposits are the amounts of those deposits received during the reporting month. The basis for the calculation of the weighted averages for savings deposits indexed to f/c are the end-of-month book balances of those deposits. From January 2002 on, the averages of interest rates on total kuna deposits indexed to f/c (column 3) are weighted by the end-of-month balances of all categories included in the calculation.

The average interest rate on total foreign currency deposits (column 6) refers to the weighted average of monthly interest rates on savings and foreign currency time deposits, which are weighted by the end-of-month balances of all categories included

Table G4b Banks' interest rates on kuna deposits indexed to foreign currency and on foreign currency deposits  
weighted averages of monthly interest rates, in % on annual basis

Year	Month	Interest rates on foreign currency deposits										
		On time deposits										Total average
		On short-term deposits					On long-term deposits					
		Total average	Households		Enterprises		Total average	Households		Enterprises		
EUR	USD		EUR	USD	EUR	USD		EUR	USD			
1	2	12	13	14	15	16	17	18	19	20	21	22
1998	December	4.89	4.49	5.42	6.16	2.84	5.37	7.29	7.68	8.59	4.93	6.92
1999	December	5.43	5.17	4.93	6.39	3.97	6.00	6.59	6.64	8.09	3.66	6.77
2000	December	4.57	4.36	3.65	5.15	4.59	6.62	5.56	5.17	6.61	5.97	8.53
2001	December	3.54	3.35	3.42	3.23	3.60	2.44	4.59	4.72	4.42	4.58	0.23
2002	December	3.13	2.96	3.27	2.21	2.89	1.43	4.59	4.69	3.84	3.46	2.30
2003	December	2.64	2.46	2.83	1.65	2.29	1.08	3.69	4.71	3.13	2.85	1.64
2004	December	2.85	2.65	3.01	1.69	2.46	2.28	4.20	4.85	3.13	3.61	2.65
2005	December	3.07	2.94	2.99	1.76	2.63	4.34	3.69	4.25	0.48	4.39	-
2006	December	3.82	3.76	3.16	2.05	4.24	5.84	4.25	4.47	2.26	4.79	4.61
2007	December	4.32	4.25	3.47	2.60	5.10	5.33	4.80	4.83	3.84	5.13	2.19
2008	December	4.15	3.95	4.33	2.69	4.13	1.84	5.51	5.57	3.58	5.52	2.38
2009	December	3.58	3.40	4.33	2.73	2.64	1.77	5.13	5.43	3.86	2.85	0.13
2010	March	3.17	2.91	3.78	2.72	2.42	0.97	5.12	5.20	3.71	4.47	2.00
	April	3.17	2.92	3.73	2.75	2.26	1.55	5.01	5.07	3.93	3.48	1.10
	May	3.03	2.84	3.63	2.73	2.07	1.45	4.62	4.73	3.82	2.18	3.00
	June	3.00	2.83	3.48	2.75	2.33	1.57	4.61	4.68	3.65	3.30	-
	July	2.98	2.75	3.50	2.64	2.11	1.32	4.65	4.74	3.78	2.71	1.22
	August	2.94	2.68	3.48	2.62	1.96	1.35	4.59	4.69	3.74	1.11	-
	September	2.82	2.62	3.47	2.64	1.94	1.08	4.40	4.46	3.61	2.70	2.45
	October	2.33	2.14	3.36	2.55	1.47	1.13	4.16	4.23	3.62	3.68	3.42
	November	2.20	1.99	3.24	2.49	1.28	0.77	4.24	4.29	3.43	3.92	4.00
	December	2.69	2.15	3.13	2.45	1.63	0.76	5.36	4.28	3.20	6.91	3.80
2011	January	2.57	2.31	3.00	2.43	1.71	0.90	4.24	4.29	3.22	3.77	0.85
	February	2.47	2.19	3.00	2.37	1.69	0.69	4.26	4.30	3.43	3.46	1.10
<b>Relative significance<sup>a</sup></b>		<b>24.70</b>	<b>21.39</b>	<b>9.54</b>	<b>0.65</b>	<b>8.91</b>	<b>2.29</b>	<b>3.30</b>	<b>3.15</b>	<b>0.12</b>	<b>0.03</b>	<b>0.00</b>

<sup>a</sup> Relative significance is calculated as a percentage of corresponding deposit category in total deposits received in the reporting month (according to data for the last period included in the table).

in the calculation.

The basis for the calculation of the weighted averages of monthly interest rates on total foreign currency savings deposits (column 7) are the end-of-month balances of those deposits.

The basis for the calculation of the weighted averages of monthly interest rates on total foreign currency time deposits

(column 12) are the amounts of those deposits received during the reporting month. The same basis is applied in calculating the weighted averages of monthly interest rates on total short-term foreign currency deposits (column 13) and on total long-term foreign currency deposits (column 18).

**Table G5 Banks' trade with foreign exchange**  
in million EUR, current exchange rate

	2005	2006	2007	2008	2009	2010	2010 Dec.	2011	
								Jan.	Feb.
<b>A Purchase of foreign exchange</b>									
1 Legal persons	8,443.5	14,442.7	26,365.0	33,058.3	19,939.9	21,453.6	2,311.6	1,958.6	1,393.6
2 Natural persons	4,931.8	6,262.7	6,151.3	4,755.3	4,920.3	4,878.0	367.7	300.7	302.4
2.1 Residents	4,662.6	5,909.4	3,184.0	4,252.9	4,389.6	4,251.3	362.4	295.1	296.3
2.2 Non-residents	269.2	353.2	326.3	502.4	530.7	626.7	5.3	5.6	6.1
3 Domestic banks	9,069.9	14,380.1	20,141.3	20,017.6	10,964.5	11,171.3	1,174.1	668.4	702.9
4 Foreign banks	2,602.3	5,056.8	5,194.1	7,342.5	5,681.9	5,548.6	705.2	590.9	316.5
5 Croatian National Bank	0.0	125.5	0.0	420.6	1,899.4	350.1	233.7	–	–
<b>Total (1+2+3+4)</b>	<b>25,106.0</b>	<b>40,439.5</b>	<b>57,851.7</b>	<b>65,594.2</b>	<b>43,405.9</b>	<b>43,401.6</b>	<b>4,792.2</b>	<b>3,518.5</b>	<b>2,715.4</b>
<b>B Sale of foreign exchange</b>									
1 Legal persons	13,022.3	17,515.0	28,564.1	35,448.8	21,707.2	21,930.5	2,682.9	1,580.2	1,327.0
2 Natural persons	2,722.5	4,109.1	3,712.5	4,366.4	3,205.5	1,815.9	224.2	156.2	90.8
2.1 Residents	2,693.9	4,056.4	2,071.3	4,335.2	3,186.0	1,800.5	223.6	155.6	90.2
2.2 Non-residents	28.6	52.6	40.0	31.2	19.5	15.4	0.7	0.6	0.6
3 Domestic banks	9,069.9	14,380.1	20,141.3	20,017.6	10,964.5	11,171.3	1,174.1	668.4	702.9
4 Foreign banks	1,407.1	3,526.1	4,072.6	6,615.7	5,281.5	5,455.0	762.3	297.9	348.5
5 Croatian National Bank	670.8	1,329.5	839.0	409.1	2,224.2	363.7	–	–	–
<b>Total (1+2+3+4)</b>	<b>26,892.7</b>	<b>40,859.7</b>	<b>57,329.5</b>	<b>66,857.5</b>	<b>43,382.7</b>	<b>40,736.5</b>	<b>4,843.5</b>	<b>2,702.7</b>	<b>2,469.2</b>
<b>C Net purchase (A-B)</b>									
1 Legal persons	–4,578.8	–3,072.3	–2,199.1	–2,390.5	–1,767.3	–476.9	–371.3	378.4	66.5
2 Natural persons	2,209.3	2,153.6	2,438.9	388.9	1,714.8	3,062.1	143.5	144.5	211.6
2.1 Residents	1,968.7	1,853.0	1,112.7	–82.2	1,203.6	2,450.8	138.8	139.5	206.2
2.2 Non-residents	240.6	300.6	286.3	471.1	511.2	611.2	4.6	5.0	5.4
3 Foreign banks	1,195.2	1,530.7	1,121.4	726.8	400.4	93.6	–57.1	293.0	–31.9
4 Croatian National Bank	–670.8	–1,204.0	–839.0	11.5	–324.8	–13.6	233.7	–	–
<b>Total (1+2+3)</b>	<b>–1,845.2</b>	<b>–592.1</b>	<b>522.2</b>	<b>–1,263.3</b>	<b>23.2</b>	<b>2,665.2</b>	<b>–51.3</b>	<b>815.9</b>	<b>246.2</b>
Memo items: Other Croatian National Bank transactions									
Purchase of foreign exchange	–	3.1	5.1	265.4	664.6	238.5	218.5	1.7	0.3
Sale of foreign exchange	167.6	441.3	176.7	83.7	98.3	233.1	–	–	–

**Table G5 Banks' trade with foreign exchange** • Data on trade with foreign exchange between banks comprise the spot purchase and sale of foreign exchange in domestic foreign exchange market. Spot transactions are contracted obligations to buy/sell foreign currency within maximally 48 hours.

The transactions are classified by category of participants (legal and natural persons, domestic and foreign banks and the

CNB). Sources of data are banks' reports on trading with foreign exchange, including data on exchange transactions with natural persons conducted by authorised currency exchange offices.

Other Croatian National Bank transactions include foreign exchange sales and purchases on behalf of the Ministry of Finance.

## H International economic relations

Table H1 Balance of payments – summary<sup>a,b</sup>  
in million EUR

	2005	2006	2007	2008	2009	2010 <sup>c</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>c</sup>
<b>A CURRENT ACCOUNT (1+6)</b>	<b>-1,975.6</b>	<b>-2,726.2</b>	<b>-3,236.1</b>	<b>-4,335.5</b>	<b>-2,506.0</b>	<b>-654.3</b>	<b>-1,362.4</b>	<b>-125.9</b>	<b>1,888.9</b>	<b>-1,054.8</b>
1 Goods, services, and income (2+5)	-3,159.5	-3,833.6	-4,279.1	-5,406.0	-3,542.2	-1,758.5	-1,615.1	-413.1	1,604.5	-1,334.8
1.1 Credit	15,990.2	17,882.6	19,600.2	21,256.5	16,932.1	18,467.7	3,014.2	4,645.5	7,012.3	3,795.7
1.2 Debit	-19,149.7	-21,716.2	-23,879.3	-26,662.5	-20,474.3	-20,226.2	-4,629.4	-5,058.6	-5,407.8	-5,130.4
2 Goods and services (3+4)	-2,200.2	-2,641.6	-3,166.6	-3,835.9	-1,711.3	-143.1	-1,159.7	-82.7	2,119.0	-1,019.8
2.1 Credit	15,272.9	16,990.4	18,307.2	19,904.6	16,157.1	17,595.8	2,821.2	4,385.2	6,791.4	3,598.1
2.2 Debit	-17,473.2	-19,632.0	-21,473.8	-23,740.5	-17,868.4	-17,738.9	-3,980.9	-4,467.9	-4,672.3	-4,617.8
3 Goods	-7,518.0	-8,344.2	-9,434.0	-10,793.8	-7,386.9	-5,945.3	-1,283.3	-1,496.9	-1,716.8	-1,448.3
3.1 Credit	7,220.3	8,463.6	9,192.5	9,814.0	7,703.2	9,099.5	2,033.3	2,325.2	2,243.0	2,498.0
3.2 Debit	-14,738.3	-16,807.8	-18,626.5	-20,607.8	-15,090.1	-15,044.8	-3,316.6	-3,822.1	-3,959.8	-3,946.3
4 Services	5,317.7	5,702.7	6,267.4	6,957.9	5,675.6	5,802.2	123.6	1,414.2	3,835.8	428.6
4.1 Credit	8,052.6	8,526.8	9,114.7	10,090.6	8,453.9	8,496.3	787.9	2,060.0	4,548.4	1,100.1
4.2 Debit	-2,734.9	-2,824.2	-2,847.3	-3,132.7	-2,778.3	-2,694.1	-664.3	-645.8	-712.6	-671.5
5 Income	-959.2	-1,192.1	-1,112.5	-1,570.1	-1,830.9	-1,615.4	-455.5	-330.4	-514.6	-315.0
5.1 Credit	717.3	892.2	1,293.0	1,351.9	775.0	871.9	193.1	260.3	220.9	197.6
5.2 Debit	-1,676.5	-2,084.3	-2,405.5	-2,922.0	-2,605.9	-2,487.3	-648.5	-590.7	-735.5	-512.6
6 Current transfers	1,183.8	1,107.4	1,043.0	1,070.5	1,036.3	1,104.2	252.7	287.2	284.4	279.9
6.1 Credit	1,628.4	1,639.5	1,576.1	1,684.4	1,607.8	1,705.3	394.6	450.3	422.5	437.9
6.2 Debit	-444.6	-532.1	-533.1	-613.9	-571.5	-601.0	-141.9	-163.1	-138.0	-158.0
<b>B CAPITAL AND FINANCIAL ACCOUNT</b>	<b>3,008.7</b>	<b>3,699.1</b>	<b>4,140.5</b>	<b>5,955.8</b>	<b>3,298.6</b>	<b>1,309.3</b>	<b>901.8</b>	<b>-61.8</b>	<b>-476.0</b>	<b>945.3</b>
B1 Capital account	53.8	-134.9	28.5	14.9	42.7	36.3	12.6	13.3	13.0	-2.6
B2 Financial account, excl. reserves	3,776.8	5,246.2	4,833.7	5,610.5	4,152.4	1,356.9	371.6	46.5	531.4	407.4
1 Direct investment	1,276.1	2,561.5	3,467.8	3,245.8	1,206.9	593.3	529.2	-88.7	315.6	-162.7
1.1 Abroad	-191.8	-206.8	-211.2	-972.6	-888.8	153.4	-62.0	-154.0	-75.5	445.0
1.2 In Croatia	1,467.9	2,768.3	3,679.0	4,218.4	2,095.6	439.9	591.2	65.3	391.1	-607.7
2 Portfolio investment	-1,187.9	-529.6	6.2	-627.2	183.1	240.5	-653.2	-8.6	1,052.5	-150.2
2.1 Assets	-581.3	-459.8	-404.7	-277.9	-797.9	-351.5	-112.2	30.9	-80.5	-189.7
2.2 Liabilities	-606.6	-69.8	410.9	-349.3	981.0	592.0	-541.0	-39.5	1,133.0	39.5
3 Financial derivatives	-88.4	0.0	0.0	0.0	0.0	-252.7	-61.1	-72.4	-74.4	-44.8
4 Other investment	3,777.0	3,214.3	1,359.7	2,991.9	2,762.4	775.8	556.7	216.2	-762.3	765.2
4.1 Assets	982.2	-692.3	-1,653.3	-1,620.9	759.9	639.6	679.0	-42.4	-382.9	386.0
4.2 Liabilities	2,794.7	3,906.6	3,012.9	4,612.8	2,002.6	136.2	-122.3	258.6	-379.4	379.2
B3 Reserve assets	-821.8	-1,412.2	-721.6	330.4	-896.4	-83.8	517.5	-121.5	-1,020.4	540.5
<b>C NET ERRORS AND OMISSIONS</b>	<b>-1,033.1</b>	<b>-972.9</b>	<b>-904.4</b>	<b>-1,620.3</b>	<b>-792.7</b>	<b>-655.1</b>	<b>460.6</b>	<b>187.7</b>	<b>-1,412.9</b>	<b>109.5</b>

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from January 1999 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m) and August 2009 (EUR 666.5m).

<sup>c</sup> Preliminary data.

Note: The item net errors and omissions also comprises the counter-entry of a part of revenues from travel services which relates to such revenues not stated in the banks' records.

**Tables H1 – H6 Balance of payments** • The balance of payments of the Republic of Croatia represents a systematic overview of the value of economic transactions performed by the Croatian residents with foreign countries within a particular period. It is compiled in accordance with the recommendations of the International Monetary Fund (Balance of Payments Manual, Fifth Edition, 1993). Data sources include: 1) reports of the government institutions (Central Bureau of Statistics and Croatian Institute for Health Insurance), 2) special reports of the Croatian National Bank (International Transaction Reporting System (ITRS), external debt relations, monetary statistics and

reserve assets) and 3) estimates and statistical research carried out by the Croatian National Bank.

Balance of payments of the Republic of Croatia data are reported in three currencies: in euros (EUR), US dollars (USD) and domestic currency (HRK). In all cases, the same data sources are used and the same principles regarding the scope of transactions and the procedures for compiling particular items are applied. Since the original data are reported in different currencies, the transaction values are converted from the original currency into the reporting currency by applying the exchange rate from the CNB exchange rate list in one of the following manners:

Table H2 Balance of payments – goods and services

in million EUR

	2005	2006	2007	2008	2009	2010 <sup>a</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>a</sup>
<b>Goods</b>	<b>-7,518.0</b>	<b>-8,344.2</b>	<b>-9,434.0</b>	<b>-10,793.8</b>	<b>-7,386.9</b>	<b>-5,945.3</b>	<b>-1,283.3</b>	<b>-1,496.9</b>	<b>-1,716.8</b>	<b>-1,448.3</b>
1 Credit	7,220.3	8,463.6	9,192.5	9,814.0	7,703.2	9,099.5	2,033.3	2,325.2	2,243.0	2,498.0
1.1 Exports (f.o.b.) in trade statistics	7,069.4	8,251.6	9,001.6	9,585.1	7,529.4	8,902.4	2,000.2	2,279.5	2,170.4	2,452.3
1.2 Adjustments for coverage	150.9	212.0	191.0	228.9	173.8	197.1	33.1	45.7	72.6	45.7
2 Debit	-14,738.3	-16,807.8	-18,626.5	-20,607.8	-15,090.1	-15,044.8	-3,316.6	-3,822.1	-3,959.8	-3,946.3
2.1 Imports (c.i.f.) in trade statistics	-14,949.5	-17,104.7	-18,826.6	-20,817.1	-15,220.1	-15,127.2	-3,338.0	-3,849.5	-3,967.8	-3,971.9
2.2 Adjustments for coverage	-346.4	-341.1	-370.4	-421.4	-331.1	-376.0	-79.8	-89.2	-112.2	-94.8
2.3 Adjustments for classification	557.6	638.0	570.4	630.8	461.2	458.4	101.1	116.6	120.2	120.3
<b>Services</b>	<b>5,317.7</b>	<b>5,702.7</b>	<b>6,267.4</b>	<b>6,957.9</b>	<b>5,675.6</b>	<b>5,802.2</b>	<b>123.6</b>	<b>1,414.2</b>	<b>3,835.8</b>	<b>428.6</b>
1 Transportation	376.1	474.2	542.1	508.5	255.0	308.6	37.1	87.5	125.6	58.3
1.1 Credit	880.3	1,037.5	1,165.4	1,209.4	752.0	813.3	145.8	219.3	262.0	186.2
1.2 Debit	-504.2	-563.2	-623.3	-700.9	-497.1	-504.7	-108.7	-131.8	-136.4	-127.9
2 Travel	5,394.9	5,708.7	6,035.2	6,694.0	5,655.8	5,607.6	188.1	1,317.3	3,690.5	411.7
2.1 Credit	5,998.9	6,293.3	6,752.6	7,459.4	6,379.7	6,236.8	324.7	1,476.3	3,867.8	568.0
2.1.1 Business	504.0	388.4	389.2	386.4	255.7	237.0	39.0	80.9	72.8	44.2
2.1.2 Personal	5,494.9	5,904.9	6,363.4	7,073.1	6,124.0	5,999.8	285.7	1,395.4	3,795.0	523.7
2.2 Debit	-604.1	-584.6	-717.3	-765.5	-724.0	-629.2	-136.6	-159.0	-177.3	-156.3
2.2.1 Business	-267.4	-229.5	-266.9	-261.3	-240.8	-180.6	-39.1	-55.4	-40.0	-46.1
2.2.2 Personal	-336.7	-355.1	-450.4	-504.2	-483.1	-448.6	-97.6	-103.6	-137.3	-110.2
3 Other services	-453.3	-480.3	-310.0	-244.6	-235.1	-113.9	-101.5	9.4	19.6	-41.4
3.1 Credit	1,173.4	1,196.0	1,196.8	1,421.8	1,322.2	1,446.3	317.4	364.4	418.5	346.0
3.2 Debit	-1,626.6	-1,676.3	-1,506.7	-1,666.4	-1,557.3	-1,560.1	-419.0	-355.0	-398.9	-387.3

<sup>a</sup> Preliminary data.

