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HNB

CROATIAN NATIONAL BANK

BULLETIN 194

Zagreb, July 2013

General information on Croatia

Economic indicators

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 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 | 4.439 | 4.442 | 4.440 | 4.436 | 4.434 | 4.429 | 4.418 | 4.280 | 4.267 |
| GDP (million HRK, current prices) ^a | 228,932 | 247,428 | 266,652 | 291,044 | 318,308 | 343,412 | 328,672 | 323,807 | 330,171 | 330,232 |
| GDP (million EUR, current prices) | 30,265 | 33,009 | 36,034 | 39,745 | 43,390 | 47,543 | 44,781 | 44,441 | 44,412 | 43,929 |
| GDP per capita (in EUR) | 6,816 | 7,436 | 8,112 | 8,951 | 9,781 | 10,722 | 10,111 | 10,060 | 10,377 | 10,295 |
| GDP – real year-on-year rate of growth (in %) | 5.4 | 4.1 | 4.3 | 4.9 | 5.1 | 2.1 | -6.9 | -2.3 | 0.0 | -2.0 |
| Average year-on-year inflation rate ^b | 1.8 | 2.1 | 3.3 | 3.2 | 2.9 | 6.1 | 2.4 | 1.1 | 2.3 | 3.4 |
| Current account balance (million EUR) | -1,821 | -1,361 | -1,899 | -2,644 | -3,151 | -4,255 | -2,283* | -461.8* | -387.3* | -25.7* |
| Current account balance (as % of GDP) | -6.0 | -4.1 | -5.3 | -6.7 | -7.3 | -8.9 | -5.1* | -1.0* | -0.9* | -0.1* |
| Exports of goods and services (as % of GDP) | 43.4 | 43.1 | 42.4 | 42.7 | 42.1 | 41.7 | 36.4* | 39.9* | 42.3* | 43.5* |
| Imports of goods and services (as % of GDP) | 50.0 | 48.9 | 48.3 | 49.2 | 49.3 | 49.7 | 39.8* | 39.8* | 42.2* | 42.7* |
| External debt (million EUR, end of year) ^c | 19,884 | 22,933 | 25,990 | 29,725 | 33,721 | 40,590 | 45,244 | 46,502* | 45,876* | 44,836* |
| External debt (as % of GDP) | 65.7 | 69.5 | 72.1 | 74.8 | 77.7 | 85.4 | 101.0 | 104.6* | 103.3* | 102.1* |
| External debt (as % of exports of goods and services) | 151.4 | 161.1 | 170.2 | 175.3 | 184.6 | 204.6 | 277.3 | 262.5* | 244.4* | 234.4* |
| External debt service (as % of exports of goods and services) ^{c,d} | 21.3 | 22.5 | 25.0 | 37.3 | 35.1 | 29.7 | 46.8 | 41.9 | 37.0 | 38.8 |
| Gross international reserves (million EUR, end of year) | 6,554 | 6,436 | 7,438 | 8,725 | 9,307 | 9,121 | 10,376 | 10,660 | 11,195 | 11,236 |
| Gross international reserves (in terms of months of imports of goods and services, end of year) | 5.2 | 4.8 | 5.1 | 5.4 | 5.2 | 4.6 | 7.0 | 7.2 | 7.2 | 7.2 |
| National currency: Croatian kuna (HRK) | | | | | | | | | | |
| Exchange rate on 31 December (HRK : 1 EUR) | 7.6469 | 7.6712 | 7.3756 | 7.3451 | 7.3251 | 7.3244 | 7.3062 | 7.3852 | 7.5304 | 7.5456 |
| Exchange rate on 31 December (HRK : 1 USD) | 6.1185 | 5.6369 | 6.2336 | 5.5784 | 4.9855 | 5.1555 | 5.0893 | 5.5683 | 5.8199 | 5.7268 |
| Average exchange rate (HRK : 1 EUR) | 7.5642 | 7.4957 | 7.4000 | 7.3228 | 7.3360 | 7.2232 | 7.3396 | 7.2862 | 7.4342 | 7.5173 |
| Average exchange rate (HRK : 1 USD) | 6.7044 | 6.0312 | 5.9500 | 5.8392 | 5.3660 | 4.9344 | 5.2804 | 5.5000 | 5.3435 | 5.8509 |
| Consolidated general government overall fiscal balance (as % of GDP) ^e | -5.4 | -4.2 | -3.5 | -3.4 | -3.0 | -2.1 | -4.6 | -5.4 | -5.5 | -4.0 |
| Public debt (as % of GDP) ^f | 35.4 | 37.6 | 38.2 | 35.4 | 32.9 | 29.3 | 35.8 | 42.6 | 47.2 | 53.7 |
| Unemployment rate (ILO, persons above 15 years of age) | 14.3 | 13.8 | 12.7 | 11.2 | 9.6 | 8.4 | 9.1 | 11.8 | 13.5 | 15.8 |
| Employment rate (ILO, persons above 15 years of age) | 43.1 | 43.5 | 43.3 | 43.6 | 44.2 | 44.5 | 43.3 | 41.1 | 39.5 | 38.1 |

^a GDP data for 2011 and 2012 are preliminary.

^b CPI inflation rate.

^c 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 365m or to EUR 34,086m. 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 40,956m.

^d 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.

^e 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). The calculation for 2012 is based on preliminary MoF data.

^f 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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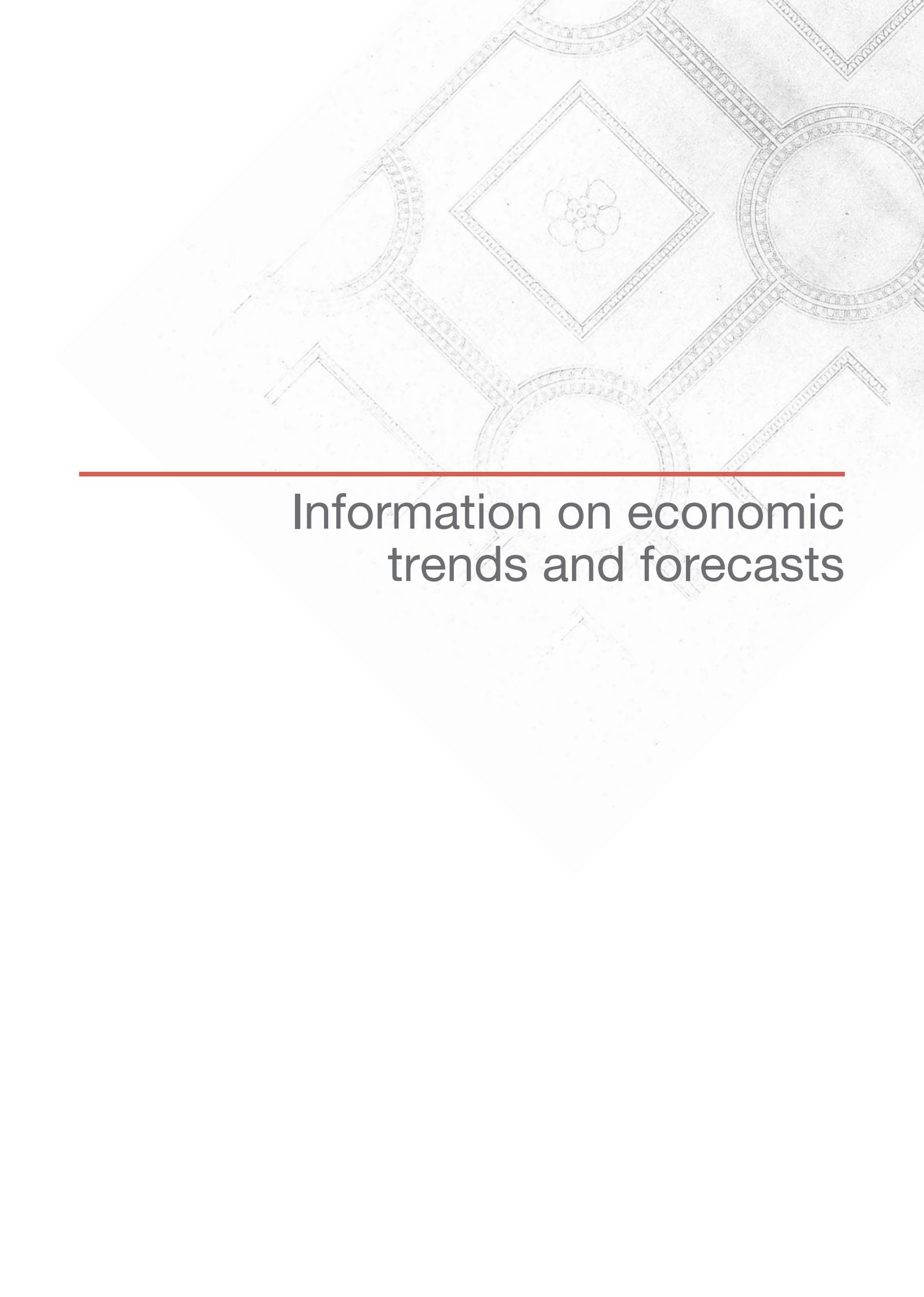
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Information on economic trends and forecasts

1 Summary

Real GDP is expected to decline by 1% in 2013. However, slight signs of recovery might be visible as early as mid-year.

The year 2014 is expected to see a gradual recovery, driven by growth in investments and exports, and an annual GDP growth rate of 0.7%, with downside risks prevailing.

Unemployment could continue to rise and real wages could drop further in 2013.

The consumer price inflation rate will be considerably lower than in the previous year as the effects of administrative price changes made in 2012 will cease.

The current account balance has been improving for several years and it is expected to continue the improvement trend in 2013 with a surplus of 1.3% of the GDP estimate. The economic recovery in 2014 could again trigger a deterioration in the current account balance. These trends should be accompanied by a slight increase in foreign capital inflows, mostly generated by general government borrowing. Financing is expected to continue its slow pace of recovery. Financing costs are still relatively high, despite a marked improvement in financing conditions in late 2012 and early 2013. Having held steady through most of 2012, total corporate financing increased slightly in the same period, while household financing remained flat. Monetary policy will continue to maintain the relative stability of the kuna exchange rate and high levels of kuna liquidity in the banking sector. The budget deficit is expected to widen in 2013 due to a stagnation of revenues and an increase in expenditures and government investments. The following year is to be marked by fiscal consolidation as the rules of the EU's Stability and Growth Pact

Real GDP is expected to decrease by about 1.0% in 2013. Personal and government consumption are expected to drop and exports and investments to edge up. GDP growth outlook has been revised significantly downwards from the end-2012 projection, primarily due to a higher forecast of decline in personal consumption. Growth rate forecasts for exports and investments have also been corrected downwards.

Economic activity is expected to increase at an annual rate of 0.7% in 2014, boosted mainly by growth in exports and investments, while personal and government consumption will shrink further. Given that the Excessive Deficit Procedure, contained in the EU's Stability and Growth Pact, is expected to be launched for Croatia, a relatively strong fiscal consolidation will be required in 2014 and the years to come. The pace of recovery will depend on the realisation of investment projects, import demand from the main trade partners and the manner of implementation of fiscal adjustment.

In view of the continued economic slowdown in 2013, employment is expected to drop further and unemployment is expected to remain on the increase. The internationally comparable ILO unemployment rate could reach 16.7%. However, it could stabilise in 2014 and start decreasing from that year onwards, in line with the anticipated economic recovery. Unemployment could decline at an even sharper rate if employment abroad increases. Real wages could drop in both 2013 and 2014.

Consumer price inflation has been on the decline for the fourth successive month, with its annual rate dropping to 1.6% in May 2013, down by 3.6 percentage points from January. Due to the absence of both demand-pull and cost-push domestic inflationary pressures, a stable kuna/euro exchange rate and continued weakening of imported inflationary pressures, consumer price inflation is expected to be low and relatively stable in the remaining part of 2013. It is estimated that the average annual consumer price inflation rate will slow down from 3.4% in 2012 to 2.6% in 2013 and 1.9% in 2014.

The expected current account balance could reach 1.3% of GDP in 2013 on the back of an improved foreign trade balance, a drop in factor income account expenditures, caused by a reduction in profits of enterprises in resident ownership, and a decrease in interest expenses on foreign borrowing. The balance could deteriorate again in 2014, primarily as a result of a decline in net transfers to general government; payments to the EU budget will be twice those of 2013. The statistical rule requiring that all payments to the EU budget are statistically recorded in the current account and the bulk of inflows from structural and cohesion funds in the balance of payment capital account will also have a deteriorating effect on the current account balance. The possibilities of using EU funds will largely depend on the state of preparation of projects and the capacity for domestic co-financing. External debt could continue rising in 2013 and 2014, but the relative external debt indicator should hold steady at about 102% of GDP.

Due to an increased risk appetite and high liquidity in international financial markets in late 2012 and in the first five months of 2013, foreign financing conditions for the government and parent banks improved from the first half of 2012. This, and the CNB's policy of supporting high domestic monetary system liquidity, led to a decrease in domestic borrowing costs. Interest rates on MoF T-bills dropped to very low levels; interest rates on both short-term and long-term loans to non-financial enterprises decreased, the latter to a smaller degree. However, household financing conditions remained relatively unfavourable. Notwithstanding a small increase in total corporate financing, lending cannot accelerate at a sharper pace because of subdued demand, tightened lending conditions, the growth of bad loans and the delayed economic recovery in the country.

Kuna liquidity of the banking system will be comfortable, and the CNB will stand ready to intervene should the exchange rate come under pressure. Monetary aggregates are expected to grow moderately in 2013, while placements to domestic sectors, with the exception of placements to the government, are expected to increase 1.5% in 2013 and slightly accelerate growth in 2014.

The general government deficit (ESA 95) could amount to 4.8% of the GDP estimate in 2013, 1.0 percentage point less than in 2012, primarily due to interest expense growth. The negative cyclical component of the budget deficit has also decreased, but to a minor degree. In 2014, Croatia is expected to start implementing fiscal consolidation under the rules of the Stability and Growth Pact: the Excessive Deficit Procedure is launched for any EU Member State with a general government deficit exceeding 3% in nominal terms. The Member State coming under the EDP is assigned a period in which to reduce the budget deficit to an acceptable level with an annual structural budgetary adjustment of at least 0.5% of GDP. The deficit is therefore expected to be cut significantly and the adjustment will have to be continued in the years to come. In view of the already high rates of existing taxes in Croatia, the

start to apply to Croatia. The adverse effects of the unavoidable fiscal consolidation will have to be alleviated by structural reforms and measures to increase Croatia's attractiveness for foreign investments.

adjustment will first have to be made on the expenditure side of the budget. The adjustment of government finances will probably result in a decline in economic performance in the short-term, but it is necessary to return public finances to a sustainable path, as Croatia's general government debt is expected to exceed 60% of GDP as soon as early 2014.

Croatia's economy has one of the lowest shares of exports of goods and services in GDP among comparable Central, East and South East European countries. In addition, a high current account deficit generated in growth periods resulted in a relatively high level of debt. This is why positive rates of economic growth will be difficult to achieve, even under conditions of global recovery, until the export sector has been strengthened. It is therefore necessary to continue implementing structural reforms aimed at increasing the export potential of domestic enterprises and attracting export-oriented foreign enterprises. Specialist analytic topics in this publication also point to structural weaknesses. An analysis of tourism competitiveness shows that, in the previous period, Croatia's price competitiveness was higher than that in most European tourist countries, whereas non-price (structural) indicators put Croatia in a relatively more unfavourable position. An analysis of the labour market legislative framework shows which elements of Croatian legislation account for Croatia's labour market being more rigid than those in other European countries.

Macroeconomic outlook

The table below shows central estimates/projections for Croatia's major macroeconomic measures for 2013, 2014 and 2015.

Table 1 Summary table of projected macroeconomic measures

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| National accounts (real rate of change, in %) | | | | | | | | | |
| GDP | 5.1 | 2.1 | -6.9 | -2.3 | 0.0 | -2.0 | -1.0 | 0.7 | 1.3 |
| Personal consumption | 6.3 | 1.3 | -7.6 | -1.3 | 0.2 | -3.0 | -2.2 | -0.2 | 0.4 |
| Government consumption | 5.5 | 0.1 | 0.4 | -2.1 | -0.6 | -0.8 | -1.2 | -1.4 | -0.6 |
| Gross fixed capital formation | 7.1 | 8.7 | -14.2 | -15.0 | -6.4 | -4.6 | 0.7 | 4.2 | 4.4 |
| Exports of goods and services | 3.7 | 1.7 | -16.2 | 4.8 | 2.0 | 0.4 | 0.3 | 2.3 | 3.1 |
| Imports of goods and services | 6.1 | 4.0 | -21.4 | -2.8 | 1.3 | -2.1 | -0.5 | 1.7 | 2.4 |
| Labour market | | | | | | | | | |
| Number of employed persons (average rate of change, in %) | 2.7 | 2.3 | -2.1 | -4.2 | -1.1 | -1.2 | -1.6 | 0.2 | 1.3 |
| Registered unemployment rate | 14.8 | 13.2 | 14.9 | 17.4 | 17.8 | 19.0 | 20.1 | 19.6 | 18.7 |
| ILO unemployment rate | 9.6 | 8.3 | 9.1 | 11.8 | 13.5 | 15.8 | 16.7 | 16.3 | 15.8 |
| Prices | | | | | | | | | |
| Consumer price index (average rate of change, in %) | 2.9 | 6.1 | 2.4 | 1.1 | 2.3 | 3.4 | 2.6 | 1.9 | 2.0 |
| Public finance (as % of GDP) | | | | | | | | | |
| Net lending/borrowing (ESA 95) ^a | -2.4 | -1.4 | -4.1 | -5.1 | -5.2 | -3.8 | -4.8 | -4.1 | -3.5 |
| Structural balance (ESA 95) | -4.6 | -3.3 | -4.3 | -4.7 | -4.5 | -2.8 | -3.7 | -3.1 | -2.6 |
| Overall fiscal balance | -3.0 | -2.1 | -4.6 | -5.4 | -5.5 | -4.0 | -5.9 | -5.0 | -3.9 |
| Public debt | 32.9 | 29.3 | 35.8 | 42.6 | 47.2 | 53.7 | 59.7 | 64.4 | 64.9 |
| External sector | | | | | | | | | |
| Current account balance (as % of GDP) | -7.3 | -8.9 | -5.1 | -1.0 | -0.9 | -0.1 | 1.3 | 1.0 | 0.7 |
| Goods | -21.8 | -22.4 | -16.1 | -12.9 | -13.8 | -13.8 | -13.9 | -13.6 | -13.5 |
| Services | 14.7 | 14.4 | 12.7 | 13.0 | 13.9 | 14.6 | 15.1 | 15.2 | 15.2 |
| Factor income | -2.5 | -3.3 | -4.0 | -3.5 | -3.5 | -3.5 | -2.5 | -2.7 | -3.3 |
| Current transfers | 2.4 | 2.3 | 2.2 | 2.4 | 2.6 | 2.6 | 2.7 | 2.1 | 2.3 |
| Current and capital account balance (as % of GDP) | -7.2 | -8.9 | -5.0 | -0.9 | -0.8 | 0.0 | 1.4 | 1.3 | 1.3 |
| Gross external debt (as % of GDP) | 77.7 | 85.4 | 101.0 | 104.6 | 103.3 | 102.1 | 102.0 | 101.5 | 99.3 |
| Monetary developments (rate of change, in %) | | | | | | | | | |
| Total liquid assets – M4 | 18.5 | 4.7 | 0.1 | 3.0 | 1.6 | 3.2 | 4.1 | 3.0 | 4.1 |
| Total liquid assets – M4 ^b | 19.2 | 4.4 | 0.4 | 1.8 | 0.3 | 3.1 | 3.7 | 3.0 | 4.1 |
| Bank placements to the private sector ^c | 15.3 | 13.4 | 0.0 | 6.1 | 4.9 | -3.9 | 1.5 | 1.6 | 2.3 |
| Bank placements to the private sector ^{b,c} | 16.2 | 11.4 | 0.3 | 2.8 | 3.1 | -4.1 | 1.5 | 1.7 | 2.3 |

^a Data series on net general government lending/borrowing (ESA 95) has not been harmonised with Eurostat.