- by applying the midpoint exchange rate on the date of the transaction;
- by applying the average monthly or quarterly midpoint exchange rate in the case the transaction date is not available;
- by applying the end-of-period exchange rate for the calculation of a change in the transaction value between the two periods; the end-of-period balances reported in the original currency serve as a basis for calculating the change in the original currency value, which is converted, by applying the average midpoint exchange rate in the observed period, into the value of change in the reporting currency.

The Report of the Central Bureau of Statistics on foreign trade in goods of the Republic of Croatia represents the basic data source for the balance of payments items related to exports and imports. These data are adjusted, in accordance with the recommended compilation method, for coverage and classification. Accordingly, goods exports and imports in the balance of payments are reported at f.o.b. parity. The value of exports at this parity is already contained in the previously mentioned CBS Report, whereas the value of imports f.o.b. is estimated on the basis of research studies of the CNB on the stratified sample of importers. The resulting value serves as a basis for the estimate of the share of transportation and insurance services by which the original value of imports c.i.f., stated in the CBS Report, is reduced. In the 1993-2001 period, this share stood at 7.10% (estimated only on the basis of the largest and large importers), while from 2002 on it has amounted to 3.73%. The same research study, conducted by the CNB at the end of 2006 (comprising the imports in the previous year), showed that the share of transportation and insurance costs, after continuing to decrease, has reached 3.03%. This share was first applied in the calculations for the first quarter of 2007. In the period from

1993 to 1996, the value of imports was modified by estimates of imports in duty free zones, which have been included in the merchandise trade statistics since 1997. From 1996 on, goods exports and imports are modified by the data on repairs on goods and goods procured in ports by carriers. In addition, since 1999, based on the Survey on Consumption of Foreign Travellers in Croatia and Domestic Travellers Abroad, the item of goods exports has been modified by the estimated value of goods sold to foreign travellers and tourists and taken out of the Republic of Croatia. The item of goods imports is adjusted for the estimated value of goods imported personally by the Croatian citizens from the neighbouring countries (shopping expenditures).

Transportation, travel and other services are reported separately under service account. Revenues and expenditures on the basis of transportation, in the 1993-1998 period, were adopted from the ITRS. From 1999 on, revenues and expenditures arising from transportation of goods and passengers, as well as the value of accompanying services, which together constitute the total value of these services, are compiled on the basis of the results of the Research on transactions related to international transportation services, carried out by the CNB. Owing to an exceptionally large population of road carriers, revenues and expenditures on the basis of road transportation are not adopted from this research. They are compiled by using ITRS data. As regards transportation of goods, expenditures are supplemented by a portion of transportation and insurance costs related to imports of goods which belongs to non-residents and which is estimated by adjusting the value of imports at c.i.f. parity to the value of imports f.o.b.

Revenues from services rendered to foreign travellers and tourists, as well as expenditures incurred by domestic travellers and tourists abroad are shown under the position Travel. In the

Table H3 Balance of payments – income and current transfers  
in million EUR

	2005	2006	2007	2008	2009	2010 <sup>a</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>a</sup>
<b>Income</b>	<b>-959.2</b>	<b>-1,192.1</b>	<b>-1,112.5</b>	<b>-1,570.1</b>	<b>-1,830.9</b>	<b>-1,615.4</b>	<b>-455.5</b>	<b>-330.4</b>	<b>-514.6</b>	<b>-315.0</b>
1 Compensation of employees	259.7	373.2	494.2	564.1	586.5	620.8	142.7	155.1	158.4	164.5
1.1 Credit	289.2	404.3	527.8	599.7	624.2	657.1	151.0	164.4	167.8	173.9
1.2 Debit	-29.5	-31.1	-33.6	-35.5	-37.6	-36.3	-8.3	-9.3	-9.4	-9.3
2 Direct investment income	-739.0	-1,011.1	-921.6	-1,137.1	-1,178.6	-1,116.3	-333.4	-206.3	-391.1	-185.6
2.1 Credit	112.7	80.2	174.5	194.6	-64.1	79.2	6.2	64.8	19.2	-10.9
o/w: Reinvested earnings	63.8	63.5	123.3	118.6	-114.9	0.9	-2.6	18.5	6.3	-21.3
2.2 Debit	-851.8	-1,091.3	-1,096.1	-1,331.7	-1,114.4	-1,195.6	-339.5	-271.0	-410.3	-174.7
o/w: Reinvested earnings	-570.5	-721.0	-483.3	-508.5	-343.1	-540.5	-141.5	53.5	-342.7	-109.7
3 Portfolio investment income	-217.6	-175.9	-162.9	-145.8	-161.7	-294.7	-67.9	-70.1	-76.7	-80.0
3.1 Credit	46.2	57.4	74.5	74.6	63.7	31.6	7.7	7.8	7.7	8.3
3.2 Debit	-263.8	-233.3	-237.4	-220.4	-225.4	-326.3	-75.7	-77.9	-84.4	-88.3
4 Other investment income	-262.3	-378.2	-522.2	-851.3	-1,077.2	-825.2	-196.9	-209.2	-205.2	-213.9
4.1 Credit	269.1	350.3	516.2	483.0	151.3	104.0	28.2	23.3	26.2	26.3
4.2 Debit	-531.4	-728.6	-1,038.4	-1,334.3	-1,228.5	-929.2	-225.0	-232.5	-231.4	-240.3
<b>Current transfers</b>	<b>1,183.8</b>	<b>1,107.4</b>	<b>1,043.0</b>	<b>1,070.5</b>	<b>1,036.3</b>	<b>1,104.2</b>	<b>252.7</b>	<b>287.2</b>	<b>284.4</b>	<b>279.9</b>
1 General government	9.7	-8.6	-16.7	-20.0	-30.0	-29.1	-19.5	-9.8	-9.3	9.5
1.1 Credit	219.6	255.7	260.2	342.6	309.0	319.3	63.0	93.1	71.3	91.9
1.2 Debit	-209.9	-264.4	-276.8	-362.7	-339.0	-348.4	-82.5	-102.9	-80.6	-82.3
2 Other sectors	1,174.1	1,116.0	1,059.6	1,090.5	1,066.3	1,133.4	272.3	297.0	293.7	270.4
2.1 Credit	1,408.8	1,383.8	1,316.0	1,341.7	1,298.8	1,386.0	331.6	357.1	351.2	346.1
2.2 Debit	-234.6	-267.7	-256.3	-251.2	-232.5	-252.6	-59.4	-60.1	-57.4	-75.7

<sup>a</sup> Preliminary data.

1993-1998 period, this position was assessed by using various data sources which did not provide for a full coverage in accordance with the recommended methodology. Accordingly, in the second half of 1998, the Croatian National Bank started to carry out the Survey on Consumption of Foreign Travellers in Croatia and Domestic Travellers Abroad and use its results for compiling the Travel position. Since early 1999, the results of this Survey, based on carrying out a survey of travellers (stratified sample) at border crossings, have been combined with the Ministry of the Interior and Central Bureau of Statistics data on the number of foreign and domestic travellers, along with the data on distribution of foreign travellers by countries contained in the CBS Report on tourism, in order to assess the corresponding balance of payment items.

Other services position is compiled by using different data sources: apart from revenues and expenditures related to insurance and communication services, which have been determined by the CNB special statistical research since 2001, the values of all other services are adopted from the ITRS.

Transactions in the income account are classified into four main groups. Compensation of employees item is compiled on the basis of the ITRS. Income from direct investment, portfolio investment and other investment are reported separately. Data on reinvested earnings are reported separately, under direct investment income, calculated on the basis of the CNB Research on direct and other equity investment. In contrast to data on dividends, these data are not available for the 1993-1996 period, since at that time they were not reported separately. From the first quarter of 2009 on, international standards are applied in the statistical monitoring of reinvested earnings, meaning that reinvested earnings are reported on a quarterly basis, i.e. in the period in which the profit is actually earned. Previously,

reinvested earnings were reported in the month in which the decision on the distribution of the previous year's profit was adopted, meaning that they were based on the profit earned in the preceding year. On the basis of statistical data on external debt relations, starting from 1997, income from direct investment includes data on interest arising from credit relations between residents and non-residents directly related through ownership. Income from equity portfolio investment is compiled on the basis of the same research, whereas data on debt portfolio investment income have been compiled since 1999, based on statistics on foreign credit relations, which also encompass income related to debt securities owned by non-residents. Income from other investments includes the calculation of interest in accordance with the foreign credit relations statistics. The methodology for compiling the statistics on debt investment income has been changed in 2007 to include the reporting of income on an accrual basis. This basically means that income from debt investment and interest are reported at the point in time when they accrue and not at the point in time when they mature or when they are paid. As a result, the historical data for the 1999-2006 period have been revised.

Current transfers are reported separately for the general government sector and other sectors. The ITRS is used as the main data source on current transfers for both sectors. In addition to taxes and excise duties, pensions, monetary support and donations, which are included in current transfers of both sectors, the government sector also encompasses data on multilateral cooperation, whereas other sectors include data on workers' remittances. Current transfers of the general government sector also include data on exports and imports of goods without a payment obligation, provided by the CBS. In the 1993-1998 period, current transfers of other sectors also encompassed an estimate

Table H4 Balance of payments – direct and portfolio investments<sup>a,b</sup>

in million EUR

	2005	2006	2007	2008	2009	2010 <sup>c</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>c</sup>
<b>Direct investment</b>	<b>1,276.1</b>	<b>2,561.5</b>	<b>3,467.8</b>	<b>3,245.8</b>	<b>1,206.9</b>	<b>593.3</b>	<b>529.2</b>	<b>-88.7</b>	<b>315.6</b>	<b>-162.7</b>
1 Abroad	-191.8	-206.8	-211.2	-972.6	-888.8	153.4	-62.0	-154.0	-75.5	445.0
1.1 Equity capital and reinvested earnings	-121.0	-210.5	-265.3	-1,078.3	-895.2	268.0	-56.4	-112.7	-86.4	523.5
1.1.1 Claims	-122.2	-210.5	-268.4	-1,078.3	-1,010.1	244.0	-59.0	-112.7	-86.4	502.2
1.1.2 Liabilities	1.3	0.0	3.1	0.0	114.9	24.0	2.6	0.0	0.0	21.3
1.2 Other capital	-70.9	3.7	54.1	105.7	6.4	-114.6	-5.6	-41.3	10.9	-78.6
1.1.1 Claims	-59.8	-13.9	20.3	106.8	-29.9	-345.2	-24.9	-43.4	5.2	-282.2
1.2.2 Liabilities	-11.1	17.6	33.9	-1.1	36.3	230.6	19.3	2.1	5.7	203.6
2 In Croatia	1,467.9	2,768.3	3,679.0	4,218.4	2,095.6	439.9	591.2	65.3	391.1	-607.7
2.1 Equity capital and reinvested earnings	1,363.5	2,468.6	2,671.6	2,707.7	1,039.9	1,061.5	435.3	469.1	473.2	-316.2
2.1.1 Claims	0.0	-0.1	0.0	-6.9	-94.7	-53.5	0.0	-53.5	0.0	0.0
2.1.2 Liabilities	1,363.5	2,468.7	2,671.6	2,714.6	1,134.6	1,115.0	435.3	522.6	473.2	-316.2
2.2 Other capital	104.4	299.7	1,007.4	1,510.7	1,055.7	-621.6	155.9	-403.9	-82.1	-291.5
2.2.1 Claims	0.0	12.4	20.3	-26.4	-27.9	-17.2	-12.8	-27.7	13.8	9.6
2.2.2 Liabilities	104.4	287.3	987.2	1,537.0	1,083.6	-604.4	168.7	-376.1	-95.9	-301.1
<b>Portfolio investment</b>	<b>-1,187.9</b>	<b>-529.6</b>	<b>6.2</b>	<b>-627.2</b>	<b>183.1</b>	<b>240.5</b>	<b>-653.2</b>	<b>-8.6</b>	<b>1,052.5</b>	<b>-150.2</b>
1 Assets	-581.3	-459.8	-404.7	-277.9	-797.9	-351.5	-112.2	30.9	-80.5	-189.7
1.1 Equity securities	-193.0	-320.5	-844.2	148.9	-111.4	-474.3	-245.4	-149.9	14.0	-92.9
1.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.1 Banks	0.0	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.2 Other sectors	-193.0	-323.1	-844.2	148.9	-111.4	-474.3	-245.4	-149.9	14.0	-92.9
1.2 Debt securities	-388.2	-139.3	439.4	-426.8	-686.4	122.8	133.2	180.8	-94.5	-96.7
1.2.1 Bonds	-407.8	118.2	329.7	-326.0	-345.0	243.0	224.0	8.1	93.8	-82.8
1.2.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.1.2 Banks	-371.4	161.9	267.8	-226.5	-52.5	167.3	228.2	-80.8	110.1	-90.2
1.2.1.3 Other sectors	-36.3	-43.7	61.9	-99.5	-292.5	75.7	-4.2	88.8	-16.3	7.4
1.2.2 Money market instruments	19.5	-257.4	109.7	-100.8	-341.4	-120.2	-90.8	172.7	-188.3	-13.9
1.2.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2.2 Banks	19.5	-257.4	109.7	-100.9	-341.4	-124.3	-91.2	170.8	-189.9	-14.1
1.2.2.3 Other sectors	0.0	0.0	0.0	0.1	0.0	4.2	0.4	1.9	1.6	0.2
2 Liabilities	-606.6	-69.8	410.9	-349.3	981.0	592.0	-541.0	-39.5	1,133.0	39.5
2.1 Equity securities	89.2	325.7	315.9	-85.1	16.4	92.1	-7.2	-7.2	88.6	17.9
2.1.1 Banks	-12.8	28.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.2 Other sectors	102.0	297.7	315.9	-85.1	16.4	92.1	-7.2	-7.2	88.6	17.9
2.2 Debt securities	-695.8	-395.6	95.1	-264.2	964.5	499.9	-533.8	-32.3	1,044.3	21.6
2.2.1 Bonds	-695.8	-395.6	95.1	-264.3	964.5	499.9	-533.8	-32.3	1,044.3	21.6
2.2.1.1 General government	-705.9	-463.7	-276.4	-208.0	998.8	519.6	-525.2	-24.3	1,040.3	28.8
2.2.1.2 Banks	3.2	1.2	1.0	-1.6	-446.5	0.0	0.0	0.0	0.0	0.0
2.2.1.3 Other sectors	6.9	66.9	370.5	-54.7	412.2	-19.7	-8.6	-8.0	4.0	-7.2
2.2.2 Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2.2 Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2.3 Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from January 1999 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m) and August 2009 (EUR 666.5m). <sup>c</sup> Preliminary data.

of unregistered foreign currency remittances, which accounted for 15% of the positive difference between unclassified inflows and outflows of the household sector. From 1993 to the second quarter of 1996, the CNB also assessed a portion of the outflow based on current transfers. From 2002 on, inflows and outflows based on current transfers of other sectors are supplemented by

the data of the CNB special statistical research on international transactions related to insurance services.