^b Excluding exchange rate effects.

^c In 2012, the MoF assumed the shipyards' loan liabilities and one bank, in an effort to reduce its partly recoverable and irrecoverable placements, transferred the bulk of its claims to a company indirectly owned by the parent bank. These effects and exchange rate effects excluded, credit institutions' placements increased 0.6% and 0.4% respectively in 2012.

Note: The assessment for 2013 and projections for 2014 and 2015 were derived from data available until 25 June 2013.

Sources: CBS, MoF and CNB.

2 Global developments

Global economic growth declined further to 3.2% in 2012 due to the continued debt crisis and recurring recession in the eurozone and to fiscal consolidation in a large number of countries. In the first half of 2013, economic recovery was still weak, fragile and uneven across the world. Developing and emerging market countries continued to record strong growth, with the exception of Eastern and Central European countries that had been negatively affected by instabilities in the eurozone. As regards developed countries, however, there is a gap between those that are still in a recovery phase (the US and Japan) and those with prevailing recessionary developments (the eurozone). Mid-2013 saw some positive signs in the economy resulting from a recovery observed in financial markets once an agreement about Cyprus had been reached, the fact that a strong fiscal contraction was avoided in the US, and that business expectations were stabilised.

According to IMF macroeconomic forecasts issued in spring, the global economic growth for 2013 could accelerate slightly to 3.3% in real terms. This is 0.3 percentage points below the previous forecasts (from December 2012), which did not foresee that the slowdown in late 2012 would be so strong. Furthermore,

according to monthly economic indicators released after the IMF's spring forecasts, the real economic outlook for 2013, especially in the eurozone and Croatia's main economic partners, could be even worse. Downside risks to global economic growth projections relate to uncertainties in the eurozone, sluggish implementation of adjustments and institutional reforms and a negative short-term effect of fiscal adjustment, which was especially marked in developed economies with high levels of fiscal deficit and public debt. Global economic growth is expected to accelerate further in 2014 and 2015 on the back of a recovery in the eurozone and a pick up in growth in the US.

The economy of the eurozone continues to be strongly affected by difficulties arising from efforts to combat the debt crisis. Following a decrease in economic activity (0.6% in real terms) in 2012, negative developments continued in early 2013. Real economic activity dropped by 0.2% in the first quarter of the year from the previous quarter, down for the sixth successive quarter. The drop was once again primarily caused by a decrease in investment spending, while personal consumption halted the downgrade trend. The contribution of net foreign demand to change in GDP was only slightly positive, with the decrease in

Table 2 Global economic developments^a

| | 2011 | 2012 | 2013 | | 2014 | 2015 |
|-------------------------------------------------------------------|-------|-------|--------------------|-----------------------|--------------------|--------------------|
| | | | Current projection | Δ Previous projection | Current projection | Current projection |
| GDP (real rate of change, in %) | | | | | | |
| World | 4.0 | 3.2 | 3.3 | -0.3 | 4.0 | 4.4 |
| Eurozone | 1.5 | -0.6 | -0.3 | -0.5 | 1.1 | 1.4 |
| USA | 1.8 | 2.2 | 1.9 | -0.2 | 3.0 | 3.6 |
| Developing countries and emerging market countries | 6.4 | 5.1 | 5.3 | -0.3 | 5.7 | 6.0 |
| Central and Eastern Europe | 5.2 | 1.6 | 2.2 | -0.4 | 2.8 | 3.3 |
| China | 9.3 | 7.8 | 8.0 | -0.2 | 8.2 | 8.5 |
| Main trading partners of the Republic of Croatia | 1.8 | 0.1 | 0.6 | -0.5 | 1.7 | 2.1 |
| Italy | 0.4 | -2.4 | -1.5 | -0.8 | 0.5 | 1.2 |
| Germany | 3.0 | 0.7 | 0.6 | -0.3 | 1.5 | 1.3 |
| Slovenia | 0.6 | -2.3 | -2.0 | -1.6 | 1.5 | 1.9 |
| Austria | 2.7 | 0.8 | 0.8 | -0.3 | 1.6 | 1.6 |
| Bosnia and Herzegovina | 1.0 | -0.7 | 0.5 | -0.5 | 2.0 | 3.5 |
| Serbia | 1.6 | -1.7 | 2.0 | 0.0 | 2.0 | 2.2 |
| Other | 2.4 | 1.9 | 2.0 | -0.2 | 2.4 | 2.6 |
| Real imports of trading partners ^b | 4.7 | -0.9 | 2.3 | -0.7 | 4.3 | 4.9 |
| Prices | | | | | | |
| Eurozone HICP ^c | 2.7 | 2.5 | 1.6 | 0.0 | 1.6 | 1.8 |
| Oil prices (USD/barrel) ^c | 111.1 | 112.0 | 105.3 | 0.6 | 99.5 | 96.1 |
| Oil prices (year-on-year rate of change) | 39.7 | 0.8 | -5.9 | 0.2 | -5.5 | -3.4 |
| Raw materials prices (excl. energy) (year-on-year rate of change) | 17.8 | -9.8 | -0.9 | 2.1 | -4.3 | -1.6 |
| EURIBOR 3M (end of year) ^d | 1.36 | 0.19 | 0.26 | -0.1 | 0.40 ^e | .... |
| EUR/USD exchange rate (average) ^c | 1.39 | 1.29 | 1.30 | 0.0 | 1.27 | 1.27 |
| EUR/CHF exchange rate (average) ^c | 1.23 | 1.21 | 1.23 | 0.0 | 1.25 | 1.26 |

^a Projections were derived from data available until 11 June 2013.

^b IMF (GEE), April 2013.

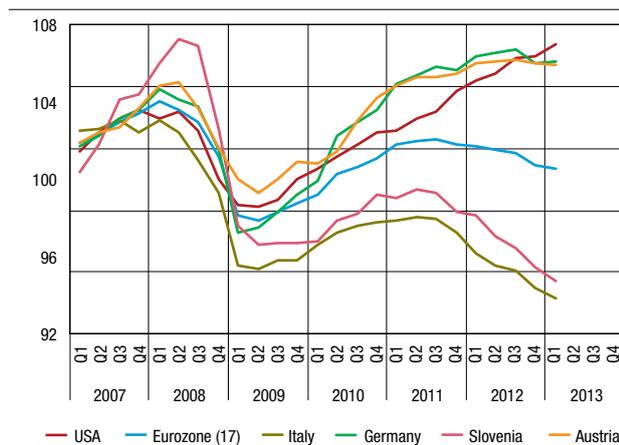
^c Consensus Forecasts, May 2013.

^d Bloomberg.

^e Q3/2014.

Source: IMF (WEO), April 2013.

Figure 1 Gross domestic product of selected economies
seasonally adjusted data, constant prices, 2007 = 100



Source: Eurostat.

imports outstripping that in exports. The strengthening of global demand and monetary policy measures could contribute to the halting of negative trends in the remaining part of the year and a full-year real GDP fall of 0.3% could be expected in 2013. However, ECB forecasts from June 2013¹ suggest an even sharper contraction in the current year, given a larger than expected economic slowdown at the turn of 2012 to 2013 and lack of clear signals of recovery. Supported by unconventional monetary policy measures, structural reform implementation, a gradual easing of the fiscal consolidation policy and continued strengthening of foreign demand, economic growth could amount to 1.1% and 1.4% in real terms in 2014 and 2015 respectively. Labour market developments are unfavourable and, with no recovery in sight, unemployment could remain high. Inflationary expectations have remained unchanged in line with the target of low and stable inflation. Risks to inflation projections are balanced and economic development risks are tilted to the downside, due to a possible slight strengthening of domestic and foreign demand and lack of structural reforms, the factors that could make a negative impact on the confidence of economic agents and postpone recovery.

The US has had a relatively stable and moderate economic growth for several years. The 2012 growth rate stood at 2.2% as a result of personal consumption growth spurred by favourable labour market developments, rising private sector investment and imports that picked up due to demand from the markets outside the crisis-stricken eurozone. The quarterly GDP growth rate accelerated to 0.5% in the first quarter of 2013, driven by increase in personal consumption, inventories, and investments in dwellings. Net exports, on the other hand, produced a negative effect, as imports and government consumption accelerated sharply because the US Department of Defence started to cut budget expenses even before automatic budget reductions took effect in early March. As personal consumption and investments could continue to strengthen and government consumption, in contrast, could have a negative effect on economic developments, real growth is expected to be slightly lower than in the previous year. Full-year economic growth could amount to 1.9% in 2013. As announced by the Fed, it will be supported by

expansionary monetary policy as long as the unemployment rate remains high, inflation rate equals the central bank's target and long-term inflationary expectations remain stable. Economic growth could be expected to pick up further in 2014 and 2015.

China's economy grew at a much slower rate in 2013 than in 2012 and in the previous decade. The real GDP growth rate fell to 7.8%, reflecting a drop in investments in the first half of the year brought about by monetary policy measures aimed at preventing price pressures in the real estate market. The economic growth strengthened in the second half of the year as a result of an uptick in public sector investments and monetary policy easing, i.e. reductions in the key interest rate and reserve requirement rate. China's GDP grew only slightly less in the first quarter of 2013 than late in the previous year (7.7% annually), which was primarily due to a downturn in investments, while personal consumption and net exports increased their contributions to growth. Monthly macroeconomic indicators point to an acceleration of financial flows that will support stronger growth in the remaining part of the year. The IMF projects real GDP to grow slightly to 8.0% in 2013, following a temporary slowdown in 2012, and to accelerate gradually in the following years.

Croatia's main trading partners

Several Croatian main trading partners suffered economic contractions in 2012 and economies in a wider group of foreign trade partners stagnated. The estimates are that their import demand declined in real terms. However, Croatian goods and services exports picked up in real terms due to positive trends in services trade. Real goods exports decreased, mainly because of a slump in ship exports, but also due to weak foreign demand, especially from Italy. A slight recovery is expected in a wider group of foreign trade partners in 2013. Slovenia and Italy are the only important trading partners that are expected to remain in recession. Significant downside adjustments were made for these two countries to economic forecasts made in December 2012. Growth in the main trading partners is expected to accelerate further in 2014 and 2015.

Italy remained in recession in early 2013, although the pace of economic contraction decelerated. Having slumped in the fourth quarter of 2012, real GDP decreased by 0.5% at a quarterly level in the first quarter of 2013. Negative domestic demand developments were offset, and industrial production stabilised, by export growth. However, as no increase in extremely low confidence of all economic sectors is expected in the short-term, economic recovery remains uncertain. The economy could therefore decline again in 2013 (by 1.5% according to IMF estimates), to recover and strengthen slightly no sooner than in the following two years. Financing conditions were affected by the parliamentary crisis, albeit Italian government bond spreads widened slightly below the peak reached in 2011. In addition, problems in Cyprus had a negative effect on bank financing conditions. Public consumption remains aimed at achieving fiscal discipline, putting pressure on the disposable income and, coupled with financial market tensions, producing an adverse effect on consumption and investments.

The German economy was one of a few economies in the eurozone that did not record a downturn in 2012. However, due to instabilities in the eurozone and related recessionary developments in the trade partners, exports and investments dropped, causing a 0.7% decrease in GDP in the last quarter of 2012. Economic activity stagnated at the beginning of 2013, to some extent also due to extremely poor weather conditions during the winter. Monthly indicators, including business expectations of enterprises, point to a recovery at mid-year, supported by strengthened exports and domestic demand. As shown by IMF's

¹ According to ECB's forecasts from June 2013, the real rate of change in the eurozone GDP could stand at -0.6% (between -1.0% and -0.2%) in 2013 and at 1.1% (between 0.0% and 2.2%) in 2014.

spring estimates, economic activity could increase 0.7% in 2013. Germany's central bank, in view of a poorer performance at the turn of the previous to the current year, released a slightly lower growth estimate of 0.3%. Growth could pick up to 1.5% and 1.3% in 2014 and 2015 respectively, boosted by the strengthening of the global economy and a recovery in the crisis-hit eurozone countries.

Austria's economy has stagnated since the second quarter of 2012, despite economic trends quite favourable compared to those in other eurozone countries. This is in consequence of the eurozone crisis, which negatively affected exports, because of a decrease in trading partners' demand, and caused investments to drop on the back of uncertain future demand trends. As of the middle of the following year, a recovery in the environment could boost exports and investments and stimulate overall economic growth. While spring IMF forecasts suggest that Austria's real GDP could increase 0.8% in 2013, Austria's central bank released a forecast in June predicting a weaker growth rate of 0.3%. Economic trends could improve moderately in the following two years, with a growth rate of 1.6%. Notwithstanding a slow growth in employment, unemployment in the labour market could continue to trend upwards, influenced by a rise in the labour force. Central bank expectations are for the unemployment rate to reach 4.8% in 2013 and remain the lowest in the EU.

The Slovenian economy, having slumped by 2.3% in 2012, continued to shrink in early 2013. GDP dropped by 0.7% in real terms in the first quarter of 2013 from the previous quarter, when the economic downturn was even sharper. All domestic demand components recorded a decrease and investments suffered a major decline. Exports, getting a boost from an uptick in demand from trading partners, continued to have a positive effect on the economy. The latest available confidence indicators for the overall economy were low in May 2013 as a result of worsening labour market conditions and declining consumer confidence. Consumer confidence fell because of the announced fiscal consolidation measures to increase the tax burden, reduce public sector wages and privatise public enterprises. As shown by the IMF's spring estimates, real economic activity could decline 2.0% in 2013 and recover at a rate of 1.5% no sooner than in 2014 (Slovenia's central bank's April estimates were more conservative, suggesting a growth rate of only 0.5%). Economic growth could pick up in the following year.

Available economic indicators for Bosnia and Herzegovina point to a minor economic recovery in early 2013, following a real decrease in GDP of 0.7% in 2012. Industrial production was on a gentle recovery path from end-2012, growing faster in early 2013. Industrial production volume went up 7.7% in the first four months of 2013 from the same period in the previous year, boosted by foreign demand growth and rising exports. Stagnating imports, on the other hand, suggest that domestic demand remained subdued. The IMF, which granted a stand-by arrangement to Bosnia and Herzegovina in September 2012, expects the country's economic activity to rise slightly by 0.5% in 2013 and strengthen further in the following two years.

Serbia's economy started to recover at the turn of 2013, having decreased by 1.7% in real terms in the previous year. This was mostly due to stronger production of cars intended for exports, with the result that foreign demand gave the largest contribution to real GDP growth, 1.9% in the first quarter of 2013. Such trends are expected to continue in the remaining part of the year, with the estimates of the IMF and National Bank of Serbia suggesting an increase in real activity of 2.0% in 2013. A negative impact on real activity could be produced by personal and government consumption, subdued due to fiscal

consolidation aimed at reducing high fiscal deficit and debt. The economic growth rate could also amount to about 2% in the following two years. Consumer price inflation has remained high, standing at an annual rate of above 10% since the last quarter of 2012.

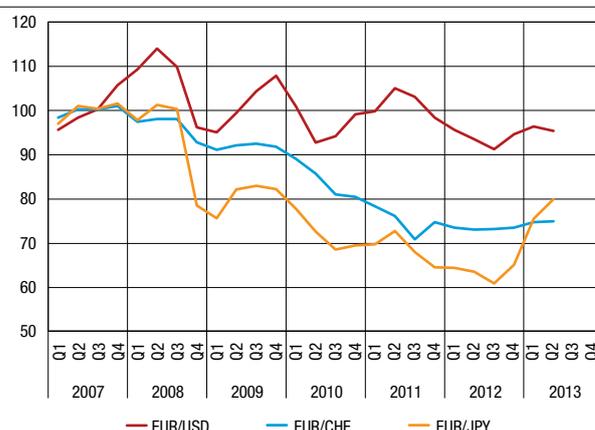
Exchange rates and price developments

The US dollar/euro exchange rate was mainly exposed to appreciation pressures in the first half of 2013. Having weakened against the euro early in the year, due to an increase in investor optimism in the European market, the US dollar started to strengthen in February as a result of growing concerns about the parliamentary crisis in Italy, the granting of financial aid to Cyprus and resolution of the difficulties in the country's banking system. The dollar appreciation trend was briefly interrupted in April, but the currency started to strengthen again because the ECB cut the key interest rate in May. In the first half of June, however, the dollar was mostly exposed to depreciation pressures, stemming from, among other things, market expectations that the Fed could limit monetary easing. The average US dollar/euro exchange rate could be only slightly weaker in 2013 than in 2012, with mild appreciation pressures on the dollar expected again in 2014. The average US dollar/euro exchange rate could hold steady at the previous year's level in 2015.

In contrast with the US dollar, the Swiss franc weakened vis-a-vis the euro in the first six months of 2013 and it is expected to depreciate annually from the previous year. Having depreciated early in the year, the Swiss franc exchange rate mostly appreciated from early February to late April. In May, however, it was down to an average of CHF 1.24/EUR, which may be attributed to a reduction in demand for safe investments resulting from alleviated concerns about financial stability and resolving the eurozone's debt crisis, to expectations that the floor set at CHF 1.20 per EUR might be raised, and to the introduction of a negative interest rate on banks' liquidity surpluses with the Swiss central bank. The Swiss franc/euro exchange rate could range around the attained level and in the second half of 2013 and weaken slightly in 2014 and 2015.

Non-energy raw materials prices rose in the first two months of 2013 and then started to drop, a trend which is expected to continue in the remaining part of the year. Iron ore prices increased significantly in the first two months of 2013 and agricultural raw materials prices also grew, with textile prices up at the

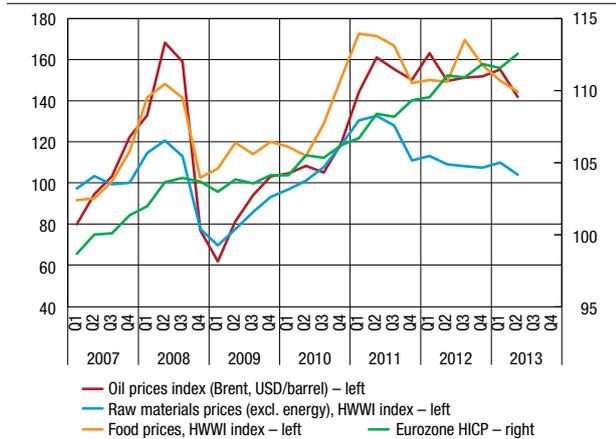
Figure 2 Exchange rates of individual currencies
2007 = 100



Note: A growth in the index denotes a depreciation of a currency against the euro. Data for the second quarter are up to 25 June 2013.

Source: Eurostat.

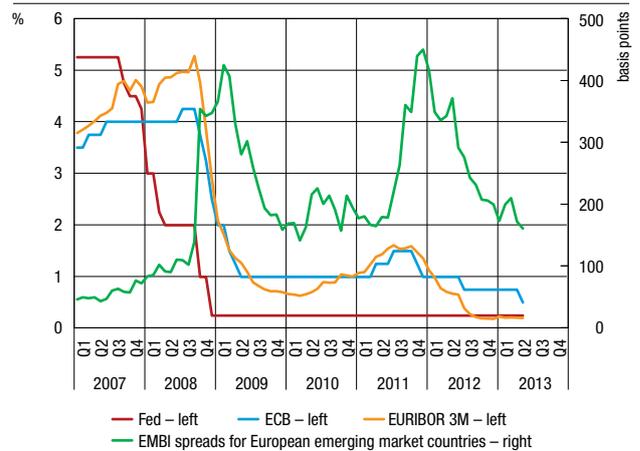
Figure 3 Prices
2007 = 100



Note: Data for the second quarter of 2013 refer to April and May, while the oil price index data refer to June as well.

Sources: Eurostat, Bloomberg and HWWI.

Figure 4 Benchmark interest rates and the average yield spread on bonds of European emerging market countries end of period



Note: Data for the second quarter are up to 27 June 2013.

Source: Bloomberg.

highest rate. Non-energy raw materials prices began declining in the subsequent period. Food product prices dropped further in the following three months and non-ferrous metal prices decreased sharply, the latter primarily due to an economic slowdown in China, the country that accounts for over 40% of the world's consumption of metal. Raw materials prices, and especially food product prices, are expected to be on the decrease in the remaining part of the current year. Only metal prices are expected to rise, assuming that the global economy will recover and that demand, especially demand from China, will increase. Non-energy raw materials prices are expected to decrease annually in 2013 and the two following years.

The growth of crude oil prices from early 2013 stopped at mid-February. These prices mostly declined in the subsequent period and are expected to continue on the downward trend towards the end of the year. Crude oil prices increased in early 2013, reaching USD 119 per barrel, due to growing optimism as regards economic developments in the eurozone and improved economic outlooks for the US and China. Against a background of weak economic indicators in key global economies and expectations of a decelerating growth in global demand, coupled with an increase in supply, crude oil prices dropped to USD 97 per barrel at mid-April. Growing towards the end of the month, these prices stabilised at around USD 103 per barrel in May and June. Market expectations embodied in forward contracts indicate that the price of crude oil could average USD 105 per barrel in 2013. The projected decrease in crude oil prices reflects an expected increase in output by non-OPEC countries and a drop in demand by developed economies. Crude oil prices are expected to drop further in 2014 and 2015.

Interest rate trends

Thanks to improved conditions in financial markets and

stabilised cyclical economic indicators, euro benchmark interest rates remained low in early 2013. Under such conditions, eurozone market interest rates were also relatively stable: the 3-month EURIBOR rate hovered around a very low level of 0.2% from early in the fourth quarter of 2012 throughout the first five months of 2013. However, in response to concerns about a lack of economic recovery in eurozone countries and weak inflationary pressures, the ECB cut the key lending interest rate by 25 basis points to 0.50% and announced that it might introduce negative interest rates on overnight deposits and new non-standard measures to boost lending. The eurozone key interest rate is not expected to change in the remaining part of the current year, although this will depend on economic activity trends. Given a relatively high unemployment rate and subdued inflation, the US key interest rate is not expected to change either.

Financing conditions for European emerging market economies mostly improved in the first half of 2013. Due to a fall in global risk aversion early in the year, yield spreads for European emerging market countries' bonds continued to narrow. The trend was reversed in February with growing political uncertainty in Italy and uncertainties about finding a solution for the financial situation in Cyprus. As financial market insecurity eased, the spread narrowed again in April and May. However, it widened again in June, due to expectations that the Fed would begin reducing monthly purchases of securities, ranging around a level of 195 basis points at the end of the month, considerably lower than that in the same period in the previous year. Although risk perception for Croatia also declined from the same period in the previous year, the yield spread remained above the average spread for peer European countries, ranging around 350 basis points at end-June.

3 Aggregate demand and supply

Real GDP, seasonally adjusted, decreased in the first quarter of 2013 from the last quarter of 2012 as a result of adverse trends in goods and services exports and personal consumption, whereas investments and government consumption picked up.² The expected real GDP annual rate of change for 2013 is -1.0%, due primarily to expected further declines in both personal consumption and government consumption. Other aggregate demand components could increase slightly. Following a GDP decrease at the end of 2012 and in the first quarter of 2013, the economy could start recovering in mid-2013.

Aggregate demand

A slump in goods and services exports in the first quarter of 2013 primarily resulted from a decrease in goods exports, including a significant drop in exports of other transport equipment (ships). Exports of most of other goods were also negative in the first quarter of the current year. Exports of agricultural products, food products and mining and quarrying products decreased considerably. In contrast, preliminary balance of payments data point to an increase in services exports in the same period.

Exports of goods and services could grow by only 0.3% in real terms at the entire 2013 level, due mainly to an unfavourable performance in the first quarter. Trends could improve towards the end of the year. The low growth rate of exports in 2013 reflects assumptions about a continued delay of economic recovery in the eurozone. Exports are expected to pick up in 2014 on the back of a recovery in demand in the main trading partners, and foreign demand trends are supposed to be a major driver of economic recovery in 2014 and 2015.

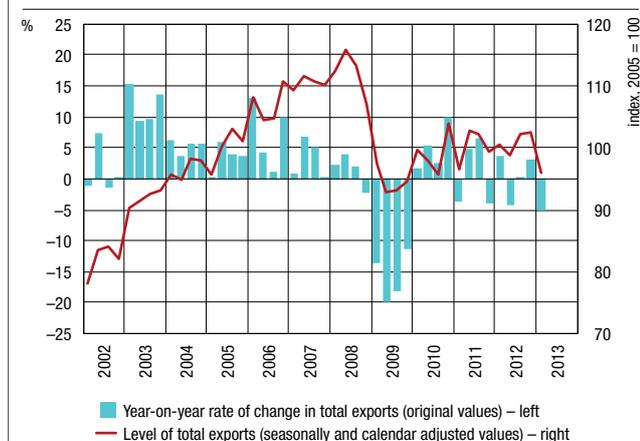
Domestic demand also fell in the first quarter of the current year, mainly because of a drop in personal consumption, while government consumption and investments grew.

Personal consumption continued to decline in the first quarter of 2013 due to adverse changes in disposable income

resulting from a continued decrease in employment and marked annual growth of consumer prices. Personal consumption could continue on the downward trend as labour market conditions are expected to remain unfavourable in the second half of the year and lead to a further decrease in disposable income. Household deleveraging will also have a negative effect on personal consumption. Fiscal trends projections incorporate the assumption that an excessive deficit procedure will be opened for Croatia, requiring a major fiscal consolidation in the forthcoming period, which could also adversely impact personal consumption. On the other hand, as Croatia's accession to the EU could lead to an increase in consumer confidence and optimism, this aggregate demand category is expected to recover slightly in mid-2014.

Investment activity was in the first quarter 2013 boosted by a considerable increase in public sector investments (budgetary and Croatian Roads investments in particular). Private sector investments are forecast to grow slightly by the end of the year,

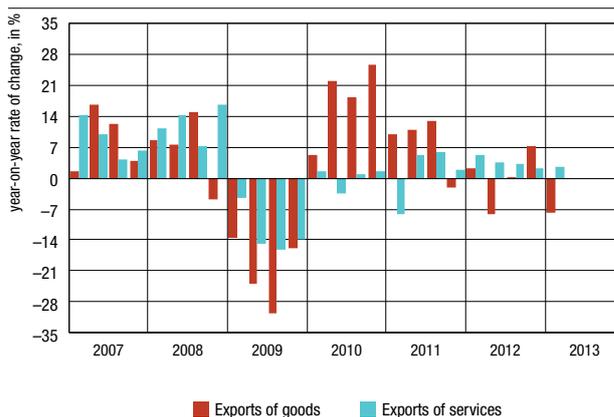
Figure 5 Exports of goods and services
real values



Source: CBS data seasonally and calendar adjusted by the CNB.

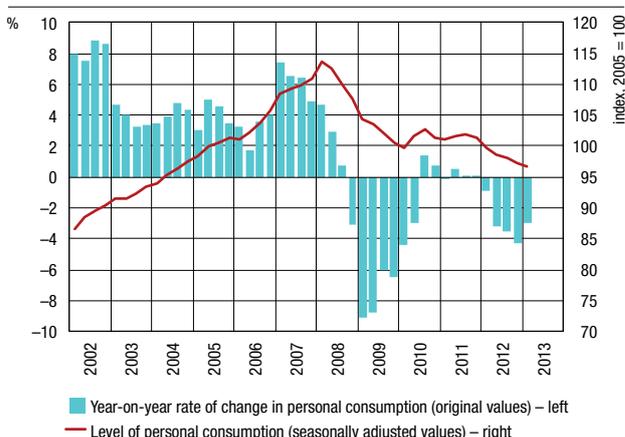
2 According to the first CBS estimate, the annual rate of change in GDP was -1.5% in the first quarter of 2013. GDP data from the first quarter of 2009 onwards are preliminary data.

Figure 6 Exports of goods and services
in EUR, nominal values taken from the balance of payments



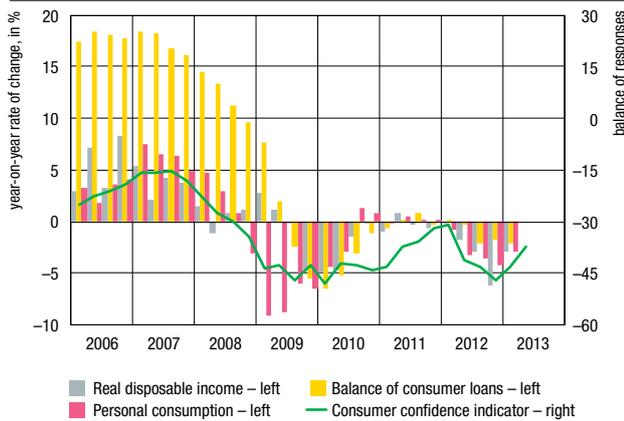
Source: CNB.

Figure 7 Personal consumption
real values



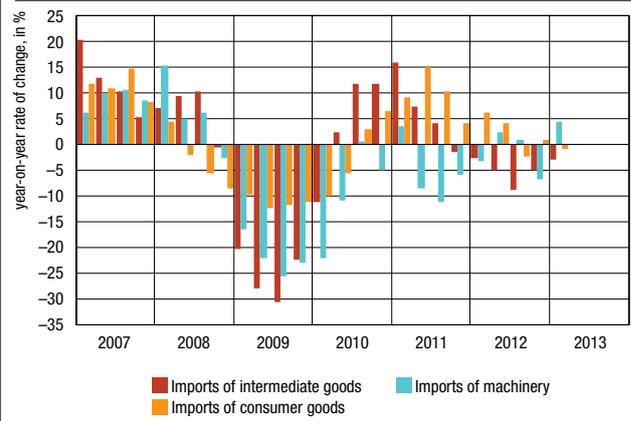
Source: CBS data seasonally adjusted by the CNB.

Figure 8 Determinants of personal consumption



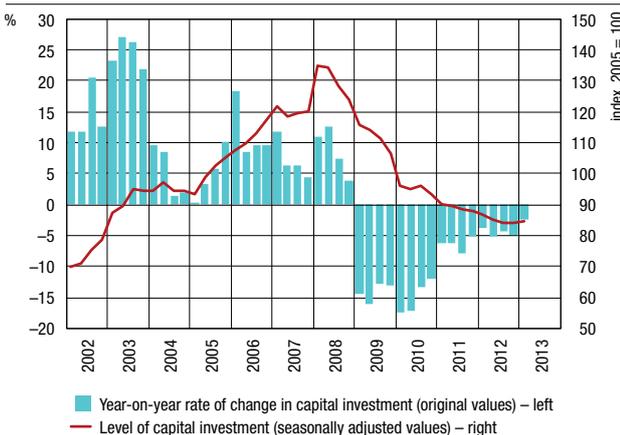
Note: The values of the consumer confidence indicator in a month are calculated as three-member moving averages of monthly data.
Sources: CBS, Ipsos Puls and CNB.

Figure 11 Goods imports by category in EUR, nominal values



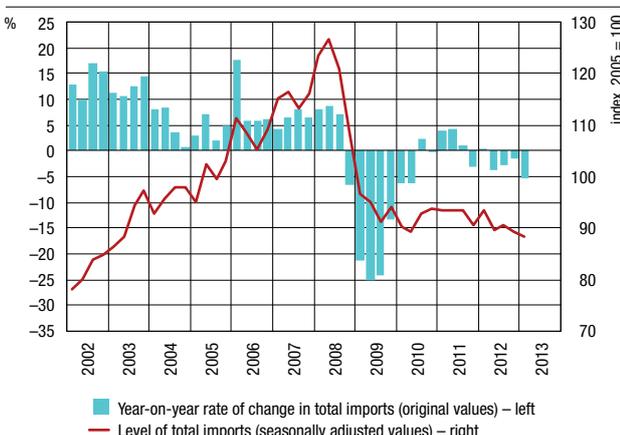
Source: CBS.

Figure 9 Gross fixed capital formation real values



Source: CBS data seasonally adjusted by the CNB.

Figure 10 Imports of goods and services real values



Source: CBS data seasonally adjusted by the CNB.

while public sector investments, according to the revised budget of the consolidated general government, could decline in the second half of the year. Private sector investments are unlikely to recover significantly, considering a continued decrease in domestic demand and uncertain foreign demand trends. In 2014, investment activity is expected to accelerate on the back of the launch/continuation of several-years-long investment projects of public enterprises and a gradual recovery of private sector investments. The use of the EU structural and cohesion funds could also produce a positive effect on investment activity in the country. However, if the excessive deficit procedure is implemented, the government will probably cut investments, despite the fact that Croatia is already a country with one of the lowest share of public investments in GDP in Europe. As a result, gross fixed capital formation could grow by 4.2% in 2014. Investment activity is expected to strengthen in 2015.

Government consumption went up somewhat in the first three months due to a rise in expenditures for benefits in kind (primarily in the health care system) and a small increase in the use of goods and services. Government consumption is expected to decline towards the end of the year and to decline in real terms compared with 2012, in line with the 2013 budget revision. All expenditures are expected to decrease, most of all those on the use of goods and services. Government consumption could be reduced in the following years in order for the nominal deficit to be brought below the ceiling of 3%, so that this aggregate demand category will probably continue to contribute negatively to economic growth.

A slump in personal consumption and foreign demand led to a decrease in imports in the first quarter. Adverse trends in these aggregate demand categories will be the main cause of the expected drop in goods and services imports in 2013. In contrast, investment activity is expected to have a positive effect on imports: an increase in machinery imports already improved imports performance in the first quarter. Exports are forecast to strengthen in 2014 and 2015 in line with the expected pick up in exports and investments.

Aggregate supply

In line with the developments in aggregate demand components in the first quarter of 2013, total real GVA fell due to contractions in trade, transport, food services activities, financial and insurance activities and real estate activities. Other activities

by NCA recorded a mild growth. The first indicators available for the second quarter of 2013 point to adverse developments in industry and construction in April and to a decrease in the number of tourist arrivals and nights from the same month in the previous year. However, retail trade turnover went up slightly from the first quarter of this year.

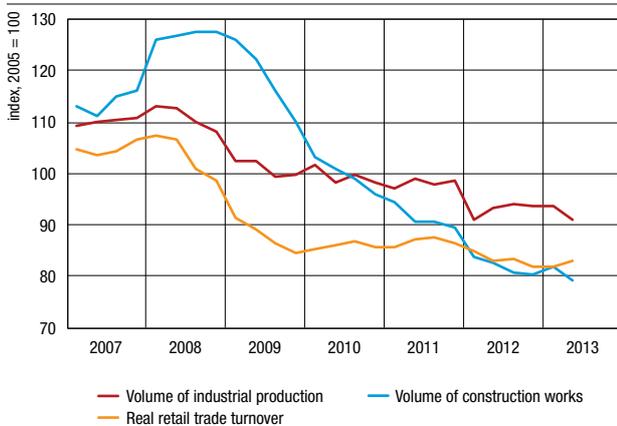
Business optimism and consumer confidence surveys (with data available for the period until June) point to low levels of business optimism in construction in the following three months and a gradual increase in industrial and consumer optimism.

Should expectations regarding developments in specific demand components come true, the major activities by NCA classification will probably see no significant recovery, which especially refers to trade, transport, storage and communications, industry and hotels and restaurants. Construction activity will probably be primarily determined by the trends and pace of public sector investments, i.e. by whether the announced infrastructural projects will be realised and in which time horizon.

In line with the described trend projections for aggregate demand components in 2013, the expected rate of change in GDP stands at -1.0%. Economic activity is expected to edge up (0.7%) in 2014, driven mainly by increases in exports and investments, whereas personal consumption and government consumption are expected to continue contracting. Fiscal consolidation will also affect real trends in 2015, when the economic activity growth rate is expected to stand at 1.3%. This refers to the central projection, which incorporates the assumption on the implementation of the Excessive Deficit Procedure in 2014 and 2015. Figure 15 shows the real growth projection and uncertainties surrounding it.³

As in the previous projection, downside risks related to the realisation of the projected rate of change in overall economic activity in this projection period are more pronounced. The main downside risks remain the same as in the previous projection, including a slow pace of realisation of the ambitious programme of investments in energy resources and infrastructure, and a possible discontinuation of some of the projects, a weaker than expected economic recovery in eurozone countries and the

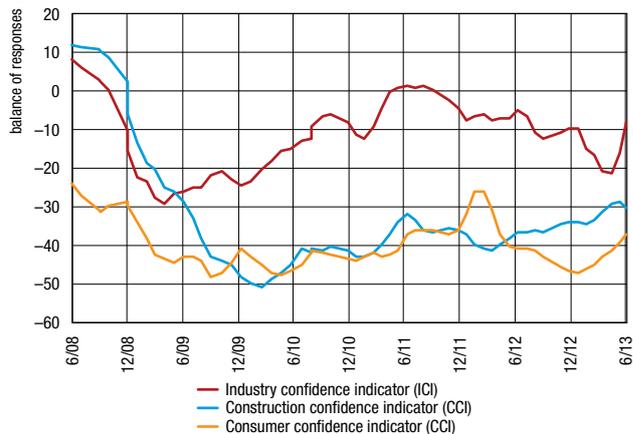
Figure 12 Short-term economic indicators
seasonally and calendar adjusted



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

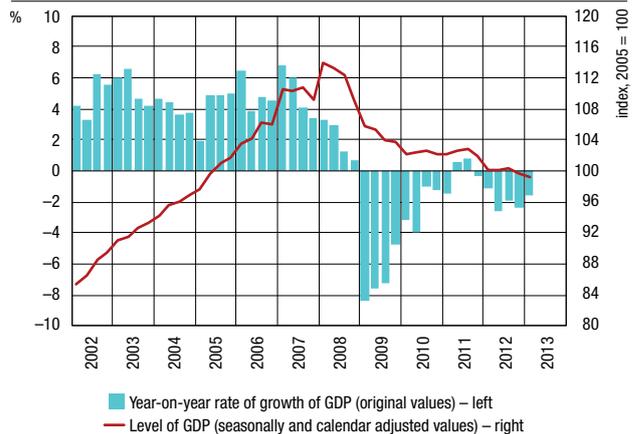
3 The lower and upper limits of a 90% confidence interval have been determined on the basis of historical variances of projection errors for a particular quarter. The said variances were further adjusted by correction factors whose value reflects the CNB's perception about changes in potential risks to the central projection.