Capital account is compiled on the basis of the ITRS, particularly on their part related to transfers of migrants. In addition, capital account includes transfers that cannot be classified into current transfers, such as allocation of gold of the former SFRY

Table H5 Balance of payments – other investment<sup>a</sup>  
in million EUR

	2005	2006	2007	2008	2009	2010 <sup>b</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>b</sup>
<b>Other investment (net)</b>	<b>3,777.0</b>	<b>3,214.3</b>	<b>1,359.7</b>	<b>2,991.9</b>	<b>2,762.4</b>	<b>775.8</b>	<b>556.7</b>	<b>216.2</b>	<b>-762.3</b>	<b>765.2</b>
<b>1 Assets</b>	<b>982.2</b>	<b>-692.3</b>	<b>-1,653.3</b>	<b>-1,620.9</b>	<b>759.9</b>	<b>639.6</b>	<b>679.0</b>	<b>-42.4</b>	<b>-382.9</b>	<b>386.0</b>
1.1 Trade credits	-134.8	-33.3	-99.4	-126.5	150.4	85.5	46.3	17.0	82.2	-60.0
1.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.2 Other sectors	-134.8	-33.3	-99.4	-126.5	150.4	85.5	46.3	17.0	82.2	-60.0
1.1.2.1 Long-term	10.4	-4.9	-63.5	26.7	58.0	26.4	7.6	7.3	8.1	3.5
1.1.2.2 Short-term	-145.3	-28.4	-35.9	-153.2	92.4	59.1	38.7	9.7	74.1	-63.4
1.2 Loans	-116.8	-153.1	-4.5	-107.5	41.5	-70.4	-7.5	-18.0	-17.4	-27.6
1.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2 Banks	-28.5	-80.4	-32.6	-66.7	20.5	-55.4	0.8	-9.6	-11.4	-35.1
1.2.2.1 Long-term	-20.5	-58.9	-25.4	-26.8	-28.7	-46.9	5.0	-8.5	-3.9	-39.4
1.2.2.2 Short-term	-8.0	-21.5	-7.3	-39.9	49.2	-8.5	-4.2	-1.1	-7.5	4.3
1.2.3 Other sectors	-88.3	-72.7	28.1	-40.8	21.0	-15.1	-8.3	-8.4	-6.0	7.6
1.2.3.1 Long-term	-89.2	-73.0	28.1	-37.6	20.9	17.8	-6.5	2.5	9.3	12.5
1.2.3.2 Short-term	1.0	0.3	0.0	-3.2	0.1	-32.9	-1.8	-10.9	-15.3	-4.9
1.3 Currency and deposits	1,233.8	-505.9	-1,549.4	-1,386.8	567.9	624.6	640.2	-41.4	-447.7	473.5
1.3.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.2 Banks	1,313.7	-462.1	-1,317.1	-136.4	426.5	417.5	521.1	-127.4	-431.4	455.2
1.3.3 Other sectors	-79.8	-43.8	-232.3	-1,250.5	141.4	207.0	119.0	86.0	-16.3	18.3
1.4 Other assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>2 Liabilities</b>	<b>2,794.7</b>	<b>3,906.6</b>	<b>3,012.9</b>	<b>4,612.8</b>	<b>2,002.6</b>	<b>136.2</b>	<b>-122.3</b>	<b>258.6</b>	<b>-379.4</b>	<b>379.2</b>
2.1 Trade credits	15.1	18.5	313.5	32.0	-143.7	60.4	-212.5	153.9	325.1	-206.1
2.1.1 General government	0.4	-0.7	-0.6	-0.5	0.0	0.0	0.0	0.0	0.0	0.0
2.1.1.1 Long-term	0.4	-0.7	-0.6	-0.5	0.0	0.0	0.0	0.0	0.0	0.0
2.1.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.2 Other sectors	14.7	19.2	314.2	32.5	-143.7	60.4	-212.5	153.9	325.1	-206.1
2.1.2.1 Long-term	27.4	-3.7	165.0	34.9	-58.0	-25.4	0.3	-19.2	47.8	-54.2
2.1.2.2 Short-term	-12.7	22.9	149.2	-2.4	-85.7	85.8	-212.8	173.1	277.4	-151.9
2.2 Loans	2,405.7	3,059.2	2,890.3	3,703.9	969.3	93.7	411.9	-117.9	-285.0	84.7
2.2.1 Croatian National Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.1.1 o/w: IMF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.1.1.1 Drawings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.1.1.2 Repayments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2 General government	97.2	165.0	161.0	96.7	-7.4	134.4	198.0	-32.9	19.7	-50.4
2.2.2.1 Long-term	97.2	165.0	161.0	65.0	24.3	134.4	198.0	-32.9	19.7	-50.4
2.2.2.1.1 Drawings	342.0	477.8	523.5	330.1	306.0	368.9	232.8	40.8	64.4	30.9
2.2.2.1.2 Repayments	-244.8	-312.8	-362.5	-265.2	-281.7	-234.5	-34.8	-73.7	-44.7	-81.4
2.2.2.2 Short-term	0.0	0.0	0.0	31.7	-31.7	0.0	0.0	0.0	0.0	0.0
2.2.3 Banks	826.0	541.2	-1,065.0	115.2	-166.5	-192.7	218.8	63.1	-545.6	71.1
2.2.3.1 Long-term	281.1	419.5	-630.8	-276.1	158.1	-322.9	-59.6	99.9	-339.9	-23.3
2.2.3.1.1 Drawings	1,236.1	2,833.6	1,216.2	609.4	1,219.2	849.3	73.8	264.2	120.0	391.3
2.2.3.1.2 Repayments	-955.0	-2,414.1	-1,847.0	-885.4	-1,061.1	-1,172.2	-133.4	-164.3	-459.9	-414.7
2.2.3.2 Short-term	544.9	121.7	-434.2	391.3	-324.6	130.2	278.4	-36.8	-205.8	94.4
2.2.4 Other sectors	1,482.6	2,353.0	3,794.4	3,492.0	1,143.2	152.0	-4.9	-148.1	240.9	64.1
2.2.4.1 Long-term	1,428.1	2,264.1	3,184.9	3,175.7	866.9	-39.3	-23.2	-162.8	188.5	-41.8
2.2.4.1.1 Drawings	2,934.5	4,266.4	5,960.8	6,700.9	4,804.5	4,431.7	959.2	1,076.1	1,094.4	1,302.0
2.2.4.1.2 Repayments	-1,506.4	-2,002.3	-2,775.9	-3,525.2	-3,937.5	-4,470.9	-982.4	-1,238.8	-905.9	-1,343.9
2.2.4.2 Short-term	54.5	88.9	609.5	316.2	276.2	191.2	18.3	14.6	52.4	105.9

	2005	2006	2007	2008	2009	2010 <sup>a</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>b</sup>
2.3 Currency and deposits	371.1	826.2	-193.6	875.7	1,175.0	-19.0	-321.9	222.4	-419.8	500.3
2.3.1 General government	0.1	0.1	-0.1	-0.1	-1.2	0.0	0.0	0.0	0.0	0.0
2.3.2 Banks	371.1	826.0	-193.6	867.1	1,197.2	-19.0	-321.9	222.4	-419.8	500.3
2.3.3 Other sectors	-0.1	0.1	0.1	8.7	-21.1	0.0	0.0	0.0	0.0	0.0
2.4 Other liabilities	2.8	2.7	2.7	1.3	2.0	1.1	0.3	0.3	0.3	0.3

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from January 1999 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Preliminary data.

or investments in patents and rights.

Foreign direct investments include equity capital, reinvested earnings and debt relations between ownership-related residents and non-residents. Direct investments are investments whereby a foreign owner acquires a minimum of 10% interest in equity capital of a company, regardless of whether a resident invests abroad or a non-resident invests in Croatian residents. The CNB Research on foreign direct investments started in 1997 when companies included in the survey also delivered data on direct investments for the 1993-1996 period. For the same period, no data are available on reinvested earnings and other capital under direct investment position, where all debt relations between related residents and non-residents are classified (excluding the banking sector). Such data actually became available only after the stated research has been launched. Since 1999, data on debt relations within direct investments have been collected on the basis of external debt relations statistics. From 2007 on, the CNB Statistics Department conducts the research on the purchase and sale of the real estate by non-residents on the territory of the Republic of Croatia. Persons obliged to submit reports are the public notaries who learn about these transactions in the course of their business. Data on the purchase and sale of the real estate by Croatian residents abroad are compiled on the basis of the ITRS. These purchase and sale transactions are also a constituent part of direct investments.

Data on equity portfolio investments are collected from the same data source as the data on direct investments. Debt portfolio investments include all investments in short-term and long-term debt securities that cannot be classified under direct investments. In the 1997-1998 period, these data were collected through the CNB Research on direct and portfolio investments, and since 1999 data on external debt relations and monetary statistics data for bank investment have been used. Starting from 2002 and 2004, this position has also been compiled for investment funds and pension funds, respectively. Since 2009, these positions have been modified by the statistics on trade in equity and debt securities submitted by the Central Depository and Clearing Company and commercial banks providing securities custody services. Portfolio investments are modified by these data in the parts not fully covered by existing research. Data for the 2006-2009 period have also been revised.

Other investment encompasses all other debt investments that have not been mentioned, apart from investment constituting reserve assets. Other investments are classified by

instruments, maturity and sectors. Trade credits, in the 1996–2002 period, included the CNB estimates of advance payment and deferred payments, made on the basis of the sample of the largest and large importers and exporters. Data on advance payments have been estimated since 1996, while data on short-term deferred payments (first up to 90 days, then up to 150 days, and today from 8 days to 1 year) have been collected since 1999. In 2003, this research was replaced by a new one, where the selected companies, regardless of their size (stratified sample), are obliged to submit data. Data on deferred payments with the original maturity of more than one year are adopted from the CNB foreign credit relations statistics. Credits granted by residents to non-residents, i.e. foreign loans utilised by residents and granted by non-residents, which cannot be classified into direct investments or trade credits, are classified by the institutional sector and maturity under the corresponding positions of other investment. The CNB foreign credit relations statistics represent the data source for these positions. Currency and deposit position shows residents' claims on foreign countries for foreign cash and deposits with foreign banks, as well as obligations of the Croatian banks for deposits owned by non-residents. Monetary statistics represent a data source for the general government sector and banks sector. Data on balance and currency structure of foreign assets and liabilities, contained in monetary statistics, are used to assess transactions from which the exchange rate effect was eliminated. In the 1993-1998 period, data on other sectors' claims under this position were compiled on the basis of the CNB estimate of a portion of net foreign currency inflows of the household sector which is not classified under current transfers. Since 1999, this position has included only the data based on the Bank for International Settlement quarterly data, while data in the fourth quarter of 2001 and in the first two quarters of 2002 also relate to the effect of the EMU countries' currencies changeover to the euro. Data for the fourth quarter of 2008 were modified by estimates of currency and deposit withdrawals from the financial system driven by fears of the effects of the global financial crisis.

In the period from 1993 to 1998, the estimate of reserve assets transactions was made by converting the changes in the original currencies into the US dollars by applying the average monthly exchange rate of the currencies contained in the reserves. Since 1999, the changes in reserve assets balance have been calculated on the basis of the CNB accounting data.

Table H6 Balance of payments – summary<sup>a</sup>  
in million HRK

	2005	2006	2007	2008	2009	2010 <sup>b</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>b</sup>
<b>A CURRENT ACCOUNT (1+6)</b>	<b>-14,828.7</b>	<b>-20,131.5</b>	<b>-23,874.5</b>	<b>-31,671.1</b>	<b>-18,503.7</b>	<b>-5,127.8</b>	<b>-9,928.1</b>	<b>-926.4</b>	<b>13,502.0</b>	<b>-7,775.4</b>
1 Goods, services, and income (2+5)	-23,586.8	-28,240.5	-31,525.4	-39,146.8	-26,108.5	-12,979.3	-11,768.6	-3,002.5	11,623.6	-9,831.8
1.1 Credit	117,994.9	130,752.9	143,640.4	153,418.7	124,192.7	134,345.8	21,947.8	33,661.8	50,800.7	27,935.5
1.2 Debit	-141,581.7	-158,993.5	-175,165.8	-192,565.4	-150,301.2	-147,325.1	-33,716.4	-36,664.3	-39,177.1	-37,767.3
2 Goods and services (3+4)	-16,508.1	-19,535.2	-23,342.4	-27,771.7	-12,651.8	-1,220.3	-8,445.3	-600.4	15,340.4	-7,515.1
2.1 Credit	112,693.7	124,216.9	134,156.6	143,655.7	118,500.3	127,998.1	20,545.2	31,776.4	49,195.5	26,481.0
2.2 Debit	-129,201.8	-143,752.1	-157,499.0	-171,427.5	-131,152.1	-129,218.4	-28,990.5	-32,376.8	-33,855.1	-33,996.1
3 Goods	-55,568.1	-61,083.9	-69,218.6	-77,984.3	-54,248.2	-43,317.5	-9,351.9	-10,852.3	-12,440.7	-10,672.6
3.1 Credit	53,397.7	61,988.6	67,424.8	70,856.8	56,546.0	66,305.1	14,806.7	16,851.7	16,259.3	18,387.4
3.2 Debit	-108,965.8	-123,072.5	-136,643.4	-148,841.1	-110,794.2	-109,622.6	-24,158.6	-27,704.0	-28,700.0	-29,060.0
4 Services	39,060.0	41,548.7	45,876.2	50,212.6	41,596.4	42,097.2	906.6	10,251.9	27,781.1	3,157.5
4.1 Credit	59,296.0	62,228.3	66,731.8	72,798.9	61,954.3	61,693.0	5,738.5	14,924.6	32,936.2	8,093.7
4.2 Debit	-20,236.0	-20,679.6	-20,855.6	-22,586.3	-20,357.9	-19,595.9	-4,831.9	-4,672.8	-5,155.1	-4,936.1
5 Income	-7,078.7	-8,705.3	-8,183.0	-11,375.0	-13,456.7	-11,759.0	-3,323.4	-2,402.1	-3,716.8	-2,316.7
5.1 Credit	5,301.2	6,536.0	9,483.7	9,762.9	5,692.4	6,347.7	1,402.6	1,885.4	1,605.2	1,454.5
5.2 Debit	-12,379.9	-15,241.4	-17,666.8	-21,138.0	-19,149.1	-18,106.7	-4,726.0	-4,287.5	-5,322.0	-3,771.2
6 Current transfers	8,758.1	8,109.0	7,650.9	7,475.7	7,604.9	7,851.5	1,840.5	2,076.1	1,878.4	2,056.4
6.1 Credit	12,047.2	12,005.6	11,562.1	12,159.5	11,797.8	12,191.9	2,874.0	3,258.6	2,838.6	3,220.7
6.2 Debit	-3,289.1	-3,896.5	-3,911.1	-4,683.7	-4,192.9	-4,340.4	-1,033.4	-1,182.5	-960.1	-1,164.3
<b>B CAPITAL AND FINANCIAL ACCOUNT</b>	<b>22,046.3</b>	<b>27,135.5</b>	<b>30,264.9</b>	<b>42,682.5</b>	<b>24,348.6</b>	<b>9,662.1</b>	<b>6,552.4</b>	<b>-383.1</b>	<b>-3,484.4</b>	<b>6,977.2</b>
B1 Capital account	396.8	-981.8	209.1	108.2	314.1	263.1	92.0	96.0	92.3	-17.2
B2 Financial account, excl. reserves	27,725.0	38,430.7	35,370.8	40,266.1	30,545.7	9,861.0	2,684.5	400.0	3,771.9	3,004.6
1 Direct investment	9,093.0	18,762.5	25,485.8	23,036.0	8,890.6	4,305.9	3,859.7	-645.8	2,289.2	-1,197.2
1.1 Abroad	-1,415.4	-1,515.1	-1,552.6	-6,998.8	-6,510.0	1,177.7	-450.8	-1,116.2	-548.9	3,293.6
1.2 In Croatia	10,508.5	20,277.5	27,038.4	30,034.8	15,400.6	3,128.2	4,310.5	470.4	2,838.1	-4,490.8
2 Portfolio investment	-8,785.7	-3,916.8	37.3	-4,433.7	1,265.9	1,650.2	-4,758.5	-57.2	7,589.4	-1,123.5
2.1 Assets	-4,267.9	-3,391.6	-2,984.9	-1,944.9	-5,800.2	-2,576.1	-807.5	229.5	-585.5	-1,412.7
2.2 Liabilities	-4,517.8	-525.3	3,022.2	-2,488.7	7,066.1	4,226.3	-3,951.0	-286.7	8,174.9	289.2
3 Financial derivatives	-659.4	0.0	0.0	0.0	0.0	-1,838.9	-445.5	-524.5	-538.8	-330.1
4 Other investment	28,077.0	23,585.1	9,847.7	21,663.7	20,389.2	5,743.7	4,028.8	1,627.5	-5,567.8	5,655.3
4.1 Assets	7,421.4	-5,121.6	-12,078.3	-11,587.5	5,681.4	4,701.5	4,949.6	-302.7	-2,784.6	2,839.2
4.2 Liabilities	20,655.6	28,706.7	21,926.0	33,251.1	14,707.8	1,042.3	-920.7	1,930.1	-2,783.2	2,816.1
B3 Reserve assets (CNB)	-6,075.4	-10,313.4	-5,315.0	2,308.3	-6,511.2	-462.0	3,775.9	-879.1	-7,348.6	3,989.9
<b>C NET ERRORS AND OMISSIONS</b>	<b>-7,217.6</b>	<b>-7,004.0</b>	<b>-6,390.4</b>	<b>-11,011.5</b>	<b>-5,845.0</b>	<b>-4,534.3</b>	<b>3,375.7</b>	<b>1,309.5</b>	<b>-10,017.7</b>	<b>798.1</b>

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from January 1999 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Preliminary data.

Note: The item net errors and omissions also comprises the counter-entry of a part of revenues from travel services which relates to such revenues not stated in the banks' records.

Table H7 International reserves and banks' foreign currency reserves<sup>a</sup>  
end of period, in million EUR

Year	Month	International reserves of the Croatian National Bank							Banks' foreign currency reserves
		Total	Special drawing rights	Reserve position in the Fund	Gold	Foreign currency			
						Total	Currency and deposits	Bonds and notes	
1998	December	2,400.2	197.1	0.1	–	2,203.0	1,642.6	560.4	1,607.0
1999	December	3,012.7	188.7	0.2	–	2,823.7	2,449.8	373.9	1,344.7
2000	December	3,783.2	158.5	0.2	–	3,624.5	2,763.0	861.5	2,310.7
2001	December	5,333.6	122.9	0.2	–	5,210.5	3,469.7	1,740.7	4,056.0
2002	December	5,651.3	2.3	0.2	–	5,648.8	3,787.8	1,861.0	2,581.6
2003	December	6,554.1	0.7	0.2	–	6,553.2	3,346.0	3,207.2	3,927.1
2004	December	6,436.2	0.6	0.2	–	6,435.4	3,173.3	3,262.0	4,220.1
2005	December	7,438.4	0.9	0.2	–	7,437.3	3,834.5	3,602.8	2,938.4
2006	December	8,725.3	0.7	0.2	–	8,724.4	4,526.9	4,197.5	3,315.0
2007	December	9,307.4	0.8	0.2	–	9,306.5	4,533.9	4,772.5	4,388.9
2008	December	9,120.9	0.7	0.2	–	9,120.0	2,001.8	7,118.2	4,644.5
2009	December	10,375.8	331.7	0.2	–	10,043.9	2,641.4	7,402.6	4,293.9
2010	April	10,015.0	346.7	0.2	–	9,668.1	2,724.0	6,944.0	3,709.9
	May	10,176.6	365.3	0.2	–	9,811.1	3,016.3	6,794.8	3,807.3
	June	10,305.2	368.3	0.2	–	9,936.7	3,110.6	6,826.1	3,977.6
	July	11,325.0	352.8	0.2	–	10,972.0	4,160.1	6,811.9	4,008.5
	August	11,428.4	360.3	0.2	–	11,068.0	3,981.8	7,086.1	4,015.6
	September	11,154.4	347.5	0.2	–	10,806.7	3,635.8	7,170.9	4,271.6
	October	11,076.9	345.3	0.2	–	10,731.4	3,708.7	7,022.7	3,978.5
	November	11,044.2	351.2	0.2	–	10,692.9	3,656.1	7,036.7	3,790.3
2011	December	10,660.3	356.7	0.2	–	10,303.4	3,274.9	7,028.5	3,828.9
	January	10,456.2	345.4	0.2	–	10,110.6	3,141.2	6,969.4	3,596.5
	February	10,464.0	346.4	0.2	–	10,117.4	2,871.5	7,245.9	3,662.9
	March <sup>b</sup>	11,423.8	342.0	0.2	–	11,081.6	4,058.9	7,022.8	2,926.6

<sup>a</sup> International reserves of the Republic of Croatia consist only of the Croatian National Bank's foreign currency reserves. <sup>b</sup> Preliminary data.