Figure 13 Business confidence indicators



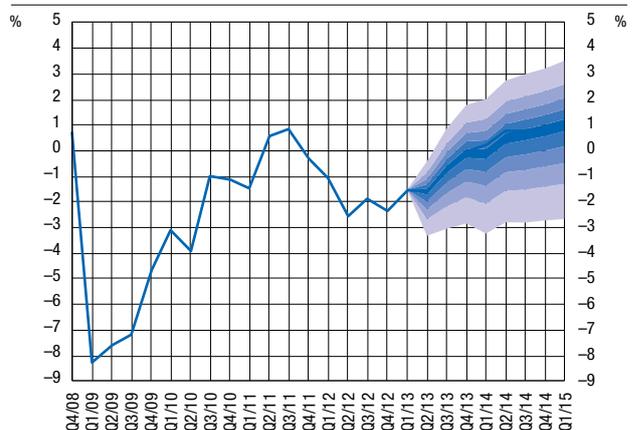
Note: The presented values are three-member moving averages of monthly data. The Business Confidence Survey has been carried out since May 2008.
Sources: Ipsos Puls and CNB.

Figure 14 Gross domestic product
real values



Source: CBS data seasonally and calendar adjusted by the CNB.

Figure 15 Projection of real GDP dynamics
year-on-year rate of growth



Sources: CBS and CNB.

main trading partners and the adverse effect the relinquishment of CEFTA membership following Croatia's accession to the EU had on exports to this group of countries. In addition, this projection assumes that an Excessive Deficit Procedure, as part of the Stability and Growth Pact, will be launched, requiring an annual structural deficit adjustment of at least 0.5% of GDP. However, the European Commission can recommend a more significant annual deficit adjustment, which could lead to a sharper

economic contraction in the projected time horizon. Nevertheless, Croatia will benefit from its EU membership, especially in the medium term. Short-term positive effects are to be expected on account of the simplification of trade, the use of the structural and cohesion funds and an increase in confidence due to expected fiscal consolidation, which is to place government debt on a long-term sustainable path.

4 Labour market

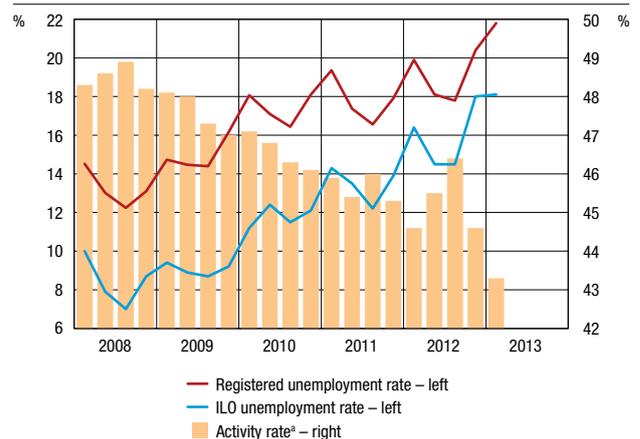
Unfavourable labour market developments halted temporarily in the first quarter of 2013, but the number of unemployed persons increased again in the following two months, while the number of employed persons stagnated in April. Employment could decrease annually by a total of 1.6% in 2013, considering economic trend projections for this year. In line with the anticipated economic recovery, employment could increase slightly in 2014, primarily due to employment growth in the private sector. The public sector is expected to contribute negatively to employment trends. Employment could grow at an accelerated rate of 1.2% in 2015 as a result of a gradual upturn in economic activity.

Seasonally adjusted CES data show a slight drop in unemployment in the first quarter, resulting mainly from declining inflows into the CES register, coupled with an increase in employment from the register. According to seasonally adjusted data for April and May, the number of unemployed persons grew again in the second quarter due to a reversal of flows, shown by CES data, by inflows into the register growing, whereas employment from the register decreased from the first quarter. In view of the anticipated economic downturn in 2013, unemployment is expected to continue annual growth. This adverse trend should reverse in conjunction with a gradual economic recovery in 2014. A further decline in unemployment is expected in 2015.

The ILO unemployment rate was 18.1% in the first three months of 2013 and the average annual unemployment rate for 2013 is expected to amount to 16.7%, which is a considerable increase from 15.8% in 2012. The unemployment rate is

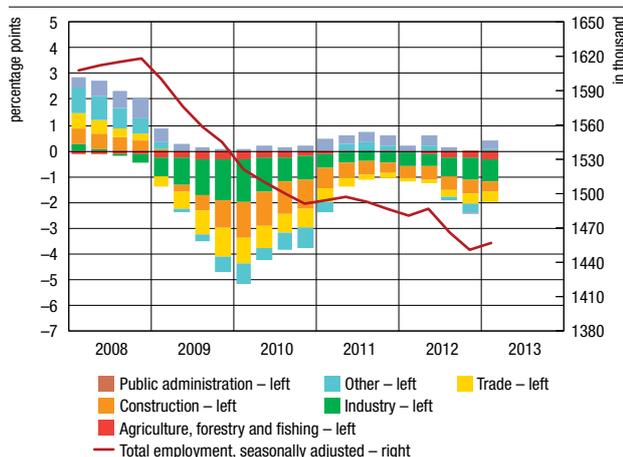
expected to go down to 16.3% in 2104, reflecting a mild economic recovery. The downturn trend should continue in 2015, when the unemployment rate could drop to 15.8% on the back of a slightly more pronounced economic recovery. The administrative unemployment rate could remain high (20.1% and 19.6% in 2013 and 2014 respectively) and labour market developments

Figure 17 Unemployment and activity rates



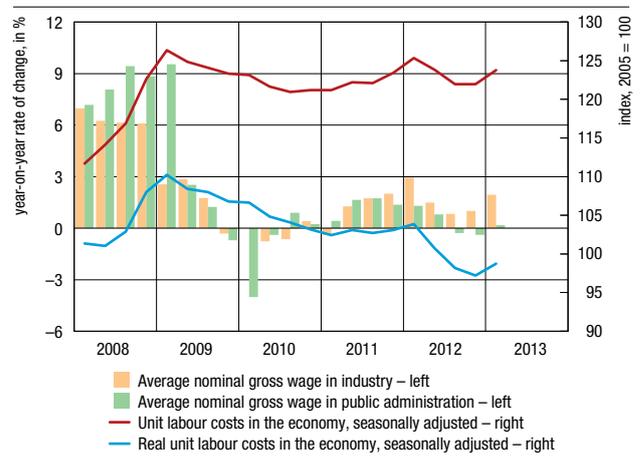
^a The labour force as a percentage of working age population (15+).
Sources: CBS and CES.

Figure 16 Total employment and contribution to employment growth by sector



Source: CPIA data seasonally adjusted by the CNB.

Figure 18 Gross wages and unit labour costs



Sources: CBS and CPIA data seasonally adjusted by the CNB.

could remain unfavourable (for more details, see Box 1 An analysis of indicators of labour market flexibility in Croatia).

Nominal gross and net wages rose at an average of 1.2% and 0.9% respectively in the first quarter from the same period in the previous year. Broken down by activities, the largest positive contribution to the nominal wage growth in the first quarter came from the private sector, especially industry, while public sector wages grew at a lower rate. According to the available data for April and May, nominal wages declined in these two months. In view of these trends, nominal net and gross wages are expected to rise slightly at an annual rate of approximately 1.0%, while real wages are expected to decline annually by 1.7%.

In 2014 nominal wages should continue moderate growth, which will be lower than the growth of consumer prices in the same period. Nominal prices should accelerate growth in 2015 and real wages could stagnate.

Unit labour costs are expected to drop in 2013, despite an increase in compensation per employee in nominal terms, due to labour productivity growth, resulting from the decrease in employment exceeding the real GDP fall. Unit labour costs are expected to grow again in 2014 in view of the fact that labour costs should grow at a higher rate than labour productivity. Unit labour costs are expected to grow faster in 2015, in line with an accelerated growth in nominal wages.

Box 1 An analysis of indicators of labour market flexibility in Croatia⁴

Various indicators of the business climate and competitiveness published by international organisations and institutions classify Croatia as a country with a rigid labour market and high legal protection of employees. A low employment and a high unemployment rate are considered to be the direct consequences of these rigidities. The analysis contained in this box shows which elements of the Croatian legislation account for Croatia's low ratings regarding its labour market flexibility. The main causes of labour market rigidity include legal restrictions for the application of fixed-term employment contracts, complicated dismissal procedures, regulation of collective redundancies and inflexibility as regards the grounds for a regular termination of the work contract. Amending the Labour Act in these areas would improve the flexibility of Croatian legislation and Croatia's ratings, which would, in turn, have a favourable effect on its attractiveness for investors.

In the opinion of experts, the Croatian labour market is inflexible and has high hiring and dismissal costs. This opinion is corroborated by business climate and competitiveness indicators, which also comprise labour market flexibility. In order to specify the legal provisions that account for Croatia's weak international ratings, given below is a detailed analysis of the Employment Protection Legislation Index and Ease of Employment Index.

The Employment Protection Legislation Index⁵ (EPL) is calculated and published by the OECD. It is used for the comparison of labour legislation among countries and comprises a wide range of indicators that can be classified into three main categories: legal regulations of full-time employment, legal regulations of fixed-term employment and legal regulations of collective redundancies. While the OECD does not calculate the EPL for Croatia, its value has been calculated twice⁶. It should be noted that the OECD has in the meantime modified the index calculation methodology and that the weighting system for the existing indicators has changed as a result. Based on the latest version

of the Labour Act (Official Gazette 149/2009), and all relevant amendments, the EPL Index for Croatia was calculated and Croatia's current position was analysed in relation to peer countries and the main trading partners comprised by the Index.⁷ The data used for Croatia are the latest available data that take into account all legislative changes on the labour market implemented until early 2013, whereas the latest available OECD data refer to 2008. Since other countries in the sample have also implemented reforms to improve labour legislation flexibility in response to the global financial crisis, Croatia's relative position is probably even more unfavourable, so that the results should be cautiously interpreted⁸.

Table 3 shows the EPL Index for Croatia and the selected countries. As shown by all the indicators, Croatia belongs to a group of countries with the most rigid labour legislation. The overall EPL Index for Croatia is 2.61 (for details of the calculation, see Annex 1) whereas the average for international peer countries is 2.43.

The inflexibility of legislation becomes especially apparent if the subindex of legal regulations of collective redundancies, amounting to 3.75 for Croatia, is taken into account. Italy is the only country in the peer country group to have stricter rules for collective redundancies (4.8), but it is also a country with the strictest collective redundancy regulations among all the countries covered by the index. An analysis of full-time employment regulations provides better results. The Full-time Employment Index for Croatia is 2.55, while the peer countries' average is 2.38. As concerns fixed-term employment regulations, Croatia's index of 2.21 again falls behind the peer countries' average of 2.10.

The World Bank's Ease of Employment Index is the second analysed labour market flexibility indicator which, in comparison with the EPL Index, has a larger scope and is calculated for most of the countries in the world.⁹ In comparison with the first indicator, this indicator does not only analyse labour market rigidity

4 This Box was completed before the Act on Amendments to the Labour Act was adopted on 18 June 2013 (Official Gazette 73/2013).

5 The OECD compiles and publishes the EPL Index for OECD countries and for Brazil, China, India, Indonesia, Russia and South Africa. The EPL Index values can range from 0 to 6, where a low value is assigned to countries with flexible labour legislation, while high values indicate inflexible labour legislation.

6 The EPL Index for 2002 was 3.58 (Biondić *et al.*, 2002). It was calculated again following Labour Act amendments in 2003 and its value fell to 2.76 (Matković and Biondić, 2003), primarily as a result of the introduction of regulations on temporary employment agencies. M. Tonin calculated the EPL Index for Croatia in 2009 using the Labour Act, as Matković and Biondić did in 2005. However, due to a slightly different interpretation of some articles, the EPL Index value was slightly lower, 2.7.

7 This part of the analysis compares Croatia's performance with those of Slovenia, Poland, Estonia, the Czech Republic, Slovakia and Hungary, as international peer countries, and with those of Italy, Austria and Germany, as the main trading partners.

8 Estonia, for example, amended its labour act in 2009 and increased labour market flexibility. The main legislative changes relate to the reduction of the notice period depending on the length of service, reduction of the severance payment depending on the length of service and streamlining hiring and dismissal procedures. Slovenia, another country that has reformed its labour legislation, reformed its labour act in March 2003 in order to ensure greater flexibility in the labour market. Dismissal procedures were simplified, notice periods were reduced and severance payments cut. The legislation was also reformed in the area of fixed-term employment contracts. Italy also reformed the labour legislation in July 2012, primarily by increasing the flexibility of use of fixed-term employment contracts and simplifying dismissal procedures.

9 The World Bank is currently not publishing an Ease of Employment Index for each country, but it publishes its calculation methodology and required data, so that the index could be constructed.

Table 3 EPL Index, Ease of Employment Index and their components

| | EPL Index | Full-time employment | Fixed-term employment | Collective redundancies | Ease of Employment Index | Difficulty of Hiring Index | Rigidity of Hours Index | Difficulty of Redundancy Index | Rigidity of Employment Index | Redundancy Costs |
|----------|-----------|----------------------|-----------------------|-------------------------|--------------------------|----------------------------|-------------------------|--------------------------------|------------------------------|------------------|
| Slovenia | 2.76 | 2.98 | 2.5 | 2.88 | 135 | 171 | 97 | 93 | 150 | 66 |
| Germany | 2.63 | 2.85 | 1.96 | 3.75 | 132 | 92 | 81 | 118 | 119 | 129 |
| Croatia | 2.61 | 2.55 | 2.21 | 3.75 | 137 | 155 | 38 | 142 | 138 | 97 |
| Italy | 2.58 | 1.69 | 2.54 | 4.88 | 93 | 88 | 97 | 118 | 127 | 28 |
| Austria | 2.41 | 2.19 | 2.29 | 3.25 | 39 | 1 | 81 | 118 | 75 | 10 |
| Poland | 2.41 | 2.01 | 2.33 | 3.63 | 95 | 43 | 81 | 93 | 80 | 120 |
| Estonia | 2.39 | 2.27 | 2.17 | 3.25 | 116 | 92 | 162 | 58 | 129 | 77 |
| Czech R. | 2.32 | 3 | 1.71 | 2.13 | 17 | 1 | 1 | 1 | 1 | 124 |
| Slovakia | 2.13 | 2.45 | 1.17 | 3.75 | 38 | 71 | 19 | 49 | 39 | 69 |
| Hungary | 2.11 | 1.82 | 2.08 | 2.88 | 89 | 43 | 185 | 1 | 86 | 85 |
| Romania | – | – | – | – | 125 | 144 | 153 | 93 | 161 | 13 |
| Bulgaria | – | – | – | – | 21 | 71 | 38 | 1 | 26 | 31 |
| Average | 2.43 | 2.38 | 2.10 | 3.415 | 86 | 81 | 86 | 74 | 94 | 71 |

Sources: OECD and World Bank.

from the employer's perspective, but takes into account a minimum level of workers' rights, in line with ILO standards.¹⁰ The index is calculated as an average of two basic indicators: an index of rigidities related to employment (calculated as the average of three subindices: the Difficulty of Hiring Index, Rigidity of Hours Index and Difficulty of Redundancy Index) and the Index of Redundancy Costs. Each of the subindices contains several components that are rated according to the World Bank methodology with regard to the characteristics of the labour legislation. World Bank data suggest that Croatia's labour market is rigid in comparison with the markets of other countries included in the analysis. Specifically, according to the Ease of Employment Index, Croatia is in the 137th position among 184 observed countries. In comparison with some countries from Central and South East Europe and selected developed European countries (Austria, Germany and Italy), Croatia is rated the worst. Compared with peer countries, Croatia's rating is the worst according to the Difficulty of Redundancy Index (dismissing one or more workers) and the second worst according to the Difficulty of Hiring Index.

The analysis showed that the unfavourable results recorded according to those indices derive from the modalities of legislation, with the restriction of application of fixed-term employment contracts making the largest negative contribution. In Croatia, the application of fixed-term employment contracts must be justified by an objective reason (Article 10 of the Labour Act); while in the majority of other analysed countries there are no limitations for using fixed-term employment contracts, which provide employers with greater flexibility in hiring. However, to protect workers' rights in these countries, most fixed-term employment contracts have limited cumulative duration or can be successively concluded up to a limited number of times. Furthermore, the limitation referred in Article 10 is economically ineffective. The Labour Force Survey shows that only Poland, Slovenia, Italy and Germany have a larger share of fixed-term employees than Croatia, while the share of employees with fixed-term contracts in all the other countries is lower than that of Croatia. In addition, as shown by data of the annual Employers' Survey, carried out by the CES, in 2012 employers planned to conclude fixed-term

employment contracts with 85% new employees. It can therefore be concluded that legislative changes could considerably improve competitiveness indicators without significantly altering employees' positions.

The indicator that quantifies dismissal procedures in cases of full-time employment contracts (Article 107) also accounts for poor international ratings. There are more redundancy restrictions in Croatia than in other countries. In Croatia it is required that a third party (government administration body) be notified, the employer is required to reassign or retrain a worker before making the worker redundant, and priority rules for redundancies apply for reemployment.

It is similar with dismissal procedures. According to Article 112 of the Labour Act, a notice of dismissal must be submitted to the worker in writing, and the workers' council (where there is one) must be notified of the intention to cancel an employment contract and the employer must consult with the council about the decision (Article 118). In addition, another unfavourable effect is caused by the additional postponement of the start of the notice period in collective redundancies, as Article 122 of the Labour Act in effect provides for a three-month postponement of the notice period in collective redundancies. Other collective redundancy provisions (the definition of collective redundancy, additional required notifications and costs borne by employers for collective redundancies in relation to individual redundancies) also have an adverse effect on Croatia's international ratings¹¹.

In 2012, the Government of the Republic of Croatia adopted a number of regulations on the labour market, but these regulations did not directly amend the labour legislation. The Act on Criteria for Participation in Tripartite Bodies and Representativeness for Collective Bargaining, adopted in mid-2012, cancels the unlimited application of legal provisions contained in expired cancelled collective agreements. The Act on the Promotion of Employment was adopted in the same year. Amendments to the Labour Act and Occupational Health and Safety Act, expected to be adopted in 2013, are aimed at facilitating employment, reducing illegal employment and enhancing the honouring of workers' rights. According to the publicly available information

10 A country's rating will be worse if the legislation is overly flexible against the interest of workers. For example, a lower rating will be assigned if the labour legislation provides for an annual leave shorter than fifteen days.

11 The indicator related to regulations on temporary employment agencies also has a significant effect on the overall EPL value. However, an international comparison shows that similar regulations are in effect in most other OECD countries, so that this indicator achieves a maximum value for as many as 21 countries.

released by the Ministry of Labour and Pension System in the course of negotiations with social partners (the first phase of amendments to the Labour Act), the reforms of the Labour Act will apply to fixed-term employment, replacement leave, temporary employment agencies, trial period, overtime working hours and collective redundancies, as well as to harmonising the act with the European Works Council Directive.

The key proposed amendment to the Labour Act is the one concerning work with a fixed-term contract. According to the available information, it will be possible to use fixed-term contracts for a period longer than three years, although only if they are concluded for the first time. The first use of a fixed-term contract will thus no longer be subject to time restrictions, which increases flexibility compared with the regulations in effect. If successive fixed-term employment contracts should be applied, the maximum duration would remain three years, in order for

workers' rights to be protected. In addition, there will be no restrictions of reasons for concluding the first fixed-term employment contract, but it will be permissible to conclude successive fixed-term contracts only if the employer has an objective reason to conclude a new contract, which must be clearly stated. Reintroduction of the restriction on successive fixed-term contracts, which requires that they be justified by an objective reason, is meant to prevent the misuse of such contracts. If there were no restrictions on entering into a first fixed-term employment contract, and if successive contracts could be signed only if justified by so-called objective reasons, the EPL Index would decrease by 0.10¹². Such a reform would provide harmonisation with EU practices, where fixed-term employment contracts are used without restrictions, and no justification by objective reasons is required, in order to make the hiring procedure easier for employers. At the same time, to protect workers' rights, fixed-term

Table 4 Details of the calculation of the EPL Index in accordance with the Labour Act in effect

| | Indicator weight in the overall EPL Index | Indicator value assigned by the authors in accordance with the Labour Act | Contribution to the overall EPL Index | Contribution to the overall EPL Index, in % |
|---------------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------------------------------------|---------------------------------------|---------------------------------------------|
| Common dismissal procedures (1/2) | 0.06944 | 4 | 0.28 | 10.7 |
| Postponement of the start of the notice period (1/2) | 0.06944 | 1 | 0.07 | 2.7 |
| Notice period after 9 months (1/7) | 0.01984 | 2 | 0.04 | 1.5 |
| Notice period after 4 years (1/7) | 0.01984 | 3 | 0.06 | 2.3 |
| Notice period after 20 years (1/7) | 0.01984 | 2 | 0.04 | 1.5 |
| Severance payment after 9 months (4/21) | 0.02646 | 0 | 0.00 | 0.0 |
| Severance payment 4 years (4/21) | 0.02646 | 3 | 0.08 | 3.0 |
| Severance payment after 20 years (4/21) | 0.02646 | 2 | 0.05 | 2.0 |
| Definition of unjustified dismissal (1/5) | 0.02778 | 4 | 0.11 | 4.3 |
| Trial period duration (1/5) | 0.02778 | 3 | 0.08 | 3.2 |
| Compensation for unjustified dismissal (1/5) | 0.02778 | 3 | 0.08 | 3.2 |
| Possibilities for returning to work (1/5) | 0.02778 | 4 | 0.11 | 4.3 |
| Maximum period for reporting unjustified dismissal to the competent court (1/5) | 0.02778 | 2 | 0.06 | 2.1 |
| Justified cases for the application of a fixed-term employment contract (1/2) | 0.10417 | 4 | 0.42 | 16.0 |
| Maximum number of successive contracts (1/4) | 0.05208 | 0 | 0.00 | 0.0 |
| Maximum total duration of successive contracts (1/4) | 0.05208 | 1 | 0.05 | 2.0 |
| Types of jobs permitted (1/3) | 0.06944 | 1.5 | 0.10 | 4.0 |
| Restriction of the number of successive contracts (1/6) | 0.03472 | 2 | 0.07 | 2.7 |
| Maximum total duration of successive contracts (1/6) | 0.03472 | 0 | 0.00 | 0.0 |
| Authorisation and record keeping of agencies (1/6) | 0.03472 | 2 | 0.07 | 2.7 |
| Equality of pay and other working conditions (1/6) | 0.03472 | 6 | 0.21 | 8.0 |
| Collective redundancy definition (1/4) | 0.04167 | 3 | 0.13 | 4.8 |
| Additional information required (1/4) | 0.04167 | 3 | 0.13 | 4.8 |
| Additional postponements of the start of the notice period (1/4) | 0.04167 | 6 | 0.25 | 9.6 |
| Other additional employers' costs (1/4) | 0.04167 | 3 | 0.13 | 4.8 |
| EPL Index | | | 2.61 | |

Source: Authors' calculation.

12 The value of the indicator, with the restrictions for fixed-term employment contracts, is estimated to drop from four to one. Since Tonin assigns the value of 6 to this indicator for Croatia, whereas Matković and Biondić (2003) assign the value of 4, and with opposing views on this indicator's value obtained from consultations with legal experts, the current value of the indicator, according to some interpretations, could exceed 4. If the current value exceeded 4, the EPL Index would decrease more.

employment contracts have limited cumulative duration or can be successively entered into up to a limited number of times.

The amended act is expected to simplify the collective redundancy definition and procedure and to reduce the postponement period for cancelling the contract for all or individual workers covered by the redundancy scheme from ninety to thirty days. The reduction of the postponement period for cancelling collective agreements to 30 days would result in the EPL Index decreasing by 0.17.

A quantification of the effects that all proposed amendments to the Labour Act in the first phase produce on the EPL Index leads to the conclusion that the proposed reforms will, for the time being, reduce the EPL Index from the currently estimated 2.61 to 2.34. It should be mentioned that it is uncertain whether the proposed first phase amendments to the Labour Act will be adopted in the Parliament and which legislative changes will be proposed in the second phase of amendments.

The connection between the selected labour market flexibility indicators and effective labour market outcomes should be analysed next. The recent literature emphasises the importance of labour market regulation for effective market trends. Crivelli

et al (2012) show, using a panel of 167 countries, that structural policies that enhance labour market flexibility (primarily by regulating hiring and dismissal procedures) lead to a sharp increase in unemployment during economic downturns, but also result in a strong and quick recovery once economic trends stabilise. Lehman et al. (2009) use a panel of transition countries to show that the deregulation of labour legislation in transition countries had a favourable effect on labour market development in these countries. In contrast, some earlier research suggests that a direct connection between the indicators of labour market flexibility/rigidity and effective labour market results cannot be established. Kapsos (2005) analyses a panel of 160 countries, concluding that labour market developments are positively affected by the share of services sector in the overall economy, and negatively affected by inflation and labour tax burden, while the effect of labour market flexibility/rigidity is not statistically important. Mourre (2004) also does not find a statistically significant effect of labour market flexibility/rigidity on labour market elasticity. His analysis shows that real labour cost is the main determinant of labour market elasticity.

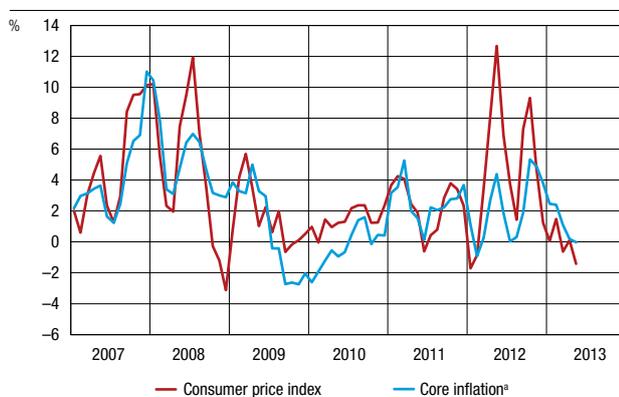
5 Inflation

Consumer price inflation decelerated in the first five months of 2013 against a background of weak domestic demand, a slight decrease in unit labour costs, a drop in imported inflation and a favourable base effect.¹³ Inflation increased at a high annual rate of 5.2% in January 2013, due primarily to administrative decisions (the repeal of the zero VAT rate and price increases in water and railway transport services), before slowing down at an annual rate of change of 1.6%. All inflation components contributed to the slowdown, with the exception of processed food products, the largest contribution coming from energy (3.0 percentage points). The annual rate of change in energy prices fell to -2.5% in this period, from 13.0% in January, due to a

favourable base effect, and to some extent because of a price decrease in refined petroleum products and gas. The slowdown in the annual growth of energy prices led to a sharp deceleration in the growth of domestic industrial producer prices from 5.4% in January to 0.2% in May, while non-energy producer prices held steady at 1.5%. Core inflation (excluding energy prices) slowed down more moderately, from 2.6% in January to 1.9% in May.

The absence of domestic inflationary pressures was mostly reflected in the developments of industrial product prices, excluding food and energy, which decreased by 0.6% from the same month in the previous year, and services prices, which grew at a low annual rate of 0.5% in May. Food products made

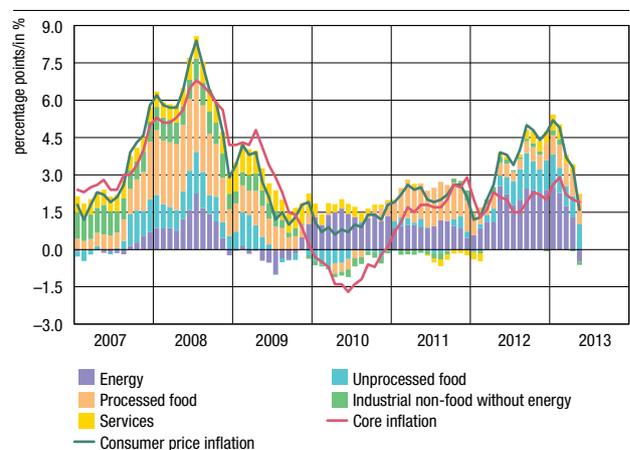
Figure 19 Consumer price index and core inflation annualised month-on-month rate of change



^a Core inflation does not include agricultural product prices and administrative prices. Note: 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



Sources: CBS and CNB calculations.

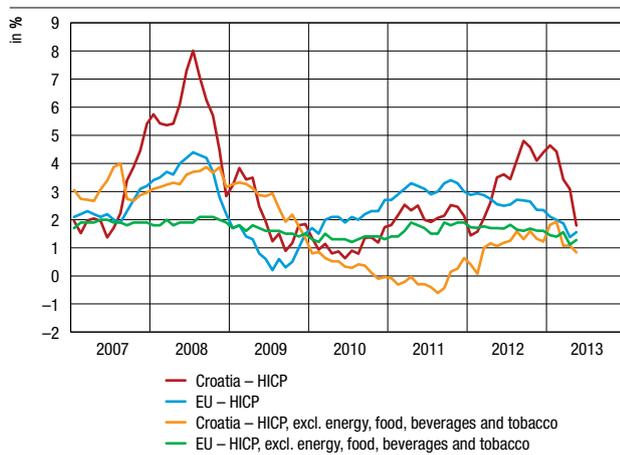
¹³ Due to increases in the basic VAT rate and locally regulated prices (water supply, etc.) in March 2012, a rise in refined petroleum product prices in March and April 2012, and primarily because of a price hike in electricity and natural gas in May 2012.

Table 5 Price indicators

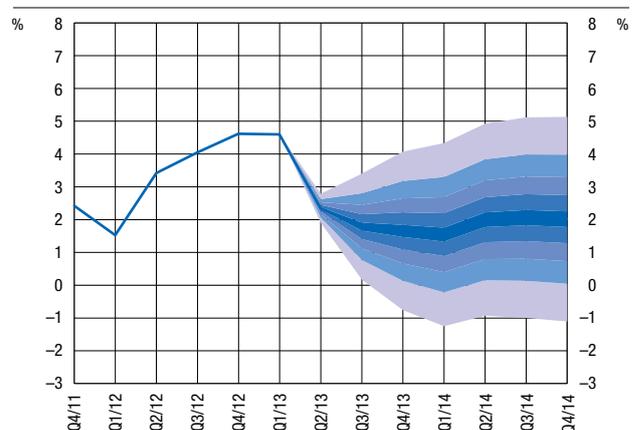
year-on-year rate of change

| | 2009 | 2010 | 2011 | 2012 | 6/2012 | 9/2012 | 12/2012 | 3/2013 | 5/2013 |
|-----------------------------------------------------|------|------|------|------|--------|--------|---------|--------|--------|
| Consumer price index and its components | | | | | | | | | |
| Total index | 2.4 | 1.1 | 2.3 | 3.4 | 3.8 | 5.0 | 4.7 | 3.7 | 1.6 |
| Energy | -1.1 | 9.5 | 6.2 | 10.5 | 12.9 | 14.2 | 13.9 | 9.1 | -2.5 |
| Unprocessed food | 2.5 | -2.2 | 1.2 | 5.8 | 5.3 | 11.2 | 9.4 | 6.0 | 7.7 |
| Processed food (incl. alcoholic drinks and tobacco) | 3.8 | -0.1 | 5.8 | 2.6 | 2.5 | 2.2 | 3.2 | 4.4 | 5.3 |
| Industrial non-food without energy | 1.5 | -0.7 | -0.3 | 0.4 | 0.7 | 0.4 | -0.3 | -0.1 | -0.6 |
| Services | 4.3 | 1.5 | -0.4 | 0.5 | 0.5 | 1.6 | 2.0 | 1.5 | 0.5 |
| Other price indicators | | | | | | | | | |
| Core inflation | 2.8 | -0.8 | 1.8 | 1.9 | 2.0 | 1.9 | 2.0 | 2.2 | 1.9 |
| Producer price index of industrial products | -0.4 | 4.3 | 6.4 | 7.0 | 7.0 | 8.9 | 6.9 | 3.2 | 0.2 |

Source: CBS.

Figure 21 Overall and core inflation measured by the movements in the HICP in Croatia and European Union year-on-year rate of change

Sources: CBS and Eurostat.

Figure 22 Projection of consumer price inflation year-on-year rate of change

Sources: CBS and CNB calculations.

the largest contribution to the annual inflation rate in May. Specifically, despite a slowdown in the last four months¹⁴, the annual rate of change in unprocessed food product prices remained at a relatively high 7.7% in May. The prices of processed food products (including alcohol and tobacco), affected by an unfavourable base effect¹⁵, contributed 0.4 percentage points more to inflation in May than in January, their annual rate of change reaching 5.3%. This was also due to a price hike in milk and dairy products¹⁶ and an increase of 5.3% in tobacco product prices¹⁷ resulting from an increase in excises in late 2012.

The European Union also saw a decline in inflationary pressures in the first five months of 2013, resulting from unfavourable economic developments and price decreases in crude oil and other raw materials in the world market. The EU's annual HICP inflation rate dropped from 2.3% in December 2012 to 1.6% in May 2013. The decrease was more pronounced in Croatia (from 4.4% to 1.8%), primarily because of a sharper decrease in the annual rate of change in energy prices caused mainly by

the base effect. On the other hand, as in the EU, weak personal consumption and unfavourable labour market developments resulted in a slowdown in core inflation. The annual rate of change in the HICP, excluding energy, food, beverages and tobacco, dropped from 1.2% in December 2012 to 0.8% in May 2013 in Croatia, and from 1.6% to 1.3% in the EU.

In the remaining part of 2013, consumer price inflation is expected to remain low and relatively stable, ranging around an average of 1.8%, against the background of an absence of both demand and cost inflationary pressures¹⁸, a stable kuna/euro exchange rate and a continued decline in inflationary pressures, primarily resulting from an anticipated decrease in world prices of food raw materials. The average annual inflation rate is projected to decrease from 3.4% in 2012 to 2.6% in 2013, a 0.6% lower rate than in the previous projection. Energy prices are expected to remain relatively stable in the remaining part of the year, reflecting crude oil price trends in the prompt market and the assumption that the prices of natural gas and household

14 Due to a decrease in the annual growth rate of meat prices.

15 These products' prices fell in March 2012 due to a reduction in the VAT rate on some food products.

16 It was especially marked in May, when these prices rose by 4.8% from the previous month.

17 Tobacco products' prices increased by 4.0% in February and by 1.3% in April from the previous month respectively.

18 Due primarily to a decline in personal consumption and annual unit labour costs. Labour productivity is expected to edge up (boosted by the continued decrease in employment) at a slightly higher rate than almost stagnating compensation per employee.

electricity will remain unaltered. In addition, with a lower level of world raw material prices in the remaining part of 2013 than in the previous year, and a price decrease related to the lifting of the remaining protective tariffs on food products imported from the European Union, the annual rate of growth in food prices is expected to decline. In contrast, the annual rate of growth of the CPI excluding food and energy could accelerate, driven to some extent by an increase in tobacco product prices expected early in the third quarter, which is to some extent to be caused by the growth of excises resulting from their continued harmonisation with EU regulations.

The annual consumer price inflation rate is expected to slow down to 1.9% in 2014 as a result of energy and food price developments. The average annual rate of change in energy prices is expected to decline because of a projected decrease in Brent crude oil prices. In addition, the average annual rate of change in food prices is projected to grow less than in 2013 as a result of a decrease in world food raw material prices. Domestic inflationary pressures are not expected to grow in 2014 as

personal consumption is projected to increase slightly and unit labour costs to increase by only 1%. Inflation could accelerate slightly to 2.0% in 2015. Imported inflationary pressures should continue to abate, albeit at a slightly slower pace, reflecting price decreases in crude oil and other raw materials in the world market. On the other hand, domestic inflationary pressures could strengthen somewhat and lead to an acceleration in the annual growth rate of the CPI excluding food and energy.

The inflation projection is subject to numerous risks, with the risks of lower than projected and higher than projected inflation balanced, as suggested by the symmetrical shape of the fan (Figure 22). The main risk to lower than projected inflation is posed by weakening domestic demand, which could primarily result in a slowdown in the growth of non-food and non-energy consumer prices. Higher inflation might be induced by a sharp increase in administered prices, a fast growth of world raw material prices, especially the growth of crude oil and food raw materials, and by adverse weather conditions that could accelerate the growth of domestic agricultural products prices.

6 Foreign trade and competitiveness

The current account balance continued improving in the first quarter 2013 after being almost in balance in 2012. The decrease in the factor income account deficit contributed the most to such developments due to lower direct investment expenditures (dividend payments and reinvested earnings) and interest expenses. Revenues from services went up slightly, while the current transfer balance stagnated. Although the annual drop in goods exports outstripped that in goods imports, the latter narrowed more in its absolute amount so the goods account deficit also went down slightly relative to the first quarter of 2012.

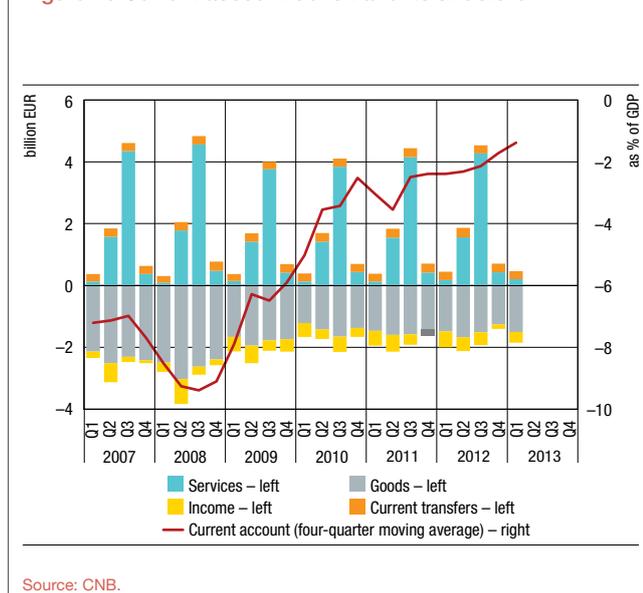
Broken down by quarter, it is visible that the contraction of the trade deficit, seen in the previous three quarters according to the seasonally adjusted data did not continue in the first quarter of 2013, when trade deficit went up by almost one fourth relative to the last quarter of 2012. This was a consequence of the 13.3% decline in exports on a quarterly basis. The exports of ships and other means of transport continued to be very weak, while the

exports of oil products increased. The exports of other goods, having grown gradually throughout 2012, reduced by 7.4%, with the exports of sugar, sugar products and honey, artificial fertilisers, electrical machinery, apparatus and appliances falling significantly. The imports of goods also reduced in the first quarter (-2.1%), as did exports, predominantly as a result of the reduced imports of ships previously exported for finishing purposes, while the imports of oil and oil products slightly recovered. The 2.0% growth in imports of other goods was predominantly a result of the increase in the imports of capital goods, coal, coke and briquettes, fruit and vegetables, and iron and steel.