**Table H7 International reserves and banks' foreign currency reserves** • Data on the international reserves of the Croatian National Bank are compiled in accordance with the methodology set out in the Balance of Payments Manual (International Monetary Fund, 1993), and include those foreign claims of the Croatian National Bank that can be used to bridge imbalances in international payments. International reserves include special

drawing rights, reserve position in the Fund, gold, foreign currency and deposits with foreign banks, as well as bonds and debt instruments.

The foreign currency reserves of banks include foreign currency and deposits of domestic banks with foreign banks. These foreign currency reserves represent an additional source of liquidity for bridging imbalances in international payments.



		2005	2006	2007	2008	2009	2010	2011	
		Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	Jan.	Feb.
	Interest	-	-	-	-	-	-	-	-
More than 3 months and up to 1 year	Principal	-	-	-	-	-	-	-	-
	Interest	-	-	-	-	-	-	-	-
4 Total predetermined short-term net drains on f/c assets (1+2+3)		-899.7	-650.5	-521.1	-1,084.1	-989.3	-1,234.9	-1,227.8	-1,257.3
<b>III Contingent short-term net drains on f/c assets (nominal value)</b>									
1 Contingent liabilities in foreign currency		-2,273.1	-2,734.9	-2,607.4	-1,896.1	-1,351.6	-1,734.2	-1,721.6	-1,463.1
(a) Collateral guarantees on debt falling due within 1 year		-443.8	-478.9	-662.1	-803.2	-661.5	-1,087.9	-1,092.5	-818.8
– Croatian National Bank		-	-	-	-	-	-	-	-
– Central government (excl. central government funds)		-443.8	-478.9	-662.1	-803.2	-661.5	-1,087.9	-1,092.5	-818.8
Up to 1 month		-59.6	-71.9	-54.3	-91.8	-30.3	-0.2	-301.9	-106.6
More than 1 and up to 3 months		-53.0	-84.8	-42.4	-58.4	-101.3	-438.5	-166.5	-110.0
More than 3 months and up to 1 year		-331.2	-322.2	-565.3	-652.9	-529.8	-649.2	-624.0	-602.2
(b) Other contingent liabilities		-1,829.3	-2,256.0	-1,945.3	-1,092.9	-690.1	-646.3	-629.1	-644.3
– Croatian National Bank		-1,829.3	-2,256.0	-1,945.3	-1,092.9	-690.1	-646.3	-629.1	-644.3
Up to 1 month		-	-	-	-	-	-	-	-
More than 1 and up to 3 months		-1,829.3	-2,256.0	-1,945.3	-1,092.9	-690.1	-646.3	-629.1	-644.3
More than 3 months and up to 1 year		-	-	-	-	-	-	-	-
– Central government (excl. central government funds)		-	-	-	-	-	-	-	-
2 Foreign currency securities issued with embedded options (puttable bonds)		-	-	-	-	-	-	-	-
3 Undrawn, unconditional credit lines provided by:		-	-	-	-	-	-	-	-
– BIS (+)		-	-	-	-	-	-	-	-
– IMF (+)		-	-	-	-	-	-	-	-
4 Aggregate short and long positions of options in f/c vis-a-vis the domestic currency		-	-	-	-	-	-	-	-
5 Total contingent short-term net drains on f/c assets (1+2+3+4)		-2,273.1	-2,734.9	-2,607.4	-1,896.1	-1,351.6	-1,734.2	-1,721.6	-1,463.1
<b>IV Memo items</b>									
(a) Short-term domestic currency debt indexed to the exchange rate		-	-	-	-	-	-	-	-
o/w: Central government (excl. central government funds)		-	-	-	-	-	-	-	-
(b) Financial instruments denominated in foreign currency and settled by other means (e.g., in domestic currency)		-	-	-	-	-	-	-	-
(c) Pledged assets		-	-	-	-	-	-	-	-
(d) Securities lent and on repo		-	-	-	-	-	-	-	-
– Lent or repoed and included in Section I		-	-	-	-6.1	-	-	-0.7	-0.8
– Lent or repoed but not included in Section I		-	-	-	-	-	-	-	-
– Borrowed or acquired and included in Section I		-	-	-	-	-	-	-	-
– Borrowed or acquired but not included in Section I		88.5	559.5	389.7	478.6	766.5	1,458.5	1,554.1	1,416.9
(e) Financial derivative assets (net, marked to market)		-	-	-	-	-	-	-	-
(f) Currency composition of official reserves assets									
– Currencies in SDR basket		7,438.1	8,725.0	9,307.1	9,120.8	10,375.7	10,660.0	10,455.8	10,463.9
– Currencies not in SDR basket		0.3	0.3	0.3	0.1	0.1	0.3	0.3	0.1
– By individual currencies									
	USD	1,104.5	1,266.0	1,357.2	2,064.6	2,461.8	2,451.0	2,259.9	2,267.5
	EUR	6,332.5	7,458.0	7,944.2	7,054.9	7,581.5	7,851.8	7,850.2	7,849.7
	Other	1.3	1.3	6.0	1.5	332.5	357.5	346.1	346.9

**Table H8 International reserves and foreign currency liquidity** • International reserves and foreign currency liquidity are shown in accordance with a Template on international reserves and foreign currency liquidity, drawn up by the IMF. A detailed explanation of the Template is given in “International Reserves and Foreign Currency Liquidity – Guidelines for a Data Template, 2001”.

The first part of the Template shows total assets of the Croatian National Bank in convertible foreign currency. Official reserve assets (IA) show those types of assets that are readily available to the CNB at any moment for bridging imbalances in

international payments. Official international reserves include: short-term foreign negotiable debt securities, foreign cash, foreign currency sight deposits, foreign currency time deposits which can be withdrawn before maturity, foreign currency time deposits with a remaining maturity of up to 1 year, reserve position with the IMF, special drawing rights, gold, and reverse repos with foreign negotiable debt securities.

The second part of the Template shows fixed predetermined foreign currency net liabilities of the Croatian National Bank and the central government (excluding central government funds) that fall due in the next 12 months. Foreign currency

Table H9 Midpoint exchange rates of the Croatian National Bank (period average)

Year	Month	HRK/EUR	HRK/ATS	HRK/FRF	HRK/100 ITL	HRK/CHF	HRK/GBP	HRK/USD	HRK/DEM
1998		7.139159	0.514631	1.080018	0.366853	4.396452	10.537622	6.362284	3.620795
1999		7.581823	0.550993	1.155840	0.391568	4.739965	11.514804	7.122027	3.876528
2000		7.633852	0.554774	1.163773	0.394256	4.903244	12.530514	8.287369	3.903127
2001		7.471006	0.542939	1.138947	0.385845	4.946810	12.010936	8.339153	3.819865
2002		7.406976				5.049125	11.793108	7.872490	
2003		7.564248				4.978864	10.943126	6.704449	
2004		7.495680				4.854986	11.048755	6.031216	
2005		7.400047				4.780586	10.821781	5.949959	
2006		7.322849				4.656710	10.740292	5.839170	
2007		7.336019				4.468302	10.731537	5.365993	
2008		7.223178				4.553618	9.101622	4.934417	
2009		7.339554				4.861337	8.233112	5.280370	
2010		7.286230				5.285859	8.494572	5.500015	
2010	April	7.258114				5.063618	8.280297	5.405008	
	May	7.257505				5.112983	8.456556	5.752744	
	June	7.229388				5.229912	8.716015	5.921915	
	July	7.211539				5.361420	8.642265	5.667137	
	August	7.246101				5.397058	8.789254	5.613821	
	September	7.282934				5.570093	8.694234	5.593489	
	October	7.320596				5.447765	8.357430	5.270324	
	November	7.373159				5.479414	8.605358	5.384240	
	December	7.392766				5.761629	8.730161	5.594845	
2011	January	7.396420				5.794304	8.724773	5.537878	
	February	7.410873				5.710786	8.753128	5.431365	
	March	7.393749				5.746383	8.546276	5.285354	

loans, securities and deposits (II1) include future interest payments on banks' foreign currency reserve requirements with the CNB (only interest payments for the next month are included), payments of future maturities of foreign currency CNB bills, future principal and interest payments on loans from the IMF, and future principal and interest payments on the central government's foreign currency debts (excluding central government funds). Aggregate short and long positions in forwards and futures in foreign currencies (II2) include future collections (+) or payments (-) arising from currency swaps between the CNB and domestic banks (temporary sale or purchase of foreign currency). Item Other (II3) includes future payments arising from repo transactions with foreign negotiable debt securities.

The third part of the Template shows predetermined contingent foreign currency net liabilities of the Croatian National Bank and the central government (excluding central government funds), which fall due in the following 12 months. Contingent liabilities in foreign currency (III1) include future principal and interest payments on foreign loans guaranteed by the central government, and banks' foreign currency reserve requirements with the CNB. (The inclusion of reserve requirements in foreign currency is based on the assumption that there will be no changes in ratios or in the base of foreign currency reserve requirements, which comprises foreign currency sources of funds, including ordinary foreign currency accounts, special foreign currency accounts, foreign currency accounts and foreign currency sight deposits, received foreign currency deposits and received foreign currency loans, as well as obligations arising from securities issued in foreign currency (excluding banks' equity securities) and hybrid and subordinated instruments). Undrawn credit lines show potential inflows (+) or outflows (-) which would arise from drawdowns under these credits.

The fourth part of the Template lists memo items. Short-term, domestic currency debt indexed to foreign currency (IV(a)) shows obligations arising from the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia, which fall due in the next 12 months. Pledged assets (IV(c)) show time deposits in foreign currency with a maturity over 3 months listed in item IB which are also used as collateral. Repo transactions with securities show the value of collateral that is subject to repo and reverse repo transactions with securities as well as how these transactions are registered in the Template.

**Table H9 Midpoint exchange rates of the Croatian National Bank (period average)** • The annual averages of CNB midpoint exchange rates are calculated based on the midpoint exchange rates effective on the working days in a year, using CNB exchange rate lists whose application dates pertain to the calculation period.

The monthly averages of CNB midpoint exchange rates are calculated based on the midpoint exchange rates effective on the working days in a month, using CNB exchange rate lists whose application dates pertain to the calculation period.

The data show the annual and monthly averages of CNB midpoint exchange rates for selected currencies from 1992 to date, in kuna terms. The averages related to the calculation periods from the beginning of 1992, when the legal tender in the Republic of Croatia was the Croatian dinar, until the introduction of the kuna on 30 May 1994, are shown in kuna equivalent, and are denominated by dividing their values by one thousand (1,000).

The annual and monthly averages of midpoint exchange rates for the euro from 1992 until end 1998 are the averages of midpoint exchange rates applied for the ECU.

Table H10 Midpoint exchange rates of the Croatian National Bank (end of period)

Year	Month	HRK/EUR	HRK/ATS	HRK/FRF	HRK/100 ITL	HRK/CHF	HRK/GBP	HRK/USD	HRK/DEM
1998		7.329100	0.531546	1.114954	0.377700	4.567584	10.451000	6.247500	3.739700
1999		7.679009	0.558055	1.170657	0.396588	4.784268	12.340257	7.647654	3.926215
2000		7.598334	0.552192	1.158359	0.392421	4.989712	12.176817	8.155344	3.884966
2001		7.370030	0.535601	1.123554	0.380630	4.977396	12.101856	8.356043	3.768237
2002		7.442292				5.120256	11.451442	7.145744	
2003		7.646909				4.901551	10.860544	6.118506	
2004		7.671234				4.971314	10.824374	5.636883	
2005		7.375626				4.744388	10.753209	6.233626	
2006		7.345081				4.571248	10.943208	5.578401	
2007		7.325131				4.412464	9.963453	4.985456	
2008		7.324425				4.911107	7.484595	5.155504	
2009		7.306199				4.909420	8.074040	5.089300	
2010		7.385173				5.929961	8.608431	5.568252	
2010	April	7.246875				5.052200	8.339327	5.473884	
	May	7.263120				5.090496	8.526790	5.852635	
	June	7.193455				5.422066	8.870952	5.897241	
	July	7.248517				5.353805	8.705882	5.576640	
	August	7.274976				5.562334	8.904499	5.719321	
	September	7.292743				5.490283	8.481906	5.361523	
	October	7.339273				5.374394	8.443710	5.311386	
	November	7.420325				5.618904	8.761749	5.623588	
	December	7.385173				5.929961	8.608431	5.568252	
2011	January	7.407203				5.709707	8.566211	5.393333	
	February	7.414820				5.786951	8.648029	5.376954	
	March	7.382807				5.688709	8.424015	5.244216	

Table H10 Midpoint exchange rates of the Croatian National Bank (end of period) • The table shows CNB midpoint exchange rates applied on the last day of the observed period.

The data show CNB midpoint exchange rates for selected currencies from 1992 to date, in kuna terms. The end of period midpoint exchange rates related to the periods from the

beginning of the time series in 1992 until the introduction of the kuna on 30 May 1994 are shown in kuna equivalent and are denominated by dividing their values by one thousand (1,000).

The midpoint exchange rates for the euro applied on the last days of the observed periods from 1992 until end 1998 are the end of period midpoint exchange rates applied for the ECU.

Table H11 Indices of the effective exchange rate of the kuna  
indices 2005 = 100

Year	Month	Nominal effective exchange rate of the kuna	Real effective exchange rate of the kuna; deflator		Real effective exchange rate of the kuna <sup>a</sup> ; deflator	
			Consumer price index	Producer price index	Unit labour costs in industry	Unit labour costs in the total economy
1998	December	100.05	102.33	106.39		
1999	December	107.42	108.96	110.75		
2000	December	107.39	106.76	104.28	116.81	107.47
2001	December	104.41	103.85	103.84	111.71	107.53
2002	December	102.98	102.93	101.65	112.09	105.85
2003	December	103.17	103.24	102.19	105.32	105.16
2004	December	101.23	102.21	99.96	102.74	101.70
2005	December	100.26	99.82	100.99	100.34	100.44
2006	December	98.76	98.10	101.11	91.59	94.36
2007	December	97.20	94.63	98.66	87.46	89.76
2008	December	96.12	92.53	94.84	89.38	85.88
2009	December	96.36	92.36	92.01	89.15	87.59
2010	April	97.39	92.81	92.60		
	May	97.99	93.26	93.19		
	June	98.15	93.32	93.18	90.29	90.25
	July	97.65	92.65	92.88		
	August	98.28	93.50	93.34		
	September	98.78	93.83	93.62	91.52 <sup>b</sup>	91.55 <sup>b</sup>
	October	98.53	93.79	93.39		
	November	99.43	94.49	94.66		
December	100.14	95.60	95.20			
2011	January	100.31	94.79	95.66		
	February	100.30	94.73 <sup>b</sup>	94.78 <sup>b</sup>		
	March	99.66				

<sup>a</sup> The values shown are quarterly data. <sup>b</sup> Preliminary data.

Note: Historical data may be revised when the series are updated.

**Table H11 Indices of the effective exchange rate of the kuna** • The index of the nominal effective exchange rate of the kuna is a weighted geometric average of the index of bilateral nominal exchange rates of the kuna against the selected currencies of the main trading partners. The currencies of the main trading partners and their weights are determined based on the structure of imports and exports of manufactured goods, where the weights used reflect direct import competition, direct export competition and export competition in third markets (see Box 2 in CNB Bulletin No. 165, 2011). The group of countries included in the formation of the index of the effective exchange rate of the kuna comprises the following 16 partner countries: a) eight eurozone countries: Austria (a 6.9% weight), Belgium (2.8%), France (6.4%), Germany (22.5%), Italy (21.4%), the Netherlands (3.2%), Slovenia (6.5%) and Spain (2.6%); b) five EU countries outside the eurozone: the Czech Republic (2.8%), Hungary (2.6%), Poland (2.8%), Sweden (1.9%) and the United Kingdom (3.9%); and c) three non-EU countries: the United States (7.6%), Japan (4.0%) and Switzerland (2.2%). The reference period for the calculation of the weights is the average for the 2007-2009 period. The time series of basic indices were recalculated on the basis of 2005.

The index of the nominal effective exchange rate is an aggregate indicator of the average value of the domestic currency

against a basket of currencies. An increase in the index of the nominal effective exchange rate of the kuna in a certain period indicates that the kuna has depreciated against the basket of currencies and vice versa. The index of the real effective exchange rate is a weighted geometric average of the index of bilateral exchange rates of the kuna adjusted for the corresponding indices of relative prices or costs (the ratio of price indices or costs in partner countries to domestic prices). Producer price indices, consumer price indices and the harmonised consumer price indices for EU member states, unit labour costs in the total economy and in industry are used as deflators. The time series for consumer prices in Croatia is constructed in the following manner: retail price indices are used for the period until and including December 1997 and consumer price indices for the period as of January 1998. Unit labour costs in Croatia are calculated as the ratio of compensation per employee at current prices to labour productivity at constant prices (for more details on the calculation of unit labour costs, see Box 1 in CNB Bulletin No. 141, 2008). Data on the real effective exchange rate for the last month are preliminary. The historical data may be corrected for the subsequent changes in the data on deflators used in the calculation of the index of the real effective exchange rate of the kuna.