Developments in the Croatian exports of goods broken down by individual markets show that the greatest fall during the economic crisis was registered in the CEFTA markets (Figure 24). Although recovery was steady, the pre-crisis levels in the exports of goods to these markets have still not been attained by the beginning of 2013. It is only in the segment of agricultural and food products that we have seen continued growth; however, this failed to make up for the weak exports of other goods, especially industrial raw materials and capital goods. At the beginning of 2013, the exports to CEFTA members shrank (by 12.2% on annual basis in the first four months of 2013), predominantly as a result of the fall in the exports of ships for finishing to Montenegro and electrical machinery, apparatus and appliances to Serbia, and a slight decline can be perceived in exports of agricultural and food products on the eve of leaving the CEFTA.

The exports to EU member states had recovered at a slightly faster pace after the crisis, thanks to the faster recovery of exports of industrial products. However, by mid-2011 these figures had stagnated. The only markets in which Croatian exports have seen continued relatively favourable developments are the non-EU members and countries outside the region. There has been no significant fall in domestic exports to these markets during the crisis. The Russian and Turkish markets have stood out for their imports of medical and pharmaceutical products, followed by the imports of machinery and equipment, and industrial raw materials. Exports to these markets are among the rare markets that in the first quarter 2013 were characterised by a favourable growth trend in exports.

Figure 23 Current account deficit and its structure



The gradual strengthening of domestic exports in the period to come should be aided by easier export to the EU market, but also to the markets of third countries, which might make up for the expected decline in exports to CEFTA members. Croatia's EU accession will make it easier for many exporters to place their goods in the Union markets but also in the markets of third countries due the simplification of administrative procedures in trading and acquiring the EU designation of origin. In addition, as an EU Member State, Croatia will adopt the common trade policy and new agreements on free trade, enabling it to place its goods on many new markets at more favourable trade conditions. This should compensate for the weaker exports to CEFTA markets, where domestic agricultural and food producers will lose the opportunity to place their goods in free trade zones without paying customs duties. As a result, a share of production and trade might be moved to the region. These structural changes will become increasingly significant in 2015, when domestic exporters have had the chance to adapt to new market conditions.

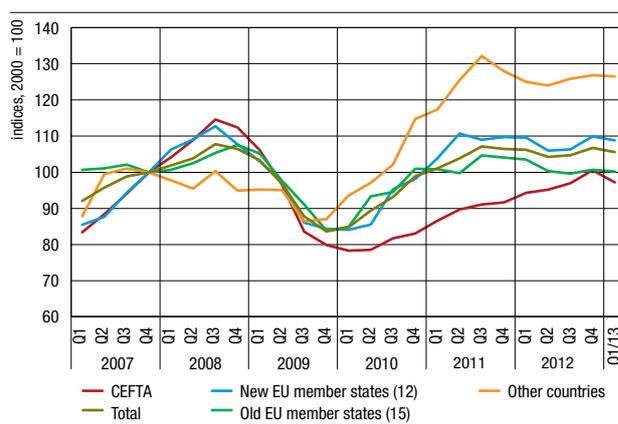
Imports, after having reduced in the first quarter of 2013, are expected to grow slightly as the year goes by. Their growth dynamics might come into the spotlight in the second half of 2013, when we are expected to see an increase in the imports of agricultural goods from the EU following the repeal of the remaining protective customs tariffs. The fall in crude oil prices on the world's markets might contribute to a slightly lower value of net imports of oil and oil products. A substantial increase in the imports of goods should not be expected until 2014 and 2015, when the recovery of the domestic economy might spur the imports of not only capital but also of consumer goods.

Developments in the international trade in services will predominantly be determined by revenues from tourism, which are expected to grow some 3.0% in the projection period, the figure also seen in 2012. The growth dynamics of revenues from tourism might increase towards the end of the projection period if the recovery in our outbound markets strengthens. Positive trends will also depend on the strengthening of non-price competitiveness factors where there is much room for improvement relative to other European tourist countries (for more, see Box 2: Competitiveness of Croatia's tourism).

Deficit in the factor income account might continue reducing in the remainder of 2013. Assuming the overall foreign debt stagnates and interest rates on international financial markets remain low, in the rest of 2013 we might see a fall in interest rate expenses. A weaker domestic economic outlook might be reflected in the reduction of expenses from direct equity investments. At the same time we might see a rise in employee compensations. In 2014 and 2015, the recovery in economic activity and the rise in foreign debt might contribute to a renewed increase in the income account.

The future developments in the current transfers account, paired with the slight but stable increase in transfers to the

Figure 24 Croatia's exports of goods by economic classification of countries



Note: CEFTA includes Albania, Bosnia and Herzegovina, Montenegro, Macedonia, Moldova, Serbia and UNMIK/Kosovo. Index values are calculated as four-quarter moving averages.

Source: CBS.

private sector, are expected to depend primarily on transfers to the government sector. Consequently, paired with the growth of inflows from EU institutions after accession, the current transfers account might see positive developments until the end of the year. In addition to the continued inflow of assets from existing projects financed from pre-accession funds, we also expect additional temporary funds earmarked for the strengthening of administrative, institutional and financial capacity that will exceed the amount of payments into the EU budget. After that, in 2014, the current transfers balance might deteriorate, primarily due to the twice as high payments due to the EU budget (EUR 0.5bn), while the opportunities for using the funds from the EU budget will predominantly depend on project preparation and the possibilities of domestic co-financing. Also, a substantial share of the funds will be earmarked for capital investments and will be entered in the capital account of the balance of payments. Net receivables from the EU budget might increase in 2015, assuming projects are better prepared so the overall current transfers balance might improve again.

In accordance with the described four-year period the current account balance might continue improving in 2013, when a surplus of some 1.3% of the estimated GDP is expected. Such developments might predominantly reflect the continued contraction of the deficit on the factor income account, aided by the increase in the surplus in the international trade in services. In 2014 and 2015, a deterioration of the current account balance might occur again (to 1.0% of GDP and, 0.7% of GDP, respectively) primarily due to the indicated developments in the current transfers account.

The beginning of 2013 was marked by a deterioration in the

Table 6 Current and capital account and its components as % of GDP

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Current account balance | -7.3 | -8.9 | -5.1 | -1.0 | -0.9 | -0.1 | 1.3 | 1.0 | 0.7 |
| Goods | -21.8 | -22.4 | -16.1 | -12.9 | -13.8 | -13.8 | -13.9 | -13.6 | -13.5 |
| Services | 14.7 | 14.4 | 12.7 | 13.0 | 13.9 | 14.6 | 15.1 | 15.2 | 15.2 |
| Income | -2.5 | -3.3 | -4.0 | -3.5 | -3.5 | -3.5 | -2.5 | -2.7 | -3.3 |
| Current transfers | 2.4 | 2.3 | 2.2 | 2.4 | 2.6 | 2.6 | 2.7 | 2.1 | 2.3 |
| Current and capital account balance | -7.2 | -8.9 | -5.0 | -0.9 | -0.8 | 0.0 | 1.4 | 1.3 | 1.3 |

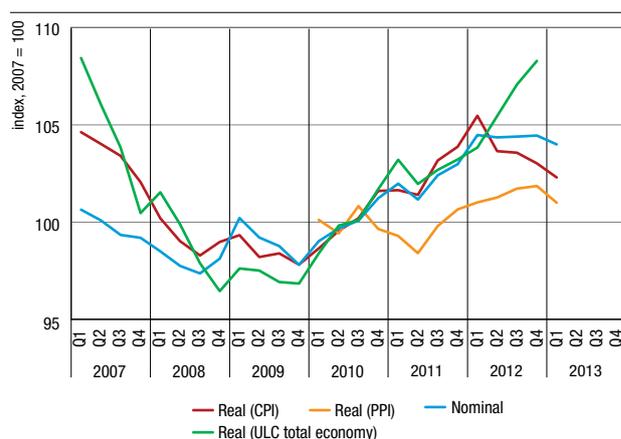
Source: CNB.

indicators of Croatian export price competitiveness. The real effective kuna exchange rate deflated by consumer and producer prices (for the RC in a non-domestic market) appreciated in the first quarter of 2013 from the previous quarter. The appreciation of the real effective exchange rate of the kuna deflated by consumer prices started in the second quarter of 2012. In addition, this indicator also appreciated in the first quarter of 2013 relative to the same period of the previous year (3.0%), while the real effective exchange rate of the kuna deflated by consumer prices maintained the same level as the year before.

According to the latest available data for the fourth quarter of 2012, the real effective kuna exchange rate deflated by unit labour costs for the economy as a whole continued to depreciate. At annual level the indicator depreciated by 3.3%, as a consequence of the nominal effective depreciation and slower growth of domestic unit labour costs relative to the major trading partners. This continued the strengthening trend in the competitiveness of the Croatian exports for the third year in a row. However, it should be noted that in Croatia the unit labour costs in the overall economy grow slower than in industry due to the relatively slower fall in labour productivity and the fall in employee compensations. This indicates that the improvement in the competitiveness of the export sector, measured by the development in the competitiveness indicators in industry might be weaker.

After three years of improvement, the price competitiveness of Croatian exports measured by the real effective kuna exchange rate deflated by consumer prices might deteriorate in 2013. Such developments reflect the expected more prominent growth of domestic prices relative to the prices in the countries

Figure 25 Nominal and real effective exchange rates of the kuna



Note: ULC stands for unit labour costs. A fall in the index denotes an effective appreciation of the kuna.

Source: CNB.

that are our major trade partners and the appreciation of the nominal effective exchange rate of the kuna (primarily due to the appreciation of the kuna against the Japanese yen, i.e. the weakening of the Japanese currency in the world's foreign exchange market). We do not expect major changes in the real effective exchange rate of the kuna deflated by consumer prices in 2014 and 2015.

Box 2 Competitiveness of Croatia's tourism

Croatia's tourism grew strongly in the period between 2000 and 2012, which resulted in the increase of its share in the European tourism market. The analysis of the price competitiveness of Croatia's tourism in the same period indicates its deterioration. Nevertheless, Croatia remains more price competitive than the majority of European tourist countries, while the non-price competitiveness indicators show a relatively worse position.

International competitiveness is most often analysed based on different macroeconomic indicators which are usually divided into price and non-price competitiveness indicators. In this Box the price aspects of competitiveness in tourism are reviewed with the help of the index of the real effective exchange rate in tourism, while the non-price aspects are reviewed with the help of the assessments of the World Economic Forum. It also shows the movement of market shares in tourism.

In order to review the price competitiveness of Croatia's tourism we calculated two different indices of the real effective exchange rate¹⁹: the first reflects exchange rate and price changes relative to the countries from which the largest number of foreign guests stem (outbound markets)²⁰ and the second shows changes relative to countries which are Croatia's main competitors in tourism.²¹ In both cases, the index of the nominal effective exchange rate is adjusted by relative prices in the hospitality

industry (accommodation, food and beverages) and the harmonised index of consumer prices.

The indices of the real effective exchange rate of the kuna in tourism (Figure 26) show that Croatia's price competitiveness deteriorated in the period from 2000 to 2012. However, it should be noted that the loss of price competitiveness in tourism was noticeably weaker than in international trade of manufactured goods (according to the index regularly published in the CNB Bulletin). The deterioration in the price competitiveness of Croatia's tourism, for the most part, occurred in the pre-crisis period. In contrast, over the last two years the price competitiveness of Croatia's tourism has improved, partly making up for the loss in competitiveness over the previous years.

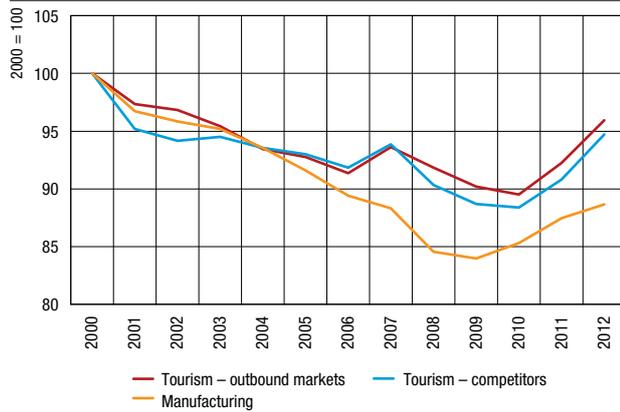
The loss of price competitiveness is not characteristic of only Croatian tourism. Similar developments have been registered in most competitor countries (Figure 27). In the period from 2000 to 2012, the price competitiveness of Croatian tourism relative to its main outbound markets improved only in Germany and the United Kingdom, while in France it deteriorated a little. Croatia belongs among countries that experienced a moderate loss in competitiveness, together with Italy and Austria. In other countries the loss of price competitiveness in tourism was noticeably higher. In these countries as well, the deterioration of price

19 The standard indicator of price (or cost) competitiveness of an economy is the index of the real effective exchange rate, which is calculated by deflating the index of the nominal effective exchange rate with the index of relative changes in domestic prices (or labour costs) relative to other countries. The selection of deflators and weights depends on the purpose of the analysis.

20 These are the 16 most important outbound markets for the RC tourism according to the number of overnight stays of foreign guests in the third quarter in the period from 2009 to 2011, excluding Bosnia and Herzegovina and Russia due to unavailable relevant data.

21 The following competitors are included: Austria (AT), Bulgaria (BG), Cyprus (CY), France (FR), Greece (EL), Italy (IT), Malta (MT), Germany (DE), Portugal (PT), Spain (ES), Turkey (TR) and the United Kingdom (UK). The relative importance of each of the 12 competitor countries has been determined based on its representation in the main outbound markets during the third quarter in the period from 2009 to 2011. Montenegro is not included in the calculation due to lack of data.

Figure 26 The real effective exchange rate of the kuna in tourism^a and manufacturing^b



^a With the deflator of harmonised consumer prices of services in the hospitality industry (accommodation, food and beverages). ^b With the deflator of total consumer prices (goods and services). Note: The fall in index reflects real effective appreciation. Sources: CBS, CNB, Eurostat, national statistics offices and CNB calculations.

competitiveness was registered predominantly in the pre-crisis period. In the last two years, when the price competitiveness of Croatia's tourism improved, developments were positive in most competitor countries as well.

A similar trend is indicated also by the indices of real effective exchange rates that are based on mutual competition (Figure 28). Overall, in the period under review the more developed countries improved their relative position among competitors in tourism²². Croatia is among countries whose relative position deteriorated moderately, together with Greece and Spain. Price competitiveness in tourism deteriorated the most in Bulgaria and Turkey. This index also shows that in the period since the outbreak of the crisis Croatia has managed to make up for a share of the price competitiveness it lost in the previous period.

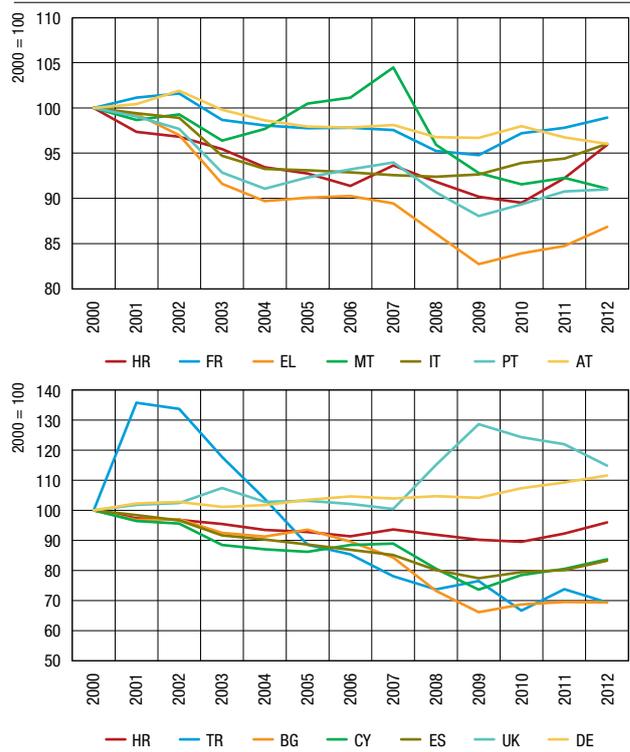
Apart from prices and the exchange rate, international competitiveness in tourism depends on a series of other factors covered by real effective exchange rates. A more comprehensive measure of competitiveness in tourism in the global market is provided for by the index of competitiveness in tourism and travel, calculated and published by the World Economic Forum and based on the assessment of performance in three areas: regulation, business environment and infrastructure, and the quality of human, cultural and natural resources. According to this indicator published in the 2013 report, Croatia was given a relatively high ranking (as the 35th among 140 countries), continuing the trend started in the previous years. In the 2011 and the 2009 reports Croatia took up the 34th place out of 139 and 133 countries respectively, while in 2007 its ranking was not as good. It came in 38th of 124 countries²³.

However, relative to its main competitors, on the worldwide basis Croatia's tourism is more competitive only than those of Bulgaria, Turkey and Montenegro (see Table 7). The comparison of marks, which serve as basis for the ranking on the global

22 This is a consequence of slower growth in the prices of services in the hospitality industry in these countries relative to those of other competitors, which may be linked to a higher level of prices in the hospitality industry, being the highest in Italy, Austria, the UK, France and Germany. Croatia belongs among the countries with the lowest price of services in the hospitality industry, together with the front runners Bulgaria and Turkey.

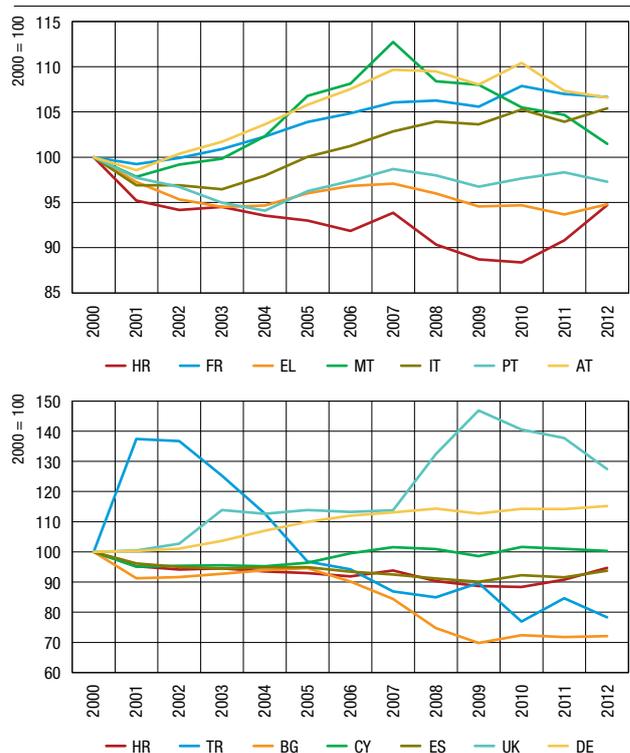
23 This index of competitiveness in tourism and travel also has its limitations and shortcomings. Although more comprehensive than the indicators of real effective exchange rates, it also does not encompass all aspects of competitiveness in tourism. In addition, due to frequent changes in the scope of data and countries included and its relatively low publication frequency (biannual) it is not suitable for analysis of current economic developments.

Figure 27 The real effective exchange rates of countries that are Croatia's main competitors based on the structure of their outbound markets



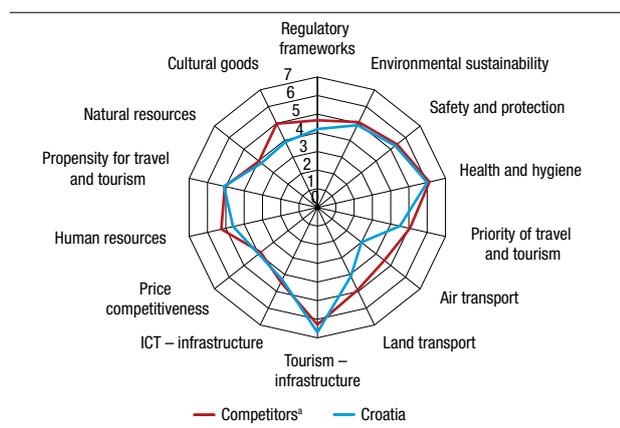
Note: The fall in index reflects real effective appreciation. Sources: CBS, CNB, Eurostat, Turkish Ministry of Culture and Tourism and CNB calculations.

Figure 28 The real effective exchange rates of countries that are Croatia's main competitors based on mutual competition



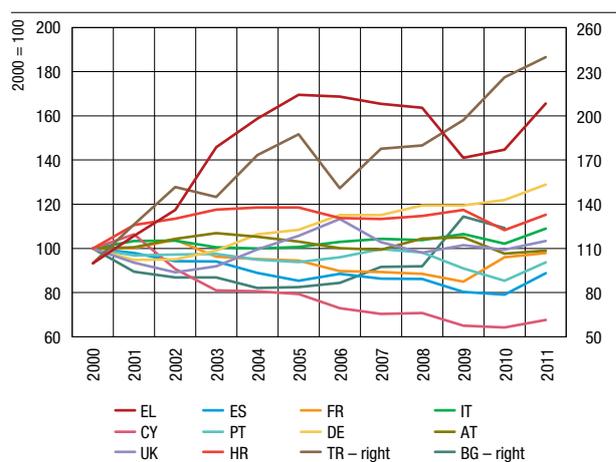
Note: The fall in index reflects real effective appreciation. Sources: CBS, CNB, Eurostat, Turkish Ministry of Culture and Tourism and CNB calculations.

Figure 29 Assessment of Croatia and its competitors by category of the travel and tourism competitiveness index



^a Average of competitors: Austria, Bulgaria, Cyprus, Montenegro, France, Greece, Italy, Malta, Germany, Portugal, Spain, Turkey and the United Kingdom.
Note: On the ladder of 1 to 7, the higher mark denotes higher competitiveness.
Source: *The Travel & Tourism Competitiveness Report 2013*, World Economic Forum.

Figure 30 Market shares (measured by the number of overnight stays) in the group of observed competitors



Sources: Eurostat and Turkish Ministry of Culture and Tourism.

ladder, received by Croatia and the average marks of its direct competitors by individual areas (Figure 29) shows that Croatia's greatest comparative advantage is its tourist infrastructure stemming from a large number of hotel rooms relative to its

population, developed ATM network and participation of global car renting companies in the market. In addition, relative to the average among its competitors, Croatia's propensity for travel and tourism was marked only slightly more favourable (primarily

Table 7 The travel and tourism competitiveness index (country ranking in the 2013 report)

| | Germany | Austria | Spain | United Kingdom | France | Portugal | Malta | Italy | Cyprus | Greece | Croatia | Montenegro | Turkey | Bulgaria |
|-------------------------------------------------|----------|----------|----------|----------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------|-----------|-----------|
| Regulation | 8 | 2 | 14 | 17 | 9 | 20 | 15 | 50 | 22 | 39 | 42 | 34 | 64 | 58 |
| Regulatory frameworks | 33 | 37 | 67 | 8 | 25 | 49 | 63 | 100 | 88 | 98 | 96 | 22 | 34 | 102 |
| Environmental sustainability | 4 | 6 | 25 | 7 | 11 | 15 | 48 | 53 | 38 | 72 | 44 | 33 | 95 | 76 |
| Safety and protection | 14 | 7 | 23 | 22 | 33 | 19 | 15 | 44 | 27 | 69 | 38 | 45 | 79 | 89 |
| Health and hygiene | 2 | 1 | 24 | 48 | 6 | 25 | 27 | 29 | 45 | 13 | 31 | 55 | 64 | 5 |
| Priority of travel and tourism | 77 | 22 | 10 | 40 | 35 | 29 | 6 | 79 | 2 | 28 | 61 | 44 | 63 | 82 |
| Business environment and infrastructure | 6 | 11 | 5 | 10 | 7 | 27 | 14 | 29 | 21 | 33 | 39 | 50 | 52 | 45 |
| Air transport | 7 | 30 | 10 | 5 | 8 | 34 | 18 | 24 | 36 | 20 | 68 | 58 | 29 | 91 |
| Road transport | 6 | 15 | 10 | 13 | 5 | 22 | 28 | 39 | 19 | 58 | 53 | 92 | 52 | 91 |
| Tourism – infrastructure | 23 | 1 | 5 | 22 | 17 | 16 | 15 | 1 | 5 | 3 | 5 | 19 | 45 | 4 |
| ICT – infrastructure | 11 | 20 | 28 | 10 | 15 | 34 | 21 | 31 | 40 | 33 | 30 | 51 | 71 | 42 |
| Price competitiveness | 125 | 131 | 106 | 138 | 140 | 108 | 90 | 134 | 102 | 127 | 109 | 62 | 112 | 49 |
| Quality | 7 | 9 | 6 | 3 | 11 | 19 | 49 | 14 | 46 | 30 | 42 | 47 | 27 | 53 |
| Human resources | 18 | 17 | 34 | 6 | 35 | 32 | 29 | 41 | 24 | 50 | 93 | 51 | 68 | 69 |
| Education and training | 7 | 9 | 36 | 10 | 23 | 33 | 29 | 45 | 31 | 62 | 83 | 63 | 68 | 73 |
| Extent of staff training | 53 | 45 | 30 | 13 | 87 | 34 | 27 | 41 | 20 | 35 | 98 | 36 | 52 | 54 |
| Propensity for travel and tourism | 61 | 12 | 39 | 45 | 48 | 32 | 9 | 72 | 10 | 55 | 29 | 7 | 35 | 67 |
| Natural resources | 31 | 49 | 29 | 15 | 30 | 83 | 115 | 34 | 96 | 40 | 56 | 62 | 78 | 76 |
| Cultural goods | 4 | 12 | 1 | 3 | 8 | 13 | 47 | 7 | 48 | 25 | 32 | 59 | 19 | 40 |
| 2013 index (ranking among 140 countries) | 2 | 3 | 4 | 5 | 7 | 20 | 24 | 26 | 29 | 32 | 35 | 40 | 46 | 50 |
| Memo: | | | | | | | | | | | | | | |
| 2011 index (ranking among 139 countries) | 2 | 4 | 8 | 7 | 3 | 18 | 26 | 27 | 24 | 29 | 34 | 36 | 50 | 48 |
| 2009 index (ranking among 133 countries) | 3 | 2 | 6 | 11 | 4 | 17 | 29 | 28 | 21 | 24 | 34 | 52 | 56 | 50 |
| 2007 index (ranking among 124 countries) | 3 | 2 | 15 | 10 | 12 | 22 | 26 | 33 | 20 | 24 | 38 | 61 ^a | 52 | 54 |

^a Serbia and Montenegro.

Note: Categories that ranked better than the overall index are marked green.

Source: *The Travel & Tourism Competitiveness Report 2013*, World Economic Forum.

due to the relatively high share of exports of tourist services in GDP) as was its price competitiveness. Despite the relatively good position in comparison with its main competitors, in the price competitiveness category Croatia received its lowest mark which accounted for its worst position in the global sample. This was primarily a result of the unfavourably assessed influence of taxation on business and investments in tourism as well as of the price of fuel, while the most favourable mark was given to the price of hotel accommodation.

In contrast, Croatia has been given a relatively more unfavourable mark than the average in a large number of countries, with substantial differences existing among some of them. Croatia's falling behind in the category of cultural goods reflects the above-average richness of the cultural and civilisational heritage of its competitors. Air infrastructure is listed as Croatia's greatest weakness, which is primarily related to the underdevelopment of international air travel, the limited number of seats on international flights and low infrastructure quality. A lower mark in the segment of land infrastructure is a result of insufficient quality of ports, although road infrastructure has been given a high mark. A relatively poor mark of the priority of tourism in the national economy arises from the budget allocations for tourism (via transfers or subsidies) and from assessments that efforts directed at marketing Croatia as a tourist destination are not very efficient. A relatively poor mark was also received in the segment of human resources, especially as regards the education and availability of skilled staff. In addition, the regulatory framework was also given a relatively poor mark, primarily due to regulations covering the area of foreign direct investments but also

some other categories, such as: the transparency of government policy, the number of countries whose citizens require a tourist visa and the number of days required to start up a business.

The influence of all competitiveness factors, regardless of whether price or non-price, should be seen in changes of the share in the tourism market (Figure 30). Croatia has set itself apart from the reviewed competitor countries in the European tourism market as one of the countries with the most dynamic rise in the number of arrivals and overnight stays of foreign guests in collective accommodation. Eurostat's data on arrivals and overnight stays of foreign guests in collective accommodation indicate that their numbers in the period from 2000 to 2011 went up by 52% and 33% respectively, while CBS data, which among other things, include private accommodation indicate a much stronger growth of 86% and 64% respectively. In consequence, Croatia's market share measured by the number of arrivals and overnight stays of foreign guests in the group of competitor countries under review has increased.

The calculated indices of real effective exchange rates in tourism indicate that the deterioration in the price competitiveness has not substantially departed from the developments in Croatia's main tourist competitors and has not had a negative impact on performance in tourism. At the same time, non-price competitiveness in tourism has been lower than in Croatia's competitors, although assessments of competitiveness in tourism have been much more favourable than other measures of the overall economic competitiveness²⁴. This may explain the improvement in the market share of Croatia's tourism in contrast to the stagnation of market shares of Croatia's exports of goods.

7 Financing conditions and capital flows

Financing conditions

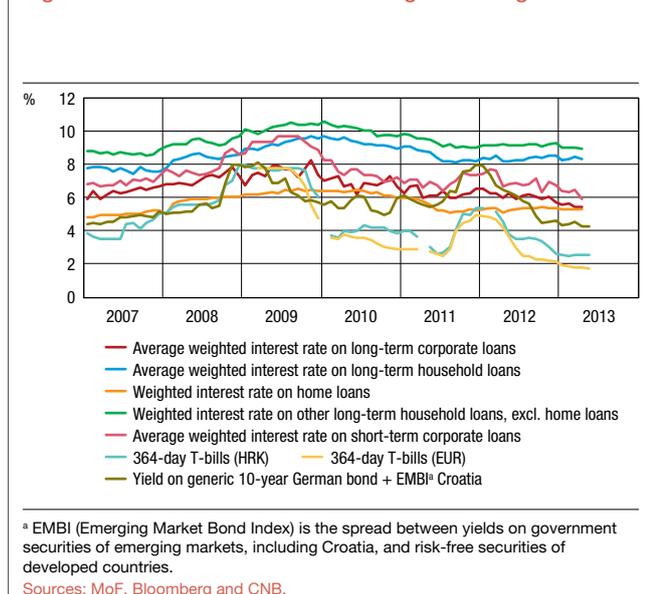
The slightly more favourable developments as regards financing conditions that started in the second half of 2012 continued in the first five months of 2013. However, individual borrowing costs remained relatively high. The easing of tensions as regards the government debt crisis of euro area countries paired with high liquidity in international financial markets contributed

to the improvement of the government's financing conditions abroad from the first half of 2012. The improvement was also noticed in connection to short-term government financing in the domestic market. Domestic corporate financing costs also went down but at a more moderate rate, while there were no changes as regards the household sector.

The downward trend reflected by the indicator of the costs of government foreign borrowing, estimated in terms of the yield on the German government bond and the EMBI yield spread for Croatia, was halted late last year; the level of this indicator remained roughly the same in the first five months of 2013. Nevertheless, more favourable government financing conditions relative to the same period last year were confirmed by the required 5.625%-yield on the government bond issued in April 2013 (compared to the required 6.25%-yield on the foreign government bond issue of April last year). The decline in the required yield occurred despite the loss of the investment credit rating with two agencies and the further delay in the recovery of the Croatian economy, indicating that global effects had the main effect on the reduction of the price of borrowing, i.e. increased risk-taking appetite and high liquidity in international financial markets.

Improved conditions as regards the government's foreign borrowing were reflected in the financing conditions in the

Figure 31 Costs of domestic and foreign financing



²⁴ According to the Global Competitiveness Index, also published by the World Economic Forum, in the 2012–2013 Report Croatia ranked 81st among 144 countries. According to the index indicating the ease of doing business that is published by the World Bank (Doing Business 2013) Croatia is ranked 84th among 185 countries.

domestic market. These developments were also positively affected by the high liquidity policy in the domestic monetary system pursued by the CNB. Interest rates on MoF one-year T-bills went down to their all-time low early in 2013 after having continually decreased during the last year, remaining low over the following four months.

Credit default swaps (CDS) on bonds of parent banks of the five largest banks in Croatia went up slightly in the first quarter of 2013, but in May went back down to a level almost the same as at the end of last year. In the first five months of 2013 they were some 100 basis points lower than in the same period last year. The CDS for Italian banks remained higher than those for other banks under review. As for the costs of foreign sources of financing of Croatian banks, they indicated a mild reduction. However, this reduction was not reflected in the volume of foreign financing of subsidiary banks in Croatia because banks predominantly financed the increase in domestic placements by reducing their foreign assets and not by borrowing abroad.

The financing conditions for non-financial enterprises in the domestic market improved a bit in 2013, especially in the segment of short-term bank loans. Interest rates on long-term bank

loans to enterprises also declined slightly. Regardless of the fall in interest rates, the results of the bank lending survey indicate a tightening in the credit standards for approving bank loans (for more on the bank lending survey see Box 3). There were no changes in interest rates on household loans in the period under review so the financing conditions in this sector remained relatively unfavourable, regardless of whether the loan required is a housing loan or another loan type.

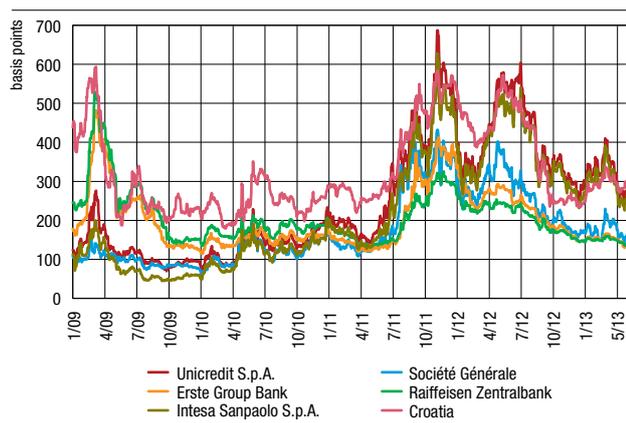
Overall corporate financing in the first quarter 2013 went up slightly, largely due to the increase in corporate external debt. Domestic debt widened as well. On an annual basis, the overall corporate debt remained virtually unchanged (excluding the effect of assumed debt of shipyards and of the transfer of bad placements of one commercial bank to a company indirectly owned by its parent bank), which indicates that any more dynamic financing of this sector, which has been limited by the high level of its total debt and the current stage in the business cycle, has not yet started. However, it is noteworthy that developments as regards domestic corporate financing in the first two months of the second quarter, according to the data available, are better than expected and indicate growth in domestic lending.

In contrast to corporates, in the household sector there was no increase in lending in 2013. Unchanged financing conditions paired with demand held down by unfavourable developments in the labour market and insecurity as regards future developments continue to limit lending to this sector, bringing the annual fall in total loans to households to 1.7% at the end of May. Broken down by loan purpose, the highest fall was seen in car purchase loans.

Notwithstanding a strong contraction in economic activity, in the first years of the crisis an increase in bank lending occurred in Croatia. However in 2012 and at the beginning of 2013 both the real GDP and placements moved in the same direction. The negative developments in the real sector were accompanied by the contraction in the lending activity of commercial banks in 2012 (Figure 35), with no reversal of the trend in sight at the beginning of this year. A similar link is established when analysing personal consumption and lending to households.

The financing conditions up to the end of 2013 will be influenced by the risk premium paid on borrowing in the international financial market, the country's credit rating and the credibility of state finances, by the trends of the share of bad loans

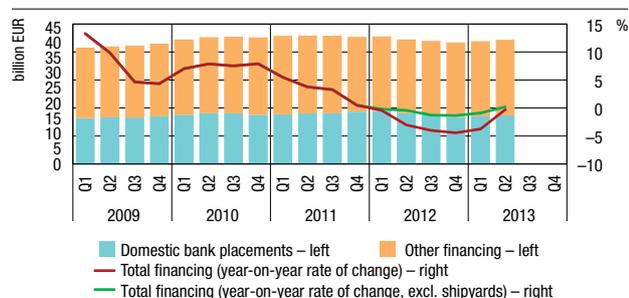
Figure 32 CDS spreads for Croatia and selected parent banks of domestic banks



Note: Credit default swaps (CDS) spread is an annual premium that a CDS buyer pays for protection against credit risk associated with an issuer of an instrument.

Source: Bloomberg.

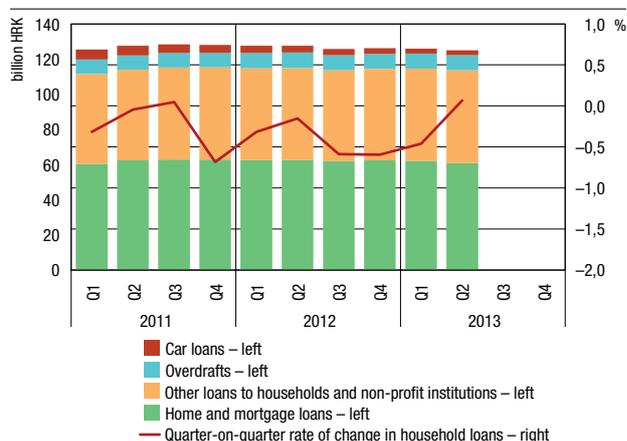
Figure 33 Corporate financing by sources



Note: Other financing includes corporate borrowing from domestic leasing companies and direct borrowing from the CBRD, as well as borrowing from foreign banks and affiliated enterprises abroad. The adjusted year-on-year rate of change in total financing is calculated on the basis of data which do not include the effect of the assumption of loans to the shipyards by the Ministry of Finance and the effect of a transaction of one bank which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank (which in turn contributed to the decrease in its debt). Data for the second quarter of 2013 refer to May 2013.

Sources: HANFA, CNB and CNB calculations.