	2005	2006	2007	2008	2009	2010					2011
	Dec.	Dec.	Dec. <sup>b</sup>	Dec. <sup>c,d</sup>	Dec. <sup>e</sup>	Mar.	Jun.	Sep.	Dec. <sup>f</sup>	Jan.	
Long-term	7,469.7	9,799.3	13,264.9	18,910.5	19,973.4	19,978.4	20,028.1	20,084.3	20,077.1	20,275.1	
Bonds	763.9	837.8	1,208.3	1,186.4	1,611.1	1,599.4	1,589.1	1,589.7	1,595.1	1,751.0	
Credits	6,542.1	8,816.1	11,766.9	17,391.3	18,069.6	18,082.7	18,152.8	18,196.0	18,217.4	18,270.4	
Currency and deposits	0.0	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0	
Trade credits	163.7	145.4	289.8	322.2	292.6	296.4	286.2	298.6	264.6	253.7	
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
5 Direct investment	2,450.7	2,878.4	3,932.8	5,835.9	7,440.3	7,569.7	7,394.6	7,264.9	7,393.0	7,204.5	
Short-term	177.5	233.9	540.4	1,415.7	446.8	503.9	573.0	621.4	913.3	886.9	
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Credits	36.3	51.2	216.8	1,314.0	343.2	375.2	422.9	467.2	740.5	712.7	
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other debt liabilities	141.2	182.7	323.6	101.6	103.6	128.7	150.1	154.2	172.8	174.2	
Principal arrears	121.8	158.2	293.9	85.8	73.5	97.6	116.3	120.0	133.6	134.2	
Interest arrears	19.4	24.5	29.7	15.8	30.1	31.1	33.8	34.2	39.2	40.0	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Long-term	2,273.2	2,644.5	3,392.5	4,420.2	6,993.4	7,065.9	6,821.6	6,643.5	6,479.7	6,317.6	
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Credits	2,239.3	2,618.1	3,374.5	4,414.7	6,992.4	7,065.1	6,819.1	6,641.7	6,476.7	6,314.6	
Trade credits	33.9	26.4	18.0	5.5	1.0	0.7	2.5	1.9	3.0	3.0	
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Total (1+2+3+4+5)</b>	<b>25,761.1</b>	<b>29,273.9</b>	<b>32,929.2</b>	<b>39,950.2</b>	<b>44,606.5</b>	<b>44,651.1</b>	<b>45,067.0</b>	<b>44,856.7</b>	<b>45,792.2</b>	<b>45,633.3</b>	
o/w: Round tripping <sup>a</sup>	-	-	-	825.6	1,499.0	1,560.1	1,288.4	1,190.9	0.0	0.0	

<sup>a</sup> The rise in the external debt of the Republic of Croatia is attributed to the direct investment-related debt which comprises round-tripping transactions. A significant transaction, contributing to the removal of a round tripping component of direct investment, was recorded in December 2010. Nevertheless, the debt is presented in this table under heading 5 Direct investment. <sup>b</sup> The relevant comparable data as at 31 December 2007, published in Bulletin No. 146, should be used for the calculation of the external debt growth rate in 2008. <sup>c</sup> From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample. <sup>d</sup> The relevant comparable data as at 31 December 2008, published in Bulletin No. 161, should be used for the calculation of the external debt growth rate in 2009. <sup>e</sup> From January 2009 on, the data of non-banking financial institutions and non-financial enterprises are processed with the help of the new reporting system (INOK) which uses market interest rates to calculate the balance and the schedule of interest payments. The comparable balance as at 31 December 2008 has been calculated by applying the same methodology (published in Bulletin No. 161).

**Table H12 Gross external debt by domestic sectors** • External debt is defined as the external debt liabilities of residents on the basis of debt securities issued in the foreign markets (at face value), credits (repo agreements included) regardless of their contractual maturity, deposits of non-residents, and trade credits granted by non-residents with contractual maturity of more than 180 days (90 days up to 11 July 2001 and 150 days up to 31 December 2002).

External debt by domestic sectors is shown in the same manner as in the capital and financial account of the BOP. Item Government shows the external debt of the general government, comprising the Republic of Croatia, central government funds (including the State Agency for Deposit Insurance and Bank Rehabilitation, the Croatian Roads and, until 31 December 2007, the Croatian Motorways; from this date on, the Croatian Motorways is shown within the subsector public enterprises under item Other sectors), and local government. Item Croatian National Bank shows the debt of the central bank. Item Banks shows the debt of banks. Item Other sectors shows the debt of other banking institutions, non-banking financial institutions (including the Croatian Bank for Reconstruction and Development), enterprises, non-profit institutions and households, including craftsmen. Item Direct investment shows borrower – lender transactions of other sectors that are interrelated by ownership (borrower or lender owns more than 10% of the other).

Each sector data are further shown by contractual (short-term or long-term) maturity and by debt instrument. From the beginning of 2004, instruments included in item Currency and deposits (3 Banks) are reported in accordance with their maturity. Data for the previous periods are reported only on a

long-term basis.

Outstanding gross external debt includes principal and interest arrears, as well as accrued interest and future principal payments.

Outstanding debt data are shown at the CNB's midpoint exchange rate at the end of the period.

Data are considered preliminary until after publication of the final BOP data for the reporting quarter.

**Table H13 Public sector gross external debt, and publicly guaranteed and non-publicly guaranteed private sector gross external debt** • The gross external debt position presented in this table highlights the role of the public sector.

Public sector includes the general government (comprising the Republic of Croatia, central government funds and local government), the central bank, public enterprises, mixed enterprises and the CBRD. Public enterprises are defined as enterprises in 100% ownership of business entities from the public sector. Mixed enterprises are defined as enterprises in which business entities from the public sector have a share larger than 50%.

Publicly guaranteed private sector gross external debt is defined as the external debt liabilities of business entities not covered by the definition of the public sector, the servicing of which is guaranteed by a business entity from the public sector.

Non-publicly guaranteed private sector gross external debt is defined as the external debt liabilities of business entities not covered by the definition of the public sector, the servicing of which is not guaranteed by the public sector.

Items are valued in the same manner as in Table H12.

Table H13 Public sector gross external debt, and publicly guaranteed and non-publicly guaranteed private sector gross external debt<sup>a</sup>  
in million EUR

	2005 Dec.	2006 Dec.	2007 Dec. <sup>b</sup>	2008 Dec. <sup>c,d</sup>	2009 Dec. <sup>e</sup>	2010				2011
						Mar.	Jun.	Sep.	Dec. <sup>*</sup>	Jan.
<b>1 Public sector</b>	<b>8,501.6</b>	<b>8,256.8</b>	<b>9,259.5</b>	<b>10,247.8</b>	<b>12,214.9</b>	<b>12,175.4</b>	<b>12,480.4</b>	<b>13,708.2</b>	<b>13,690.6</b>	<b>13,530.7</b>
Short-term	23.2	41.7	72.5	184.6	259.6	108.4	153.4	253.6	182.8	286.3
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	2.3	15.2	35.4	164.1	215.6	62.1	104.2	181.4	108.6	212.0
Currency and deposits	2.6	2.6	2.3	2.3	1.1	1.2	1.3	1.1	1.2	1.1
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	18.3	23.9	34.7	18.2	42.9	45.2	47.9	71.1	73.1	73.1
Principal arrears	17.1	20.6	29.9	17.1	39.4	41.3	43.9	67.5	69.3	69.2
Interest arrears	1.2	3.3	4.8	1.1	3.6	3.9	4.1	3.6	3.8	3.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	8,477.3	8,213.6	9,185.2	10,061.5	11,771.9	11,852.4	12,100.9	13,265.5	13,342.8	13,151.0
Bonds	4,052.0	3,640.5	3,859.7	3,714.5	4,891.4	4,430.6	4,525.3	5,360.2	5,436.2	5,311.1
Credits	4,314.5	4,485.2	5,120.3	6,068.5	6,608.2	7,145.1	7,308.8	7,625.4	7,658.5	7,602.3
Currency and deposits	0.0	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	110.8	87.9	205.2	267.9	272.3	276.8	266.8	280.0	248.1	237.6
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment	1.0	1.5	1.8	1.7	183.4	214.5	226.2	189.1	165.0	93.4
<b>2 Publicly guaranteed private sector</b>	<b>289.7</b>	<b>204.2</b>	<b>139.9</b>	<b>80.3</b>	<b>9.2</b>	<b>7.2</b>	<b>10.2</b>	<b>5.4</b>	<b>5.4</b>	<b>4.9</b>
Short-term	21.8	17.2	11.3	7.1	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	21.8	17.2	11.3	7.1	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	14.2	14.4	9.4	7.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	7.6	2.8	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	267.9	187.0	128.6	73.2	9.2	7.2	10.2	5.4	5.4	4.9
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	267.3	187.0	128.6	73.2	9.2	7.2	10.2	5.4	5.4	4.9
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>3 Non-publicly guaranteed private sector</b>	<b>16,969.7</b>	<b>20,812.9</b>	<b>23,529.9</b>	<b>29,622.2</b>	<b>32,382.4</b>	<b>32,468.6</b>	<b>32,576.3</b>	<b>31,143.0</b>	<b>32,096.2</b>	<b>32,097.7</b>
Short-term	3,171.4	4,008.7	3,763.3	4,564.9	4,180.1	4,276.3	4,440.0	3,746.4	4,455.4	4,190.7
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	1,195.5	1,290.2	1,356.4	1,641.6	1,268.9	1,679.5	1,482.4	1,177.1	1,373.1	1,065.4
Currency and deposits	1,438.6	2,211.1	1,648.8	2,670.3	2,283.9	1,823.3	2,081.3	1,651.1	2,073.0	2,150.2
Trade credits	27.8	35.9	31.1	39.5	28.2	37.6	40.5	39.9	30.8	27.9
Other debt liabilities	509.5	471.5	727.0	213.5	599.2	735.9	835.7	878.3	978.6	947.2
Principal arrears	472.5	425.6	645.4	150.2	484.4	606.4	692.1	732.3	814.8	783.9
Interest arrears	37.0	45.8	81.7	63.3	114.9	129.6	143.6	146.0	163.8	163.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	11,348.7	13,927.4	15,835.5	19,223.1	20,945.3	20,837.0	20,968.0	20,320.8	20,412.7	20,795.9
Bonds	831.8	764.3	564.4	550.6	292.2	288.6	278.6	294.0	303.0	453.3
Credits	8,267.8	10,919.0	12,691.4	16,162.4	16,590.1	16,294.8	16,359.6	15,734.1	15,701.0	15,771.0
Currency and deposits	2,194.3	2,184.7	2,493.9	2,455.0	4,042.7	4,234.1	4,303.1	4,266.9	4,384.9	4,548.2
Trade credits	54.8	59.4	85.8	55.0	20.3	19.6	26.7	25.9	23.8	23.3

	2005 Dec.	2006 Dec.	2007 Dec. <sup>b</sup>	2008 Dec. <sup>c,d</sup>	2009 Dec. <sup>e</sup>	2010				2011
						Mar.	Jun.	Sep.	Dec. <sup>*</sup>	Jan.
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment	2,449.6	2,876.9	3,931.1	5,834.2	7,256.9	7,355.2	7,168.4	7,075.8	7,228.1	7,111.1
<b>Total (1+2+3)</b>	<b>25,761.1</b>	<b>29,273.9</b>	<b>32,929.2</b>	<b>39,950.2</b>	<b>44,606.5</b>	<b>44,651.1</b>	<b>45,067.0</b>	<b>44,856.7</b>	<b>45,792.2</b>	<b>45,633.3</b>
o/w: Round tripping <sup>a</sup>	-	-	-	825.6	1,499.0	1,560.1	1,288.4	1,190.9	0.0	0.0

<sup>a</sup> The rise in the external debt of the Republic of Croatia is attributed to the direct investment-related debt which comprises round-tripping transactions. A significant transaction, contributing to the removal of a round tripping component of direct investment, was recorded in December 2010. Nevertheless, the debt is presented in this table under heading 5 Direct investment. <sup>b</sup> The relevant comparable data as at 31 December 2007, published in Bulletin No. 146, should be used for the calculation of the external debt growth rate in 2008. <sup>c</sup> From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample. <sup>d</sup> The relevant comparable data as at 31 December 2008, published in Bulletin No. 161, should be used for the calculation of the external debt growth rate in 2009. <sup>e</sup> From January 2009 on, the data of non-banking financial institutions and non-financial enterprises are processed with the help of the new reporting system (INOK) which uses market interest rates to calculate the balance and the schedule of interest payments. The comparable balance as at 31 December 2008 has been calculated by applying the same methodology (published in Bulletin No. 161).

Table H14 Gross external debt by domestic sectors and projected future payments<sup>a</sup>

in million EUR

	Gross external debt 31/1/2011	Imme- diate	Projected future principal payments												
			Q1/11	Q2/11	Q3/11	Q4/11	2011	2012	2013	2014	2015	2016	2017	2018	Other
1 Government	5,791.4	0.9	826.0	64.8	48.1	63.2	1,002.1	159.6	169.1	650.4	1,000.5	114.1	83.8	68.4	2,542.6
Short-term	0.9	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.9	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	0.8	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	5,790.5	0.0	826.0	64.8	48.1	63.2	1,002.1	159.6	169.1	650.4	1,000.5	114.1	83.8	68.4	2,542.6
Bonds	4,013.4	0.0	807.9	0.0	0.0	0.0	807.9	0.0	0.0	488.7	727.5	0.0	0.0	0.0	1,989.3
Credits	1,777.1	0.0	18.1	64.8	48.1	63.2	194.2	159.6	169.1	161.6	273.0	114.1	83.8	68.4	553.3
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Croatian National Bank	1.1	0.0	1.1	0.0	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	1.1	0.0	1.1	0.0	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	1.1	0.0	1.1	0.0	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Banks	10,637.9	0.3	2,142.3	907.8	586.7	1,059.9	4,696.7	2,142.7	827.4	781.9	428.6	530.3	585.6	570.2	74.2
Short-term	2,751.7	0.3	1,866.8	362.9	227.4	232.4	2,689.6	61.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	601.2	0.0	532.5	63.7	0.0	5.0	601.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	2,150.2	0.0	1,334.2	299.3	227.4	227.4	2,088.4	61.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	7,886.2	0.0	275.5	544.8	359.3	827.5	2,007.1	2,080.8	827.4	781.9	428.6	530.3	585.6	570.2	74.2
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	3,338.0	0.0	49.2	259.8	50.0	518.3	877.3	592.3	480.9	526.6	105.2	335.5	355.2	5.0	59.9

	Gross external debt 31/1/2011	Immediate	Projected future principal payments												
			Q1/11	Q2/11	Q3/11	Q4/11	2011	2012	2013	2014	2015	2016	2017	2018	Other
Currency and deposits	4,548.2	0.0	226.3	285.1	309.2	309.2	1,129.8	1,488.6	346.5	255.3	323.5	194.8	230.4	565.2	14.3
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4 Other sectors</b>	<b>21,998.4</b>	<b>1,019.2</b>	<b>1,375.7</b>	<b>1,184.7</b>	<b>1,051.5</b>	<b>1,842.8</b>	<b>5,454.7</b>	<b>2,920.5</b>	<b>2,514.6</b>	<b>1,431.9</b>	<b>1,244.8</b>	<b>1,466.1</b>	<b>1,463.2</b>	<b>570.4</b>	<b>3,913.0</b>
Short-term	1,723.3	1,019.2	180.8	129.3	94.9	267.3	672.2	31.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	676.2	0.0	180.8	129.3	67.0	267.3	644.3	31.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	27.9	0.0	0.0	0.0	27.9	0.0	27.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	1,019.2	1,019.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	852.4	852.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	166.8	166.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	20,275.1	0.0	1,194.9	1,055.4	956.7	1,575.5	4,782.5	2,888.6	2,514.6	1,431.9	1,244.8	1,466.1	1,463.2	570.4	3,913.0
Bonds	1,751.0	0.0	344.2	0.0	0.0	17.1	361.3	280.5	29.6	29.6	29.6	479.8	540.4	0.0	0.0
Credits	18,270.4	0.0	685.5	997.1	953.9	1,551.4	4,188.0	2,592.8	2,482.0	1,401.7	1,214.6	985.8	922.2	570.4	3,913.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	253.7	0.0	165.3	58.3	2.7	6.9	233.2	15.3	3.0	0.6	0.6	0.6	0.6	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5 Direct investment</b>	<b>7,204.5</b>	<b>174.2</b>	<b>828.0</b>	<b>618.8</b>	<b>221.6</b>	<b>1,655.2</b>	<b>3,323.7</b>	<b>819.4</b>	<b>434.0</b>	<b>333.5</b>	<b>227.0</b>	<b>164.5</b>	<b>166.2</b>	<b>95.3</b>	<b>1,466.8</b>
Short-term	886.9	174.2	155.3	178.9	24.5	348.6	707.4	5.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	712.7	0.0	155.3	178.9	24.5	348.6	707.4	5.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	174.2	174.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	134.2	134.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	40.0	40.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	6,317.6	0.0	672.7	440.0	197.2	1,306.5	2,616.3	814.0	434.0	333.5	227.0	164.5	166.2	95.3	1,466.8
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	6,314.6	0.0	672.6	440.0	196.6	1,306.3	2,615.4	812.2	433.7	333.5	227.0	164.5	166.2	95.3	1,466.8
Trade credits	3.0	0.0	0.1	0.0	0.6	0.2	0.9	1.8	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total (1+2+3+4+5)</b>	<b>45,633.3</b>	<b>1,194.5</b>	<b>5,173.2</b>	<b>2,776.1</b>	<b>1,907.9</b>	<b>4,621.1</b>	<b>14,478.3</b>	<b>6,042.2</b>	<b>3,945.1</b>	<b>3,197.6</b>	<b>2,901.0</b>	<b>2,274.9</b>	<b>2,298.9</b>	<b>1,304.3</b>	<b>7,996.5</b>
Supplement: Projected interest payments			102.1	259.7	255.2	336.7	953.6	986.0	847.9	711.7	611.4	500.5	399.2	305.6	2,201.2

**Table H14 Gross external debt by domestic sectors and projected future payments** • The table shows outstanding gross external debt, projected principal payments and estimated interest payments according to the CNB's midpoint exchange rate at the end of the period. Projected principal payments and estimated interest payments on currency and deposits of non-residents under item Banks are reported in accordance with the available monetary statistics data on original and remaining maturity.

Estimated interest payments do not include interest on repo transactions and hybrid and subordinated instruments, as well as late interest on these instruments (up to March 2010, estimated

interest payments did not also include interest on currency and deposits). Future interest payments of banks are estimated on the basis of contractual interest rates and do not reflect changes of variable interest rates. Future interest payments of other sectors are estimated on the basis of the benchmark interest rate applicable on the reporting date. Projected payments of accrued interest, which are an integral part of the gross external debt, increase the projected principal payments in the first quarter period and, consequently, decrease the interest payments estimated for the same period.

Table H15 Gross external debt by other sectors

in million EUR

	2005 Dec.	2006 Dec.	2007 Dec. <sup>a</sup>	2008 Dec. <sup>b,c</sup>	2009 Dec. <sup>d</sup>	2010				2011
						Mar.	Jun.	Sep.	Dec.*	Jan.
1 Other sectors	8,176.4	10,500.1	14,743.1	19,835.7	21,320.1	21,452.5	21,487.2	21,589.5	21,704.7	21,998.4
Short-term	706.7	700.9	1,478.2	925.3	1,346.7	1,474.1	1,459.1	1,505.2	1,627.7	1,723.3
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	133.0	155.0	681.0	652.9	677.7	655.8	535.5	516.5	546.6	676.2
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	27.8	35.9	31.1	39.5	28.2	37.6	40.5	39.9	30.8	27.9
Other debt liabilities	545.9	510.0	766.0	232.9	640.9	780.6	883.1	948.8	1,050.4	1,019.2
Principal arrears	502.1	460.6	683.4	170.4	523.6	647.6	735.9	799.7	883.3	852.4
Interest arrears	43.8	49.4	82.6	62.5	117.2	133.0	147.2	149.1	167.1	166.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	7,469.7	9,799.3	13,264.9	18,910.5	19,973.4	19,978.4	20,028.1	20,084.3	20,077.1	20,275.1
Bonds	763.9	837.8	1,208.3	1,186.4	1,611.1	1,599.4	1,589.1	1,589.7	1,595.1	1,751.0
Credits	6,542.1	8,816.1	11,766.9	17,391.3	18,069.6	18,082.7	18,152.8	18,196.0	18,217.4	18,270.4
Currency and deposits	0.0	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	163.7	145.4	289.8	322.2	292.6	296.4	286.2	298.6	264.6	253.7
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1 Other banking institutions	25.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	25.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	25.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Non-banking financial institutions	2,132.1	2,871.4	3,922.0	4,949.7	5,396.1	5,127.3	4,973.1	4,763.2	4,702.0	4,667.5
Short-term	19.6	60.1	201.6	155.4	436.3	336.9	198.3	152.7	136.3	155.1
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	14.3	46.5	184.5	144.5	431.8	332.2	192.6	147.6	121.4	149.4
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	5.3	13.6	17.1	10.9	4.5	4.7	5.7	5.2	15.0	5.7
Principal arrears	2.9	6.4	2.9	4.2	1.3	1.4	1.6	1.8	11.6	2.1
Interest arrears	2.4	7.2	14.2	6.7	3.2	3.3	4.1	3.4	3.4	3.6
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	2,112.5	2,811.3	3,720.4	4,794.3	4,959.8	4,790.5	4,774.7	4,610.5	4,565.7	4,512.4
Bonds	388.6	531.4	806.7	791.5	1,014.7	1,003.4	998.8	997.9	990.0	994.3
Credits	1,723.8	2,279.9	2,913.7	3,992.3	3,945.1	3,787.0	3,775.9	3,612.6	3,575.7	3,518.2
Currency and deposits	0.0	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3 Public enterprises	1,121.9	1,168.5	1,997.4	3,945.4	5,182.6	5,459.7	5,650.0	6,014.7	5,951.7	6,009.6
Short-term	13.3	31.6	48.3	145.1	77.7	107.2	151.5	252.4	180.8	284.3
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	15.2	35.4	132.4	34.8	62.1	104.2	181.4	108.6	212.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	13.3	16.4	12.9	12.7	42.8	45.1	47.3	71.0	72.2	72.3

	2005 Dec.	2006 Dec.	2007 Dec. <sup>a</sup>	2008 Dec. <sup>b,c</sup>	2009 Dec. <sup>d</sup>	2010				2011
						Mar.	Jun.	Sep.	Dec.*	Jan.
Principal arrears	12.5	14.5	12.5	11.8	39.3	41.2	43.8	67.4	68.6	68.5
Interest arrears	0.8	1.9	0.5	0.9	3.6	3.9	3.5	3.6	3.7	3.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	1,108.6	1,136.9	1,949.0	3,800.4	5,104.9	5,352.5	5,498.6	5,762.3	5,770.9	5,725.4
Bonds	0.0	0.0	296.2	301.2	304.2	307.4	311.7	297.9	302.0	303.4
Credits	1,026.8	1,066.8	1,470.2	3,254.7	4,528.5	4,768.4	4,920.1	5,184.5	5,220.8	5,184.3
Trade credits	81.8	70.1	182.7	244.5	272.3	276.8	266.8	280.0	248.1	237.6
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4 Mixed enterprises	328.8	416.5	594.9	741.6	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	5.3	6.3	16.5	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	3.0	6.3	16.5	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	2.9	6.1	16.4	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.2	0.2	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	323.5	410.2	578.4	740.4	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	297.1	394.3	557.1	717.7	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	26.4	15.9	21.3	22.7	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.5 Other enterprises	4,454.5	5,929.1	8,062.2	9,933.4	10,461.6	10,596.9	10,608.8	10,587.1	10,836.5	11,109.6
Short-term	653.7	578.8	1,174.3	619.2	800.4	995.3	1,092.7	1,094.1	1,303.6	1,277.1
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	114.8	86.9	451.2	373.8	178.7	226.9	222.0	181.6	309.6	307.9
Trade credits	27.8	35.9	31.1	39.5	28.2	37.6	40.5	39.9	30.8	27.9
Other debt liabilities	511.1	456.0	692.0	205.9	593.5	730.8	830.1	872.6	963.2	941.3
Principal arrears	473.4	420.3	630.2	151.2	483.0	605.0	690.5	730.6	803.2	781.8
Interest arrears	37.7	35.7	61.8	54.7	110.5	125.9	139.6	142.0	160.0	159.4
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	3,800.9	5,350.3	6,887.9	9,314.2	9,661.2	9,601.5	9,516.1	9,493.0	9,532.9	9,832.6
Bonds	375.3	306.4	105.4	93.8	292.2	288.6	278.6	294.0	303.0	453.3
Credits	3,377.5	4,989.1	6,701.7	9,168.7	9,349.0	9,293.6	9,218.3	9,180.4	9,213.5	9,363.2
Trade credits	48.1	54.8	80.8	51.7	20.0	19.4	19.2	18.6	16.4	16.1
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.6 Non-profit institutions	4.9	5.3	5.4	3.8	3.6	3.0	2.8	2.7	2.6	2.6
1.7 Craftsmen and sole traders	35.2	26.8	24.1	17.1	11.5	10.2	9.5	7.9	7.2	6.9
1.8 Households	73.3	82.7	137.2	244.7	264.8	255.4	243.0	214.0	204.7	202.1

<sup>a</sup> The relevant comparable data as at 31 December 2007, published in Bulletin No. 146, should be used for the calculation of the external debt growth rate in 2008. <sup>b</sup> From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample. <sup>c</sup> The relevant comparable data as at 31 December 2008, published in Bulletin No. 161, should be used for the calculation of the external debt growth rate in 2009. <sup>d</sup> From January 2009 on, the data of non-banking financial institutions and non-financial enterprises are processed with the help of the new reporting system (INOK) which uses market interest rates to calculate the balance and the schedule of interest payments. The comparable balance as at 31 December 2008 has been calculated by applying the same methodology (published in Bulletin No. 161).

Table H16 International investment position – summary<sup>a,b</sup>

in million EUR

	2005	2006	2007	2008	2009	2010 <sup>c</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>c</sup>
1 International investment position (net)	-20,228.5	-30,036.1	-39,487.2	-34,421.0	-38,200.7	-41,670.7	-39,534.8	-39,097.6	-37,972.3	-41,670.7
2 Assets	16,061.4	18,154.1	21,642.8	22,498.0	24,633.4	23,161.2	23,887.9	24,533.0	25,574.1	23,161.2
2.1 Direct investment abroad	1,729.8	1,833.3	2,580.3	3,750.4	4,556.6	3,108.6	4,748.6	4,884.2	4,846.1	3,108.6
2.2 Portfolio investment	2,155.7	2,486.9	3,250.9	2,641.2	3,416.4	3,582.1	3,536.3	3,306.3	3,334.9	3,582.1
2.2.1 Equity securities	379.6	559.3	1,745.5	656.7	800.3	1,255.6	1,077.4	1,151.2	1,079.3	1,255.6
2.2.2 Debt securities	1,776.1	1,927.6	1,505.4	1,984.6	2,616.1	2,326.5	2,458.9	2,155.1	2,255.6	2,326.5
Bonds	1,628.9	1,536.2	1,225.0	1,602.2	1,907.5	1,493.6	1,659.1	1,526.1	1,436.8	1,493.6
Money market instruments	147.1	391.4	280.4	382.4	708.6	832.9	799.8	628.9	818.8	832.9
2.3 Financial derivatives	0.0	0.0	0.0	0.0	24.1	0.0	20.7	28.9	31.6	0.0
2.4 Other investment	4,737.6	5,108.5	6,504.2	6,985.5	6,260.4	5,810.2	5,733.2	6,008.5	6,207.0	5,810.2
2.4.1 Trade credits	262.9	230.5	248.9	224.7	123.3	80.7	113.6	106.6	84.5	80.7
2.4.2 Loans	146.2	239.5	296.4	435.9	384.5	461.2	393.5	421.3	432.3	461.2
2.4.3 Currency and deposits	4,328.5	4,638.3	5,958.9	6,324.9	5,752.5	5,268.3	5,226.1	5,480.5	5,690.2	5,268.3
2.4.4 Other assets	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.5 Reserve assets (CNB)	7,438.4	8,725.3	9,307.4	9,120.9	10,375.8	10,660.2	9,849.0	10,305.2	11,154.4	10,660.2
3 Liabilities	36,289.9	48,190.2	61,130.1	56,919.1	62,834.0	64,831.8	63,422.7	63,630.6	63,546.4	64,831.8
3.1 Direct investment in Croatia	12,332.0	20,782.0	30,611.5	22,190.9	24,958.1	25,725.1	25,571.1	25,158.8	25,140.8	25,725.1
3.2 Portfolio investment	5,531.4	5,417.6	5,946.5	4,879.0	5,841.2	6,466.5	5,417.1	5,421.4	6,318.6	6,466.5
3.2.1 Equity securities	647.5	1,012.8	1,522.3	613.8	657.6	738.0	697.9	617.5	664.5	738.0
3.2.2 Debt securities	4,883.8	4,404.8	4,424.2	4,265.2	5,183.7	5,728.4	4,719.2	4,803.9	5,654.1	5,728.4
Bonds	4,883.8	4,404.8	4,424.2	4,265.2	5,183.7	5,728.4	4,719.2	4,803.9	5,654.1	5,728.4
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.3 Financial derivatives	-	-	-	-	-	0.0	72.3	181.9	149.3	0.0
3.4 Other investment	18,426.6	21,990.6	24,572.1	29,849.2	31,982.6	32,640.3	32,362.2	32,868.5	31,937.6	32,640.3
3.4.1 Trade credits	249.5	244.9	337.8	367.5	344.4	323.9	359.2	354.0	388.9	323.9
3.4.2 Loans	14,541.4	17,347.4	20,088.8	24,343.4	25,310.1	25,856.8	25,944.1	26,128.3	25,629.2	25,856.8
3.4.3 Currency and deposits	3,635.6	4,398.4	4,145.5	5,138.3	6,328.1	6,459.5	6,058.9	6,386.1	5,919.5	6,459.5
3.4.4 Other assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from December 1998 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m) and August 2009 (EUR 666.5m). Accordingly, they impact the stock of direct investment in Croatia and direct investment abroad from these months onwards. <sup>c</sup> Preliminary data.

**Table H16 International investment position** • This table is made in accordance with the recommendations of the IMF (Balance of Payments Manual, Fifth Edition, 1993). Data sources include: reports from banks, enterprises, the Croatian National Bank, and the Zagreb Stock Exchange (ZSE).

Data on international investments of the Republic of Croatia and international investments into the Republic of Croatia are recorded in euros (EUR) and US dollars (USD). Depending on the sources of data available, the conversion of values from the original currencies into the reporting currencies is performed:

- by applying the current rate of exchange or the average monthly midpoint exchange rate of the Croatian National Bank to transactions;
- by applying the midpoint exchange rate of the Croatian National Bank on the reporting date to balances.

Data on foreign direct and portfolio equity investment are compiled on the basis of market prices, whenever available. Market prices on the last day of the reporting period taken from the Zagreb Stock Exchange are used in the part related to investment in the Republic of Croatia, while in the part related to investment abroad, the reporting units participating in the research on direct and portfolio equity investments are obliged to state the value at market prices of their equity investment abroad. When this is not possible, the book value of total equity held by direct or portfolio investors is used, regardless of whether investments are made in the Republic of Croatia or abroad

(the own funds at book value method).

Portfolio debt investment and other investment are classified according to the following institutional sectors: the Croatian National Bank, government, banks and other sectors. The government sector comprises the central government and funds and local government authorities. The banking sector comprises banks.

Item Portfolio debt investment – Assets and liabilities comprises data on investments of residents into debt securities issued by non-residents (assets) and investments of non-residents into debt securities issued by residents (liabilities). The source of data is the register of foreign credit relations kept by the Croatian National Bank and monetary statistics data.

Data on portfolio equity and debt investment are modified by the data submitted by the Central Depository and Clearing Company and commercial banks providing securities custody services, particularly in the part Assets of other sectors.

Item Other investment – Trade credits – Assets and liabilities comprises foreign claims and foreign liabilities of the said sectors arising from trade credits. The source of data is the register of foreign credit relations kept by the Croatian National Bank.

Item Other investment – Loans – Assets and liabilities comprises data on loans granted and received between residents and non-residents classified according to institutional sectors. The source of data is the register of foreign credit relations kept by the Croatian National Bank.

Item Other investment – Currency and deposits – Assets shows the total liquid foreign currency assets of banks authorised to do business abroad reduced by the amount of foreign currency deposited by banks with the CNB in fulfilment of a part of their reserve requirements. In addition to banks' foreign claims, foreign claims of the government sector are also shown. The sources of data are reports from the government and banks. The Bank for International Settlement quarterly data are used for other sectors.

Item Other investment – Currency and deposits – Liabilities shows the total foreign currency and kuna liabilities of the said sectors abroad arising from current accounts, time and notice deposits, sight deposits and demand deposits. The sources of data for this item are reports from banks.

Item International reserves of the CNB is compiled on the basis of the CNB Accounting Department reports which contain data on their balances and changes.

Table H17 International investment position – direct investment<sup>a</sup>  
in million EUR

	2005	2006	2007	2008	2009	2010 <sup>b</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>b</sup>
<b>Direct investment (net)</b>	<b>-10,602.2</b>	<b>-18,948.7</b>	<b>-28,031.2</b>	<b>-18,440.6</b>	<b>-20,401.5</b>	<b>-22,616.5</b>	<b>-20,822.5</b>	<b>-20,274.6</b>	<b>-20,294.6</b>	<b>-22,616.5</b>
1 Abroad	1,729.8	1,833.3	2,580.3	3,750.4	4,556.6	3,108.6	4,748.6	4,884.2	4,846.1	3,108.6
1.1 Equity capital and reinvested earnings	1,610.5	1,725.2	2,479.3	3,560.6	4,463.4	2,865.8	4,652.7	4,756.2	4,727.2	2,865.8
1.1.1 Claims	1,610.5	1,725.2	2,479.3	3,560.6	4,463.4	2,865.8	4,652.7	4,756.2	4,727.2	2,865.8
1.1.2 Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Other capital	119.3	108.2	101.0	189.7	93.2	242.9	95.9	128.0	119.0	242.9
1.1.1 Claims	138.0	144.8	175.4	220.2	217.1	607.6	239.7	277.9	274.0	607.6
1.2.2 Liabilities	18.7	36.6	74.4	30.5	123.8	364.7	143.8	149.9	155.0	364.7
1.3 Financial derivatives (net)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 In Croatia	12,332.0	20,782.0	30,611.5	22,190.9	24,958.1	25,725.1	25,571.1	25,158.8	25,140.8	25,725.1
2.1 Equity capital and reinvested earnings	9,920.2	17,961.2	26,777.2	16,409.8	17,694.6	18,759.1	18,212.7	18,013.4	18,110.8	18,759.1
2.1.1 Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.2 Liabilities	9,920.2	17,961.2	26,777.2	16,409.8	17,694.6	18,759.1	18,212.7	18,013.4	18,110.8	18,759.1
2.2 Other capital	2,411.8	2,820.7	3,834.3	5,781.1	7,263.5	6,966.1	7,358.4	7,145.4	7,030.0	6,966.1
2.2.1 Claims	20.1	21.1	24.2	24.3	52.9	69.0	67.5	99.2	79.9	69.0
2.2.2 Liabilities	2,431.9	2,841.8	3,858.5	5,805.4	7,316.4	7,035.1	7,425.9	7,244.6	7,109.9	7,035.1
2.3 Financial derivatives (net)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

<sup>a</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m) and August 2009 (EUR 666.5m). Accordingly, they impact the stock of direct investment in Croatia and direct investment abroad from these months onwards. <sup>b</sup> Preliminary data.

Table H18 International investment position – portfolio investment<sup>a</sup>  
in million EUR

	2005	2006	2007	2008	2009	2010 <sup>b</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>b</sup>
<b>Portfolio investment (net)</b>	<b>-3,375.7</b>	<b>-2,930.7</b>	<b>-2,695.6</b>	<b>-2,237.7</b>	<b>-2,424.8</b>	<b>-2,884.4</b>	<b>-1,880.7</b>	<b>-2,115.2</b>	<b>-2,983.7</b>	<b>-2,884.4</b>
1 Assets	2,155.7	2,486.9	3,250.9	2,641.2	3,416.4	3,582.1	3,536.3	3,306.3	3,334.9	3,582.1
1.1 Equity securities	379.6	559.3	1,745.5	656.7	800.3	1,255.6	1,077.4	1,151.2	1,079.3	1,255.6
1.1.1 Banks	5.9	6.7	8.3	11.6	12.8	11.1	8.1	13.2	10.7	11.1
1.1.2 Other sectors	373.7	552.6	1,737.2	645.1	787.5	1,244.5	1,069.4	1,138.0	1,068.7	1,244.5
1.2 Debt securities	1,776.1	1,927.6	1,505.4	1,984.6	2,616.1	2,326.5	2,458.9	2,155.1	2,255.6	2,326.5
2 Liabilities	5,531.4	5,417.6	5,946.5	4,879.0	5,841.2	6,466.5	5,417.1	5,421.4	6,318.6	6,466.5
2.1 Equity securities	647.5	1,012.8	1,522.3	613.8	657.6	738.0	697.9	617.5	664.5	738.0
2.1.1 Banks	59.8	143.2	164.7	66.5	62.4	56.8	64.2	64.0	65.1	56.8
2.1.2 Other sectors	587.7	869.5	1,357.6	547.3	595.2	681.2	633.7	553.5	599.4	681.2
2.2 Debt securities	4,883.8	4,404.8	4,424.2	4,265.2	5,183.7	5,728.4	4,719.2	4,803.9	5,654.1	5,728.4
2.2.1 Bonds	4,883.8	4,404.8	4,424.2	4,265.2	5,183.7	5,728.4	4,719.2	4,803.9	5,654.1	5,728.4
2.2.1.1 General government	3,663.4	3,109.1	2,756.9	2,621.9	3,572.5	4,145.3	3,119.8	3,214.9	4,064.4	4,145.3
2.2.1.2 Banks	456.6	457.9	459.0	456.8	0.0	0.0	0.0	0.0	0.0	0.0
2.2.1.3 Other sectors	763.9	837.8	1,208.3	1,186.4	1,611.1	1,583.2	1,599.4	1,589.1	1,589.7	1,583.2
2.2.2 Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2.1 Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from December 1998 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Preliminary data.

Table H19 International investment position – other investment<sup>a</sup>

in million EUR

	2005	2006	2007	2008	2009	2010 <sup>b</sup>	2010			
							Q1	Q2	Q3	Q4 <sup>b</sup>
<b>Other investment (net)</b>	<b>-13,689.0</b>	<b>-16,882.1</b>	<b>-18,067.8</b>	<b>-22,863.7</b>	<b>-25,722.1</b>	<b>-26,830.0</b>	<b>-26,629.0</b>	<b>-26,860.0</b>	<b>-25,730.6</b>	<b>-26,830.0</b>
<b>1 Assets</b>	<b>4,737.6</b>	<b>5,108.5</b>	<b>6,504.2</b>	<b>6,985.5</b>	<b>6,260.4</b>	<b>5,810.2</b>	<b>5,733.2</b>	<b>6,008.5</b>	<b>6,207.0</b>	<b>5,810.2</b>
1.1 Trade credits	262.9	230.5	248.9	224.7	123.3	80.7	113.6	106.6	84.5	80.7
1.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.2 Other sectors	262.9	230.5	248.9	224.7	123.3	80.7	113.6	106.6	84.5	80.7
Long-term	190.9	177.5	228.8	202.6	96.3	61.4	90.7	86.3	64.1	61.4
Short-term	72.0	53.0	20.1	22.1	27.0	19.3	22.9	20.3	20.4	19.3
1.2 Loans	146.2	239.5	296.4	435.9	384.5	461.2	393.5	421.3	432.3	461.2
1.2.1 Croatian National Bank	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Long-term	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
1.2.2 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.3 Banks	113.2	188.5	214.8	285.3	270.1	330.6	272.4	286.3	294.3	330.6
Long-term	85.3	140.0	160.0	193.6	233.7	285.1	231.1	243.1	244.6	285.1
Short-term	27.9	48.5	54.8	91.7	36.5	45.5	41.3	43.2	49.7	45.5
1.2.4 Other sectors	32.3	50.4	81.1	150.0	113.8	130.1	120.5	134.4	137.4	130.1
Long-term	32.0	50.2	81.0	146.8	113.6	92.4	118.0	119.1	109.3	92.4
Short-term	0.3	0.2	0.1	3.3	0.2	37.7	2.4	15.3	28.1	37.7
1.3 Currency and deposits	4,328.5	4,638.3	5,958.9	6,324.9	5,752.5	5,268.3	5,226.1	5,480.5	5,690.2	5,268.3
1.3.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.2 Banks	3,112.2	3,499.9	4,715.1	4,863.6	4,442.9	4,060.1	3,952.7	4,166.9	4,493.6	4,060.1
1.3.3 Other sectors	1,216.3	1,138.3	1,243.8	1,461.3	1,309.6	1,208.2	1,273.4	1,313.7	1,196.6	1,208.2
1.4 Other assets	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>2 Liabilities</b>	<b>18,426.6</b>	<b>21,990.6</b>	<b>24,572.1</b>	<b>29,849.2</b>	<b>31,982.6</b>	<b>32,640.3</b>	<b>32,362.2</b>	<b>32,868.5</b>	<b>31,937.6</b>	<b>32,640.3</b>
2.1 Trade credits	249.5	244.9	337.8	367.5	344.4	323.9	359.2	354.0	388.9	323.9
2.1.1 General government	2.6	1.9	1.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	2.6	1.9	1.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.2 Other sectors	246.9	243.0	336.6	366.7	344.4	323.9	359.2	354.0	388.9	323.9
Long-term	219.1	207.0	305.5	327.2	316.2	297.3	321.6	313.5	349.0	297.3
Short-term	27.8	35.9	31.1	39.5	28.2	26.6	37.6	40.5	39.9	26.6
2.2 Loans	14,541.4	17,347.4	20,088.8	24,343.4	25,310.1	25,856.8	25,944.1	26,128.3	25,629.2	25,856.8
2.2.1 Croatian National Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
o/w: IMF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2 General government	2,486.7	2,559.0	2,613.7	1,574.6	1,592.7	1,789.4	1,845.9	1,837.8	1,834.2	1,789.4
Long-term	2,486.7	2,559.0	2,613.7	1,542.9	1,592.7	1,789.4	1,845.9	1,837.8	1,834.2	1,789.4
Short-term	0.0	0.0	0.0	31.7	0.0	0.0	0.0	0.0	0.0	0.0
2.2.3 Banks	4,889.2	5,368.9	4,276.8	4,496.7	4,352.8	4,301.6	4,604.3	4,746.5	4,184.1	4,301.6
Long-term	3,822.9	4,217.4	3,565.2	3,374.7	3,545.3	3,366.5	3,518.6	3,695.3	3,342.1	3,366.5
Short-term	1,066.3	1,151.6	711.7	1,122.0	807.5	935.1	1,085.7	1,051.1	842.0	935.1
2.2.4 Other sectors	7,165.5	9,419.4	13,198.2	18,272.0	19,364.6	19,765.8	19,493.9	19,544.1	19,610.9	19,765.8
Long-term	6,964.8	9,187.2	12,371.2	17,589.5	18,625.9	19,126.9	18,772.4	18,937.6	19,017.1	19,126.9
Short-term	200.8	232.2	827.1	682.5	738.7	638.9	721.5	606.5	593.7	638.9
2.3 Currency and deposits	3,635.6	4,398.4	4,145.5	5,138.3	6,328.1	6,459.5	6,058.9	6,386.1	5,919.5	6,459.5
2.3.1 Croatian National Bank	2.6	2.6	2.3	2.3	1.1	1.2	1.2	1.3	1.1	1.2
2.3.2 Banks	3,633.0	4,395.8	4,143.2	5,125.5	6,327.0	6,458.4	6,057.7	6,384.9	5,918.4	6,458.4
2.3.3 Other sectors	0.0	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0
2.4 Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions. The reclassification covers the entire statistical series (from December 1998 onwards). Moreover, as from the same number of the Bulletin, CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. <sup>b</sup> Preliminary data.



	2005	2006	2007	2008	2009	2010				
						Mar.	Jun.	Sep.	Oct.	Nov.
<b>3.3 CHANGE IN NET INCURRENCE OF LIABILITIES</b>	7,998.8	1,890.7	560.6	5,654.1	17,432.0	2,512.4	705.6	-54.4	-681.2	1,710.7
3.3.1 Domestic	12,041.7	5,282.8	2,017.1	6,795.7	10,130.2	2,465.6	968.8	-77.8	-619.3	1,789.8
A) Budgetary central government	10,591.6	3,166.3	1,477.6	5,656.6	9,576.6	2,376.3	969.4	-39.4	-651.1	1,746.9
B) Extrabudgetary users	1,450.1	2,116.5	539.5	1,139.1	553.6	89.3	-0.6	-38.3	31.8	42.9
3.3.2 Foreign	-4,042.8	-3,392.1	-1,456.5	-1,141.7	7,301.8	46.9	-263.2	23.3	-62.0	-79.1
A) Budgetary central government	-5,080.6	-3,943.2	-2,980.2	-1,445.8	6,878.4	52.5	-230.5	33.1	-62.7	-78.9
B) Extrabudgetary users	1,037.8	551.2	1,523.7	304.1	423.4	-5.7	-32.7	-9.7	0.7	-0.3

<sup>a</sup> CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. The Notes on Methodology can be found in the Ministry of Finance Monthly Statistical Review. Note: On a cash basis.

Source: MoF.

**Table I2 Budgetary central government operations<sup>a</sup>**  
in million HRK

	2005	2006	2007	2008	2009	2010				
						Mar.	Jun.	Sep.	Oct.	Nov.
<b>1 REVENUE</b>	<b>85,653.0</b>	<b>95,235.6</b>	<b>108,320.6</b>	<b>115,772.7</b>	<b>110,257.9</b>	<b>9,216.1</b>	<b>8,445.5</b>	<b>9,298.4</b>	<b>9,681.2</b>	<b>8,747.3</b>
1.1 Taxes	50,687.6	58,469.1	64,234.5	69,572.7	63,678.9	5,551.9	4,889.3	5,632.1	6,003.3	5,082.7
1.2 Social contributions	31,301.3	33,877.1	37,203.5	40,703.5	39,994.7	3,185.5	3,172.5	3,269.5	3,224.2	3,227.6
1.3 Grants	27.5	196.0	428.0	468.6	616.3	54.1	32.2	16.4	28.0	43.3
1.4 Other revenue	3,636.6	2,693.3	6,454.5	5,027.8	5,968.0	424.5	351.5	380.4	425.6	393.8
<b>2 EXPENSE</b>	<b>87,857.5</b>	<b>95,950.0</b>	<b>108,007.6</b>	<b>115,292.4</b>	<b>117,924.0</b>	<b>11,043.2</b>	<b>9,146.6</b>	<b>10,290.5</b>	<b>9,248.5</b>	<b>10,009.0</b>
2.1 Compensation of employees	23,182.6	24,313.9	27,545.1	29,948.5	31,289.3	2,613.4	2,554.1	2,632.5	2,569.3	2,560.5
2.2 Use of goods and services	4,951.9	6,069.1	7,162.4	8,113.7	7,363.8	675.2	517.4	539.6	549.3	636.6
2.3 Consumption of fixed capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4 Interest	4,387.0	4,713.6	4,535.0	4,683.2	5,225.2	967.9	355.6	942.1	98.4	948.1
2.5 Subsidies	5,248.7	5,670.8	6,492.0	6,859.5	6,710.0	881.7	418.4	500.9	510.0	367.3
2.6 Grants	3,796.8	6,653.0	8,363.2	5,783.1	5,559.6	494.9	349.5	491.3	441.4	309.5
2.7 Social benefits	41,358.5	43,444.6	48,176.0	52,593.2	56,148.5	4,843.2	4,638.9	4,774.3	4,695.2	4,777.3
2.8 Other expense	4,931.9	5,085.0	5,733.9	7,311.2	5,627.6	567.0	312.6	409.7	384.8	409.7
<b>3 CHANGE IN NET WORTH: TRANSACTIONS</b>	<b>-2,204.5</b>	<b>-714.4</b>	<b>313.0</b>	<b>480.2</b>	<b>-7,666.0</b>	<b>-1,827.1</b>	<b>-701.1</b>	<b>-992.1</b>	<b>432.7</b>	<b>-1,261.7</b>
3.1 Change in net acquisition of non-financial assets	1,553.7	1,555.8	2,545.2	2,988.1	1,963.4	59.2	38.6	63.7	124.5	131.7
3.1.1 Fixed assets	1,517.0	1,595.1	2,625.7	2,719.5	1,839.7	56.6	37.5	65.2	125.9	132.4
3.1.2 Inventories	0.0	-80.2	-161.4	79.4	35.4	-0.1	-0.5	-0.8	-0.6	-0.5
3.1.3 Valuables	7.2	7.8	9.6	10.1	8.9	0.9	0.0	0.5	0.4	0.4
3.1.4 Non-produced assets	29.5	33.1	71.3	179.1	79.3	1.7	1.6	-1.3	-1.2	-0.8
3.2 Change in net acquisition of financial assets	1,752.8	-3,047.2	-3,734.8	1,702.9	6,825.5	542.6	-0.8	-1,062.1	-405.5	274.7
3.2.1 Domestic	1,757.7	-3,063.9	-3,752.8	1,690.5	6,823.2	542.6	-1.6	-1,062.5	-406.5	274.7
3.2.2 Foreign	-4.9	16.7	18.0	12.4	2.3	0.0	0.8	0.4	1.0	0.0
3.2.3 Monetary gold and SDRs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.3 Change in net incurrence of liabilities	5,510.9	-777.0	-1,502.6	4,210.8	16,455.0	2,428.8	738.9	-6.3	-713.8	1,668.1
3.3.1 Domestic	10,591.6	3,166.3	1,477.6	5,656.6	9,576.6	2,376.3	969.4	-39.4	-651.1	1,746.9
3.3.2 Foreign	-5,080.6	-3,943.2	-2,980.2	-1,445.8	6,878.4	52.5	-230.5	33.1	-62.7	-78.9

<sup>a</sup> CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards. The Notes on Methodology can be found in the Ministry of Finance Monthly Statistical Review. Note: On a cash basis.

Source: MoF.

**Table I3 Central government debt<sup>a</sup>**  
end of period, in million HRK

	2005	2006	2007	2008	2009	2010			2011	
	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Jun.	Sep.	Dec.*	Jan.
<b>1 Domestic debt of central government</b>	<b>54,794.2</b>	<b>59,688.4</b>	<b>63,240.9</b>	<b>67,996.8</b>	<b>78,268.1</b>	<b>82,364.9</b>	<b>84,686.5</b>	<b>89,336.3</b>	<b>92,086.1</b>	<b>93,229.7</b>
1.1 Domestic debt of the Republic of Croatia	50,840.7	54,490.4	56,883.1	64,961.8	74,473.7	78,555.9	80,968.9	84,950.5	87,481.4	88,617.6
Treasury bills	12,278.0	12,412.9	11,740.6	14,440.7	18,802.5	20,745.5	21,444.6	20,225.9	20,345.1	21,161.5
Money market instruments	0.9	–	–	10.7	19.3	20.3	20.7	20.5	20.5	20.5
Bonds	31,151.8	35,249.6	39,273.5	39,306.7	39,369.3	41,788.6	41,873.1	48,017.7	49,933.4	50,090.4
Credits from the CNB	1.4	0.9	1.0	2.2	2.9	–	–	–	–	–
Credits from banks	7,408.6	6,827.0	5,867.9	11,201.5	16,279.8	16,001.6	17,630.5	16,686.4	17,182.3	17,345.2
1.2 Domestic debt of central government funds	3,953.5	5,198.0	6,357.8	3,035.0	3,794.4	3,809.1	3,717.6	4,385.8	4,604.7	4,612.2
Money market instruments	–	–	–	–	–	–	–	–	–	–
Bonds	–	–	–	–	–	–	–	–	–	–
Credits from banks	3,953.5	5,198.0	6,357.8	3,035.0	3,794.4	3,809.1	3,717.6	4,385.8	4,604.7	4,612.2
<b>2 External debt of central government</b>	<b>45,164.3</b>	<b>41,494.8</b>	<b>39,610.7</b>	<b>30,259.7</b>	<b>37,501.1</b>	<b>35,852.1</b>	<b>36,152.6</b>	<b>42,861.4</b>	<b>43,732.2</b>	<b>42,773.9</b>
2.1 External debt of the Republic of Croatia	36,414.5	32,556.6	29,424.0	28,459.4	35,785.8	34,127.5	34,489.4	41,003.3	41,746.6	40,775.5
Money market instruments	–	–	–	–	–	–	–	–	–	–
Bonds	27,020.1	22,836.9	20,397.3	18,768.2	26,101.8	22,647.6	23,125.9	29,640.7	30,605.3	29,727.9
Credits	9,394.5	9,719.7	9,026.7	9,691.2	9,684.1	11,479.9	11,363.5	11,362.6	11,141.3	11,047.5
2.2 External debt of central government funds	8,749.8	8,938.2	10,186.7	1,800.3	1,715.3	1,724.6	1,663.2	1,858.1	1,985.6	1,998.4
Money market instruments	–	–	–	–	–	–	–	–	–	–
Bonds	–	–	–	–	–	–	–	–	–	–
Credits	8,749.8	8,938.2	10,186.7	1,800.3	1,715.3	1,724.6	1,663.2	1,858.1	1,985.6	1,998.4
<b>3 Total (1+2)</b>	<b>99,958.5</b>	<b>101,183.1</b>	<b>102,851.6</b>	<b>98,256.5</b>	<b>115,769.2</b>	<b>118,217.1</b>	<b>120,839.1</b>	<b>132,197.8</b>	<b>135,818.3</b>	<b>136,003.6</b>
Supplement: Central government guaranteed debt										
– guarantees for domestic debt	5,880.2	7,660.3	8,110.6	13,299.2	15,692.5	18,563.9	19,043.8	19,256.1	19,510.3	19,585.6
– guarantees for external debt	13,853.9	14,303.7	19,024.2	31,406.6	35,275.2	35,819.1	36,284.0	38,599.1	39,264.8	39,296.6

<sup>a</sup> As from Bulletin No. 146 the CBRD is reclassified from the subsector central government funds to the subsector non-banking financial institutions and CM is reclassified from the subsector central government funds to the subsector public enterprises. The debt of the CBRD, presented in this table under headings 2 External debt of central government and 1 Domestic debt of central government, is reclassified from December 1998 and June 1999 onwards respectively, and the debt of CM is reclassified from January 2008 onwards.

**Table I3 Central government debt** • As from Bulletin No. 154 the table contains the revised data.

The central government debt comprises the domestic and external debt.

The domestic debt of the central government is compiled from the MoF data on T-bills and bonds and the CNB data on money market instruments, credits from banks and credits from the CNB.

The stock of T-bills includes MoF T-bills denominated in kuna, eurobills and T-bills indexed to the euro with a maturity of up to one year. The stock of eurobills includes accrued interest. The difference between the nominal value and the issue value of T-bills denominated in kuna and of T-bills indexed to the euro is the accrued interest which is distributed over the life of instruments using the simple interest calculation method (i.e. in a linear manner) and the method of calculating the number of days where the actual number of days is divided by 360.

The stock of bonds includes central government bonds issued in the domestic market, MoF T-bills with a maturity of over one year and a share of total central government bonds issued in the foreign market which is held by resident institutional units at the end of the reporting period. The difference between the nominal value and the issue value of T-bills with a maturity of

over one year is the accrued interest which is distributed over the life of instruments using the compound interest calculation method. The stock of central government bonds includes accrued interest.

From January 2004 onwards, the stock of credits from banks includes both outstanding principal and accrued interest.

The external debt statistics compiled by the CNB is the source of data on the central government external debt.

The supplement contains the data on the central government guaranteed debt. Bank statistical reports are the source of data on domestic debt guarantees, while the external debt statistics compiled by the CNB is the source of data on external debt guarantees.

Irrespective of the notes under the heading “Classification and presentation of data on claims and liabilities”, the debt of the Croatian Roads, the Croatian Motorways and the State Agency for Deposit Insurance and Bank Rehabilitation, presented in this table under headings 2 External debt of central government and 1 Domestic debt of central government, has been reclassified from the subsector Republic of Croatia to the subsector central government funds from December 1998 and December 2002 onwards respectively.

## J Non-financial statistics – selected data

Table J1 Consumer price and producer price indices

Year	Month	Basic indices, 2005 = 100			Chain indices				Monthly year-on-year indices			
		Consumer price indices			Consumer price indices <sup>a</sup>			Producer prices <sup>b</sup>	Consumer price indices <sup>c</sup>			Producer prices <sup>d</sup>
		Total	Goods	Services	Total	Goods	Services		Total	Goods	Services	
1998	December	82.1	84.6	73.7	100.3	100.4	100.0	100.0	105.4	104.3	109.2	97.9
1999	December	85.3	87.2	78.5	100.6	100.8	100.0	100.3	103.9	103.1	106.5	105.9
2000	December	90.0	92.0	82.8	100.4	100.4	100.1	100.2	105.5	105.5	105.5	111.2
2001	December	92.1	93.2	88.5	100.4	100.4	100.5	99.0	102.4	101.3	106.8	96.9
2002	December	93.8	94.2	92.6	100.4	100.6	99.6	99.9	101.8	101.1	104.6	102.3
2003	December	95.4	95.7	94.6	100.3	100.2	100.5	100.0	101.7	101.6	102.2	101.0
2004	December	98.0	98.0	98.0	100.7	100.9	100.2	99.3	102.7	102.5	103.6	104.8
2005	December	101.6	101.4	102.0	100.5	100.5	100.5	99.7	103.6	103.5	104.1	102.7
2006	December	103.7	102.8	106.4	100.0	100.0	100.2	100.0	102.0	101.4	104.2	101.9
2007	December	109.7	109.5	110.0	101.2	101.2	101.3	100.4	105.8	106.6	103.4	105.9
2008	December	112.8	112.2	114.7	99.4	99.1	100.5	98.7	102.9	102.4	104.3	104.3
2009	December	114.9	114.5	117.3	99.4	99.3	100.2	100.0	101.9	101.3	103.9	101.6
2010	April	116.7	116.8	117.2	100.4	100.7	99.5	100.6	100.6	100.3	101.6	105.1
	May	117.0	117.0	117.8	100.2	100.2	100.5	100.5	100.8	100.6	101.8	104.9
	June	116.9	116.5	119.1	99.9	99.6	101.1	100.4	100.7	100.3	101.9	104.4
	July	116.4	115.5	120.7	99.6	99.2	101.3	100.0	101.1	100.7	101.9	103.8
	August	116.2	115.2	120.9	99.8	99.7	100.2	100.3	100.9	100.7	101.7	103.3
	September	116.6	116.3	118.5	100.3	100.9	98.0	100.4	101.4	101.5	101.0	104.4
	October	116.7	116.6	117.9	100.1	100.3	99.5	100.4	101.4	101.6	100.9	105.0
	November	117.0	117.0	117.8	100.3	100.3	99.9	99.9	101.2	101.4	100.6	104.7
	December	117.1	117.1	117.6	100.0	100.1	99.9	101.0	101.8	102.2	100.3	105.7
2011	January	117.7	117.9	117.8	100.6	100.7	100.1	100.8	101.9	102.4	100.1	105.1
	February	118.3	118.6	118.0	100.5	100.6	100.2	101.6	102.2	102.8	100.1	106.9
	March	119.2	119.7	118.0	100.8	101.0	99.9	101.1	102.6	103.2	100.2	107.1

<sup>a</sup> Data from January 1992 to December 1997 relate to the retail price index. <sup>b</sup> Data have been revised from January 2005 onwards due to changes in the methodology used by the CBS. <sup>c</sup> Data from January 1992 to December 1998 relate to the retail price index.

Source: CBS.

**Table J1 Consumer price and producer price indices** • The Central Bureau of Statistics (CBS) introduced the consumer price index (CPI) in early 2004. This indicator of price movements was compiled in accordance with the methodological principles laid down by the ILO and Eurostat. In its First Release, issued on 17 February 2004, the CBS published the data on movements in the CPI in January 2004 and the time series for the CPI as of January 2001. The CBS subsequently constructed the time series for the consumer price index encompassing the period from January 1998 to December 2000. As expected following the introduction of the new index, the CBS ceased to publish the retail price index (RPI) and the cost of living index, whose calculation methodologies have not been adequately harmonised with internationally accepted standards. The main features of the CPI are described in the CNB Bulletin No.

91 (see Box 1). The data on the average year-on-year consumer price inflation rate are shown in the Bulletin table on Economic indicators.

**Table J2 Core consumer price indices** • The core consumer price index is calculated by the Central Bureau of Statistics (CBS) in the manner that agricultural products prices and administrative prices (which among others include the prices of electricity and refined petroleum products) are excluded from the basket of goods and services used in the calculation of the total index. These two groups of products account for a total of 29.3% in the basket in 2011 (agricultural products 6.1 percentage points, and administrative products 23.2 percentage points) and are assigned a zero weight.

Table J2 Core consumer price indices

Year	Month	Basic indices, 2005 = 100 <sup>a</sup>			Chain indices			Year-on-year indices		
		Total	Goods	Services	Total	Goods	Services	Total	Goods	Services
1998	December	87.3	88.6	80.0	99.9	99.9	100.0	....	....	....
1999	December	89.8	91.1	82.3	100.1	100.1	100.1	102.9	102.9	103.0
2000	December	92.8	93.9	86.5	100.4	100.4	100.2	103.3	103.0	105.0
2001	December	93.9	94.6	89.8	99.8	99.7	100.3	101.2	100.8	103.8
2002	December	95.0	95.6	91.9	100.0	100.1	99.4	101.2	101.0	102.4
2003	December	96.2	96.4	94.7	100.2	100.1	101.0	101.2	100.9	103.0
2004	December	98.4	98.5	97.4	100.1	100.1	100.4	102.3	102.2	102.9
2005	December	101.3	101.4	101.0	100.1	100.0	100.5	103.0	102.9	103.7
2006	December	103.6	103.6	103.6	99.8	99.7	100.3	102.3	102.2	102.5
2007	December	108.8	109.1	107.2	100.8	100.8	100.4	105.0	105.3	103.5
2008	December	113.3	113.5	112.5	99.4	99.3	100.2	104.2	104.0	105.0
2009	December	113.6	113.3	115.2	98.8	98.6	100.2	100.2	99.8	102.4
2010	April	113.7	113.5	114.7	100.5	100.8	99.3	98.6	98.0	101.8
	May	114.2	113.9	115.7	100.4	100.3	100.9	98.6	97.9	102.1
	June	114.2	113.5	117.7	100.0	99.7	101.7	98.3	97.6	102.0
	July	113.8	112.5	120.6	99.7	99.1	102.5	98.6	97.9	102.3
	August	113.7	112.3	121.1	99.9	99.8	100.4	98.8	98.2	102.1
	September	114.1	113.6	116.5	100.3	101.2	96.2	99.4	99.2	100.7
	October	114.3	114.1	115.4	100.2	100.4	99.1	99.3	99.1	100.7
	November	114.7	114.6	115.2	100.4	100.5	99.8	99.8	99.7	100.2
	December	113.7	113.4	114.9	99.1	99.0	99.7	100.1	100.1	99.8
	2011	January	113.6	113.3	115.2	99.9	99.9	100.2	100.7	100.8
February		114.1	113.8	115.5	100.4	100.4	100.3	101.1	101.4	99.6
March		115.0	115.0	115.4	100.8	101.0	99.9	101.7	102.1	99.9

<sup>a</sup> Since January 2007, the CPI has been calculated and published by the CBS on the new base 2005 = 100.

Source: CBS.

Table J3 Average monthly net wages

in current prices, in kuna

Year	Month	Nominal amount in kuna	Chain indices	Monthly year-on-year indices	Cumulative year-on-year indices
1998	December	2,935.0	104.6	115.4	112.8
1999	December	3,262.0	100.9	111.2	114.0
2000	December	3,499.0	99.9	107.3	108.9
2001	December	3,582.0	96.6	102.4	106.5
2002	December	3,839.0	98.0	107.2	105.0
2003	December	4,045.0	99.8	105.4	105.9
2004	December	4,312.0	99.1	106.6	105.9
2005	December	4,473.0	97.3	103.7	104.9
2006	December	4,735.0	97.0	105.9	105.2
2007	December	4,958.0	96.6	104.7	105.2
2008	December	5,410.0	100.3	109.1	107.0
2009	December	5,362.0	99.6	99.1	102.6
2010	April	5,246.0	97.9	99.1	99.2
	May	5,277.0	100.6	99.1	99.2
	June	5,415.0	102.6	100.8	99.5
	July	5,323.0	98.3	100.3	99.6
	August	5,391.0	101.3	102.3	99.9
	September	5,291.0	98.1	101.1	100.0
	October	5,351.0	101.1	101.4	100.2
	November	5,584.0	104.4	103.7	100.5
	December	5,450.0	97.6	101.7	100.6
	2011	January	5,342.0	98.0	101.6

Source: CBS.

Table J4 Consumer confidence index, consumer expectations index and consumer sentiment index  
index points, original data

Year	Month	Composite indices			Response indices (I)						
		Consumer confidence index	Consumer expectations index	Consumer sentiment index	I1	I2	I3	I4	I7	I8	I11
1999	October	-33.7	-14.9	-46.3	-38.4	-12.1	-49.9	-17.6	35.5	-50.7	-69.7
2000	October	-20.9	3.5	-32.2	-26.2	1.2	-22.0	5.7	26.9	-48.3	-63.6
2001	October	-27.0	-11.4	-35.6	-29.6	-10.0	-35.9	-12.7	22.9	-41.3	-62.3
2002	October	-25.2	-8.3	-29.3	-22.6	-5.1	-31.2	-11.5	20.1	-34.1	-64.0
2003	October	-22.2	-4.5	-25.0	-21.5	-2.6	-26.5	-6.4	14.7	-27.1	-65.2
2004	October	-23.9	-7.9	-22.0	-19.1	-4.1	-30.5	-11.6	22.5	-16.5	-57.3
2005	December	-26.4	-13.7	-25.6	-16.4	-5.9	-34.4	-21.5	27.6	-25.9	-50.6
2006	December	-18.9	-4.7	-15.4	-10.9	1.1	-22.4	-10.5	16.9	-12.9	-49.4
2007	December	-24.7	-15.5	-24.5	-16.8	-9.8	-31.8	-21.2	12.8	-25.0	-54.8
2008	December	-42.0	-33.3	-40.9	-30.7	-25.9	-51.8	-40.6	43.4	-40.3	-57.9
2009	December	-46.8	-32.7	-47.6	-35.7	-22.6	-64.5	-42.8	63.9	-42.5	-58.0
2010	April	-44.3	-30.0	-48.0	-39.1	-21.2	-64.1	-38.8	59.5	-40.9	-57.6
	May	-40.8	-30.3	-48.4	-39.3	-22.7	-63.4	-37.8	43.9	-42.6	-58.9
	June	-40.8	-31.3	-46.7	-39.3	-24.5	-62.5	-38.1	45.4	-38.4	-55.2
	July	-41.7	-28.5	-44.5	-38.5	-21.0	-60.0	-36.0	47.2	-35.0	-62.6
	August	-43.0	-31.6	-46.3	-36.3	-21.9	-62.1	-41.3	54.2	-40.6	-54.6
	September	-42.6	-30.9	-45.3	-38.2	-21.2	-63.0	-40.5	51.7	-34.7	-56.8
	October	-44.4	-32.5	-46.0	-37.0	-21.4	-64.8	-43.6	53.5	-36.1	-58.9
	November	-44.7	-31.4	-48.9	-36.9	-21.0	-68.2	-41.8	60.8	-41.5	-55.1
	December	-42.9	-30.6	-48.7	-40.7	-21.7	-65.9	-39.4	55.7	-39.4	-54.8
2011	January	-40.0	-26.4	-47.8	-37.7	-16.2	-67.3	-36.6	48.4	-38.5	-58.6
	February	-41.2	-27.8	-50.5	-37.2	-18.4	-70.3	-37.2	48.0	-44.1	-61.0
	March	-47.6	-37.2	-58.6	-46.4	-27.0	-79.4	-47.3	53.9	-50.1	-62.0

Table J4 Consumer confidence index, consumer expectations index and consumer sentiment index • The CNB Consumer Confidence Survey has been carried out regularly since April 1999 in accordance with the methodology of the European Commission, the Joint Harmonised EU Programme of Business and Consumer Surveys. Until April 2005, the CNB conducted the survey once a quarter (in January, April, July and October). As of May 2005, the CNB carries out the survey in monthly frequency in cooperation with the European Commission, using its technical and financial assistance. The Croatian National Bank bears sole responsibility for the creation and conduct of the survey.

The questionnaire contains 23 questions, examining consumer perception of the changes as regards every-day economic issues. The value of the response index is determined in line with the set methodology, based on the responses to the questions from the Consumer Confidence Survey. The movements of three composite indices, consumer confidence index (CCI), consumer sentiment index (CSI) and consumer expectations index (CEI), are calculated and monitored based on the value of the response indices. Each of the said composite indices is calculated as the arithmetic average of the response indices ( $I$ ), i.e. as the average of previously quantified responses to individual questions from the survey:

$$I_i = \sum_z^k r_i \cdot w_i$$

where:  $r$  is the value of the response,  $w$  is the share of respondents

opting for a particular response (weight),  $i$  question from the questionnaire,  $z$  is the offered/chosen response,  $k$  is the number of offered responses to a particular question.

The value of the said indices ranges  $-100 < I_i < 100$ . Higher index values than those recorded over the previous period point to an increase in expectations (optimism) as regards the specific segment covered by the particular question.

The table shows the values of chosen response indices for the following questions:

I1: How has the financial situation of your household changed over the last 12 months?

I2: How do you expect the financial position of your household to change over the next 12 months?

I3: How do you think the general economic situation in Croatia has changed over the past 12 months?

I4: How do you expect the general economic situation in Croatia to develop over the next 12 months?

I7: How do you expect the number of people unemployed in Croatia to change over the next 12 months?

I8: In view of the general economic situation, do you think now is the right moment for people to make major purchases such as furniture, electrical/electronic devices, etc.?

I11: Over the next 12 months, how likely is it that you will save any money?

The components of composite indices are as follows:

CCI: I2, I4, I7  $\times (-1)$ , I11

CEI: I2, I4

CSI: I1, I3, I8.

## List of banks and savings banks

1 April 2011

### Authorised banks

- 1 Banco Popolare Croatia d.d., Zagreb
- 2 Banka Brod d.d., Slavonski Brod
- 3 Banka Kovanica d.d., Varaždin
- 4 Banka splitsko-dalmatinska d.d., Split
- 5 BKS Bank d.d., Rijeka
- 6 Centar banka d.d., Zagreb
- 7 Credo banka d.d., Split
- 8 Croatia banka d.d., Zagreb
- 9 Erste & Steiermärkische Bank d.d., Rijeka
- 10 Hrvatska poštanska banka d.d., Zagreb
- 11 Hypo Alpe-Adria-Bank d.d., Zagreb
- 12 Imex banka d.d., Split
- 13 Istarska kreditna banka Umag d.d., Umag
- 14 Jadranska banka d.d., Šibenik
- 15 Karlovačka banka d.d., Karlovac
- 16 Kreditna banka Zagreb d.d., Zagreb
- 17 Međimurska banka d.d., Čakovec
- 18 Nava banka d.d., Zagreb
- 19 OTP banka Hrvatska d.d., Zadar
- 20 Partner banka d.d., Zagreb
- 21 Podravska banka d.d., Koprivnica
- 22 Primorska banka d.d., Rijeka
- 23 Privredna banka Zagreb d.d., Zagreb
- 24 Raiffeisenbank Austria d.d., Zagreb
- 25 Samoborska banka d.d., Samobor
- 26 Slatinska banka d.d., Slatina
- 27 Sociétés Générale – Splitska banka d.d., Split
- 28 Štedbanka d.d., Zagreb
- 29 Vaba d.d. banka Varaždin, Varaždin
- 30 Veneto banka d.d., Zagreb
- 31 Volksbank d.d., Zagreb
- 32 Zagrebačka banka d.d., Zagreb

### Authorised savings banks

- 1 A štedna banka malog poduzetništva d.d., Zagreb

### Authorised housing savings banks

- 1 HPB – Stambena štedionica d.d., Zagreb
- 2 PBZ stambena štedionica d.d., Zagreb
- 3 Prva stambena štedionica d.d., Zagreb
- 4 Raiffeisen stambena štedionica d.d., Zagreb
- 5 Wüstenrot stambena štedionica d.d., Zagreb

### Other institutions

- 1 Hrvatska banka za obnovu i razvitak, Zagreb, operates in accordance with the Act on the Croatian Bank for Reconstruction and Development (OG 138/2006)

### Representative offices of foreign banks

- 1 BKS Bank AG, Zagreb
- 2 Commerzbank Aktiengesellschaft, Zagreb
- 3 Deutsche Bank AG, Zagreb
- 4 LHB Internationale Handelsbank AG, Zagreb
- 5 Union de Banques Arabes et Françaises – UBAF, Zagreb

### Banks and savings banks undergoing bankruptcy proceedings

Name of bank/savings bank	Date of bankruptcy proceedings opening
1 Agroobrtnička banka d.d., Zagreb	14/6/2000
2 Alpe Jadran banka d.d., Split	15/5/2002
3 Cibalae banka d.d., Vinkovci	20/10/2000
4 Glumina banka d.d., Zagreb	30/4/1999
5 Gradska banka d.d., Osijek	3/5/1999/
6 Hrvatska gospodarska banka d.d., Zagreb	19/4/2000
7 Ilirija banka d.d., Zagreb	6/4/1999
8 Komercijalna banka d.d., Zagreb	30/4/1999
9 Međimurska štedionica d.d., Čakovec	17/3/2004
10 Trgovačko-turistička banka d.d., Split	8.9/2000
11 Županjska banka d.d., Županja	3/5/1999

### Banks and savings banks undergoing winding-up proceedings

Name of bank/savings bank	Date of winding-up proceedings initiation
1 Investicijsko-komercijalna štedionica d.d., Zagreb	31/5/2000
2 Križevačka banka d.d., Križevci	3/1/2005
3 Obrtnička štedna banka d.d., Zagreb	22/12/2010
4 Primus banka d.d., Zagreb	23/12/2004
5 Štedionica Dora d.d., Zagreb	1/1/2002
6 Štedionica Zlatni vrutak d.d., Zagreb	28/12/2001

### Banks and savings banks whose authorisation was withdrawn, but have not initiated winding-up proceedings

Name of bank/savings bank	Date of withdrawal of authorisation
1 Hibis štedionica d.d., Zagreb	7/3/2001
2 Marvil štedionica d.d., Zagreb	8/6/2001
3 Zagrebačka štedionica d.d., Zagreb	22/3/2000

## Management of the Croatian National Bank

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1 April 2011

### Members of the Council of the Croatian National Bank

Chairman of the Council	Željko Rohatinski
Members of the Council	Boris Cota
	Davor Holjevac
	Vlado Leko
	Branimir Lokin
	Željko Lovrinčević
	Relja Martić
	Adolf Matejka
	Silvije Orsag
	Tomislav Presečan
	Jure Šimović
	Sandra Švaljek
	Mladen Vedriš
	Boris Vujčić

### Management of the CNB

Governor	Željko Rohatinski
Deputy Governor	Boris Vujčić
Vicegovernor	Davor Holjevac
Vicegovernor	Relja Martić
Vicegovernor	Adolf Matejka
Vicegovernor	Tomislav Presečan

### Executive directors

Research and Statistics Area	Ljubinko Jankov
Central Banking Operations Area	Irena Kovačec
Foreign Exchange Operations Area	
Prudential Regulation and Bank Supervision Area	Željko Jakuš
Planning, Controlling and Accounting Area	Diana Jakelić
Payment Operations Area	Neven Barbaroša
Information Technology Area	Mario Žgela
Support Services Area	Boris Ninić
International Relations Area	Michael Faulend









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