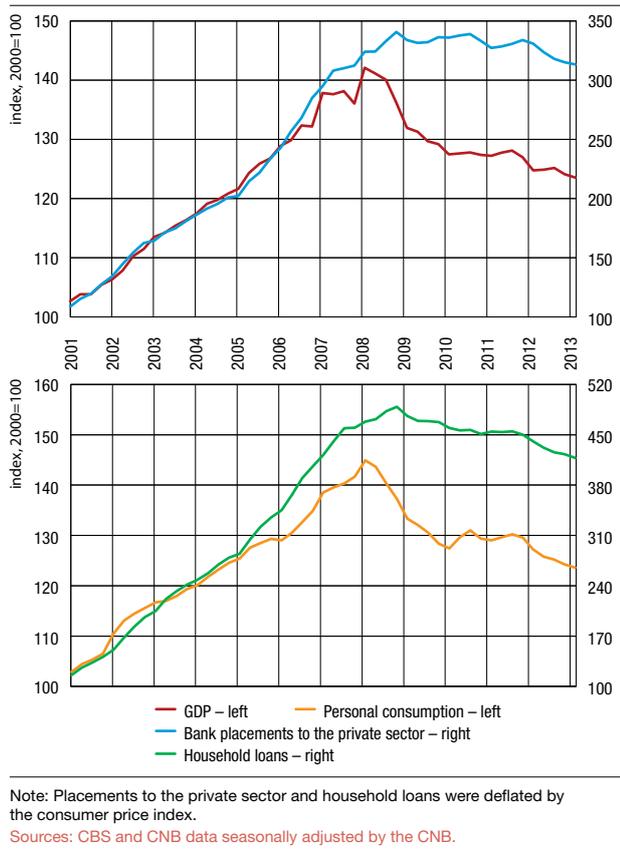
Figure 34 Household loans by purpose



Note: Quarter-on-quarter rates of change in loans are calculated from values excluding the exchange rate effect. The most recent data available refer to May 2013.

Source: CNB.

Figure 35 Relation between bank lending and real sector developments
index, 2000 = 100, real seasonally adjusted values



on the balance sheets of domestic banks and by the attempts of parent banks to decrease their exposures in Croatia. In view of all this, we do not expect a significant change in the financing conditions for domestic sectors. Accordingly and in line with the expected decline in economic activity, placements of credit institutions are not expected to recover substantially and might grow by 1.5% annually. Placements should grow at a slightly faster pace in 2014 and 2015, although at a still much slower rate than over the pre-crisis years.

Capital flows between Croatia and foreign countries

The decrease in economic activity and foreign trade in the first quarter of 2013 was followed by a more modest volume of international financial transactions. The net inflow in the balance of payments capital and financial accounts, excluding a change in international reserves, was EUR 0.9bn. Debt capital accounted for the majority of net inflows, while there were almost no equity investments. As during the previous year, direct equity investments in the first quarter of 2013 were very modest and were seen only in a small number of economic activities.

A half of net debt capital inflow seen in the first quarter of 2013 poured into credit institutions which withdrew a substantial amount of their foreign financial assets and thus, despite deleveraging, worsened their foreign position by EUR 0.4bn. Although still continuing, the bank deleveraging process slowed down greatly in the first quarter of 2013 relative to the previous year when the total balance of bank liabilities went down by as much as one fifth. In addition, non-banking financial institutions continued their deleveraging, although as with commercial banks this trend slowed down substantially. Among other sectors, a slight deterioration was seen in public enterprises and enterprises

in majority private ownership. The deleveraging of public enterprises that went on in 2012 was halted in the first quarter of this year, although the slight debt rise might be only temporary, considering that it was registered only in a small number of enterprises. Enterprises in majority private ownership, which continued building up their external debt during the crisis, although in a modest amount, slightly increased their debt in the first quarter of 2013 as well. There are several enterprises from the manufacturing sector, telecommunications and energy sectors which stood out due to their substantial deleveraging, while most enterprises from other activities have only been repaying or refinancing their due liabilities. The foreign position of the central government deteriorated slightly in the first quarter of 2013.

Foreign direct investments to Croatia totalled EUR 0.5bn in the first quarter 2013. More than a half of this amount resulted from the borrowing of a few enterprises from their affiliated enterprises abroad. However, as in the previous periods, some foreign investors exchanged their debt claims for holdings in domestic enterprises, which to a limited degree contributed to the reduction in external debt but also to the increase in direct equity investment. Excluding such transactions, the value of direct

Figure 41 Foreign capital flows

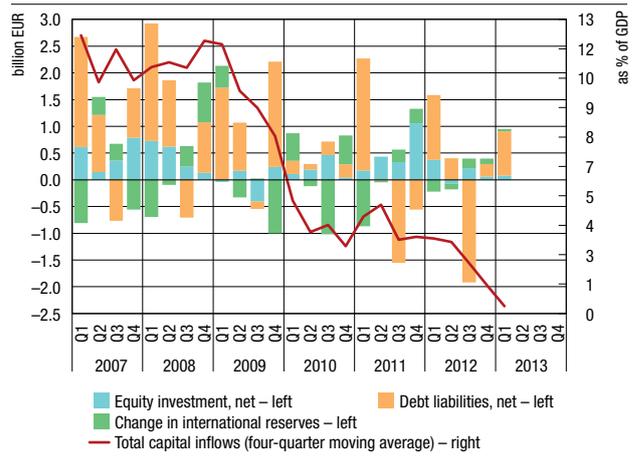
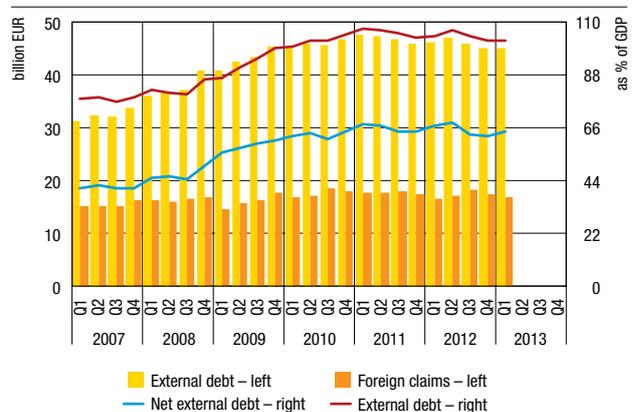


Figure 37 Gross and net external debt



equity investment into new projects continues to be very modest, relating predominantly to tourism and trade. Retained profit realised in the first quarter of this year is more than one third lower than it was in the same period of the previous year, indicating a substantial reduction in the profitability of enterprises, especially in trade.

In the second quarter of 2013, we might see a net foreign capital inflow at the same level as in the first quarter. However, as the year goes on we may expect to see capital outflows. The capital inflow in the second quarter will predominantly be accounted for by the April government bond issue in the foreign market, worth USD 1.5bn. Considering that the bond was partly subscribed also by domestic investors, the general government external debt might increase by close to EUR 1bn in 2013. Credit institutions will probably continue their deleveraging as the year goes by, although by a slightly smaller amount than was the case the year before, when seasonal deleveraging started in the second quarter. As for enterprises, public and private enterprises are expected to use the relatively favourable conditions in the foreign market to refinance their liabilities to domestic banks, which might result in a continuation of the slight increase in their external debt. Smaller enterprises will most probably continue deleveraging, considering that their economic activity is unlikely to become more dynamic in the short term. Non-banking financial institutions, whose external debt went down by a half since the beginning of the economic crisis, are also

expected to continue deleveraging. All in all, the external debt balance might reach EUR 45.1bn by the end of 2013. Despite the debt stagnating relative to the previous year, the relative external debt indicator might improve slightly to 102.0% of GDP. The indicator of net external debt might also improve, considering the expected increase in foreign assets.

Capital inflows in 2014 and 2015 will probably recover only slightly. The majority of funds, as over the previous few years, will be provided by the general government, although the intensity of its borrowing will be much lower, due to the probable opening of the excessive deficit procedure for Croatia. The deleveraging trend in credit institutions might slow down relative to 2012 and 2013. As for other sectors, additional funds supporting the financing of domestic economic activity are expected to come from the CBRD and it is expected that private enterprises will increase their direct borrowing abroad. Non-banking financial institutions and public enterprises might continue deleveraging, although at a weaker pace than over the previous years. Although it is expected that external debt will continue increasing and that nominal GDP will continue growing, the relative external debt indicators should not deteriorate. As for other capital flows, thanks to Croatia's EU accession, direct foreign investments and capital transfers are expected to recover slightly, although their flow will largely depend on the process of economic restructuring and the improvement of the general investment climate.

Box 3 The results of the bank lending survey

The results of the bank lending survey for the first quarter 2013 indicate the tightening of credit standards, especially for loans to small and medium-sized enterprises, while the demand by enterprises for these loans is on the rise due to the need to refinance the existing debt and secure working capital. The standards for household loans did not change much, although demand is still characterised by unfavourable developments. As for future developments, the survey indicates a continued tightening of credit standards and the terms and conditions for making bank loans, while no significant recovery is expected on the demand side.

The Croatian National Bank started conducting the bank lending survey in October 2012. It aims to provide an overview of developments in credit standards and the terms and conditions for bank lending, i.e. the characteristics of loan supply and demand in Croatia. The survey is methodologically aligned with the one conducted by the European Central Bank since 2003 (the Euro Area Bank Lending Survey). The survey encompasses 17 questions, 13 of which relate to developments in the past three months, i.e. in the previous quarter, while four are directed at expectations in the following three months, that is, in the following quarter. It is carried out four times a year, at the end of each quarter. The questions are grouped together according to two types of bank loan portfolios, loans to households and loans to enterprises and the questions are addressed to bank senior loan officers responsible for approving credits to these sectors. Three surveys were conducted thus far, for the third and fourth quarter 2012 and the first quarter of 2013. This Box focuses primarily on the results of the last survey conducted²⁵.

Comments are made on the results on the basis of the so-called net percentage of bank responses. In connection with the credit standards for making loans, net percentage is the

difference between the share of banks reporting that credit standards for approving loans have been tightened and the share of banks reporting that they have been eased. A positive net percentage indicates that the proportion of banks that have tightened credit standards is larger than the proportion of those that have eased their credit standards, so we speak of net tightening. Likewise, the term net easing indicates that the proportion of banks that have tightened credit standards is smaller than the proportion of banks that have eased them, so we speak of net easing. The same approach is applied when commenting on loan demand. A positive net percentage indicates that the share of banks reporting an increase in loan demand is larger than the share of banks reporting a decline in demand, so we speak of a net increase in loan demand and vice versa.

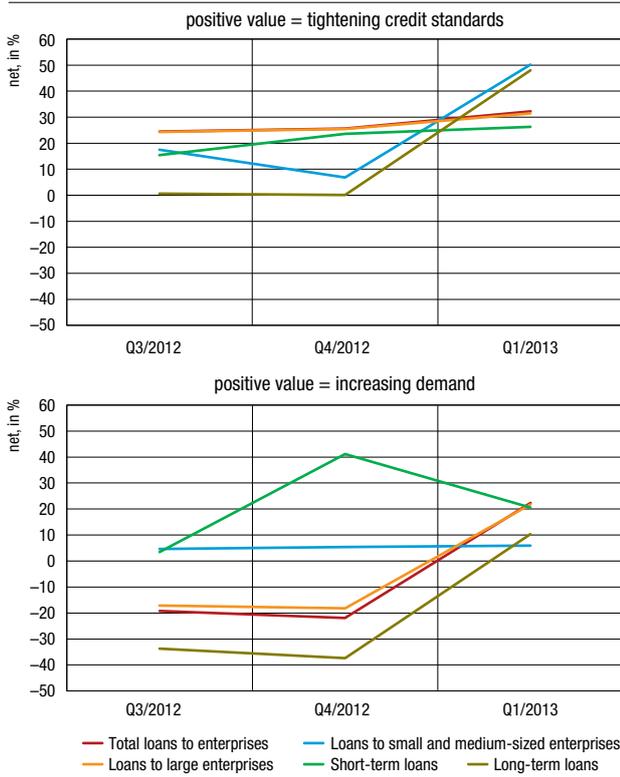
The first quarter of 2013 saw a tightening in credit standards and the terms and conditions for loans to enterprises to be approved. This refers primarily to small and medium-sized enterprises and long term loans (Figure 38). The tightening in credit standards was brought about primarily by exceptionally negative expectations as regards the general economic activity, industry or firm-specific outlook, and to a lesser degree by risk on collateral demanded (Figure 39), while the deterioration in the terms and conditions resulted from tighter collateral requirements and an increase in the interest margin on riskier loans.²⁶

On the other hand, demand for loans to enterprises went up in the first quarter of 2013 (Figure 38). The strongest was the growth in demand by large enterprises as well as the growth in demand for long-term loans. Most banks underlined debt

25 The surveys covered almost all banks in Croatia, accounting for 99% of total banking system assets.

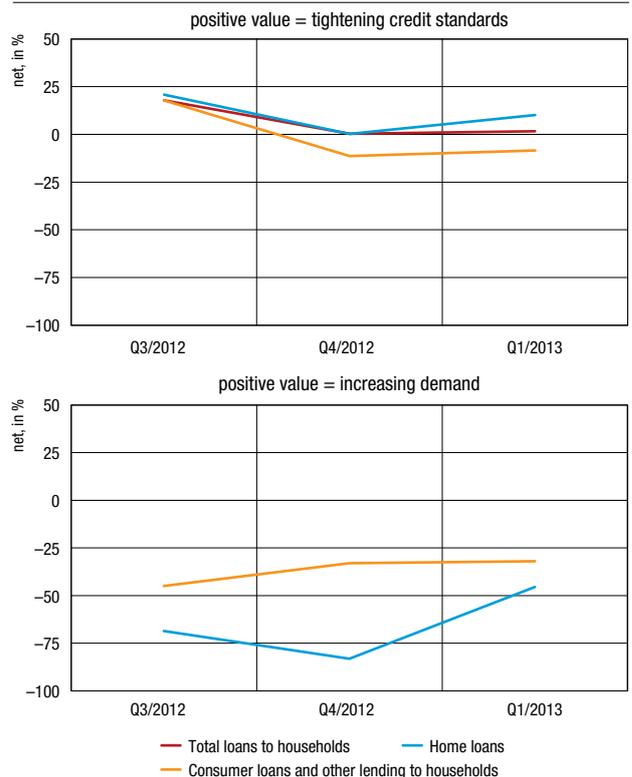
26 Credit standards are internal rules and written and unwritten criteria that reflect a bank's lending policy (for instance, requirements that a potential client must meet for a certain type of loan, the kind of collateral deemed acceptable, etc.). On the other hand, credit terms and conditions, such as the interest rate charges and the scope of collateral are agreed upon by the lender and the borrower.

Figure 38 Changes in credit standards and demand for loans and/or credit lines in the past three months



Source: CNB.

Figure 40 Changes in credit standards and demand for loans and/or credit lines in the past three months



Source: CNB.

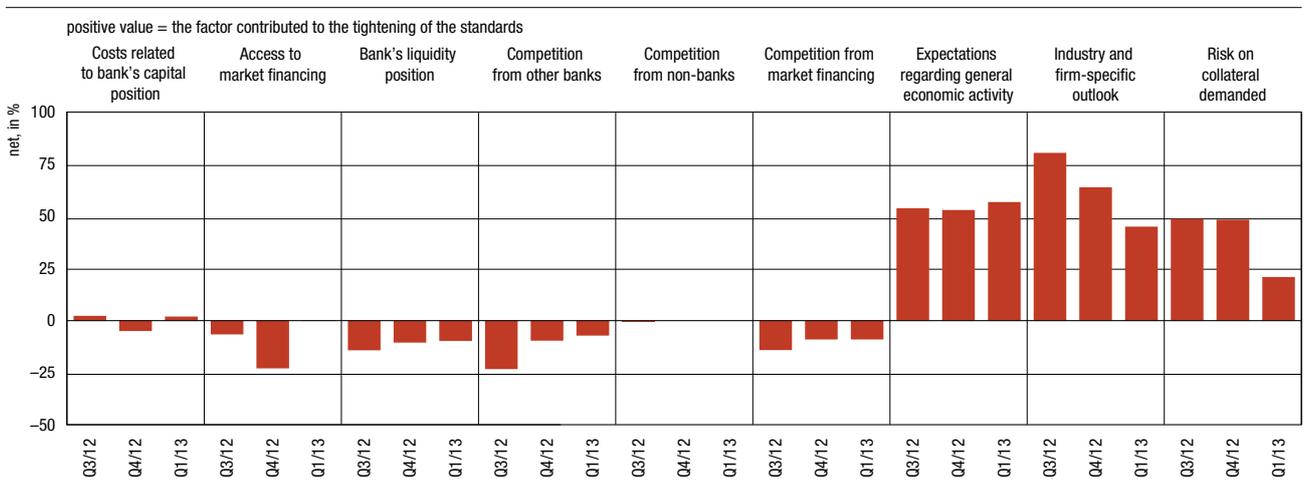
restructuring as the most important factor in the increase in demand for loans. The increase in demand was partly driven by demand for loans for working capital, while demand for the purpose of fixed investments decreased.

For total loans to households in the first quarter 2013 credit standards and the terms and conditions for approving loans remained unchanged. A slight tightening took place in credit standards for approving housing loans, as did an easing in credit standards for approving consumer credit and other lending to households (Figure 40). The deterioration in credit standards

was negatively affected by unfavourable expectations regarding the general economic activity and housing market prospects in connection with housing loans, or by the creditworthiness of consumers in relation to consumer credit and other lending to households. As regards credit standards applied to approval of household loans there was a net easing of the bank interest margin on averagely risky loans, while a slight net easing of interest margin on riskier loans was seen only in relation to consumer loans and other lending to households.

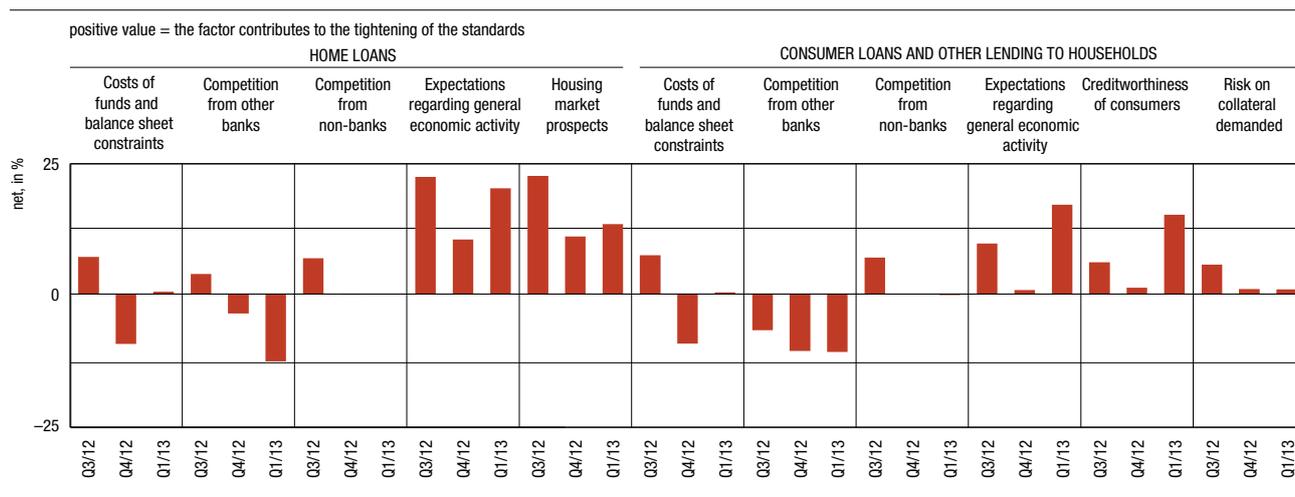
Unfavourable developments in demand for loans to

Figure 39 Factors affecting credit standards for the approval of loans and/or credit lines to enterprises in the past three months



Source: CNB.

Figure 41 Factors affecting credit standards for the approval of loans and/or credit lines to households in the past three months



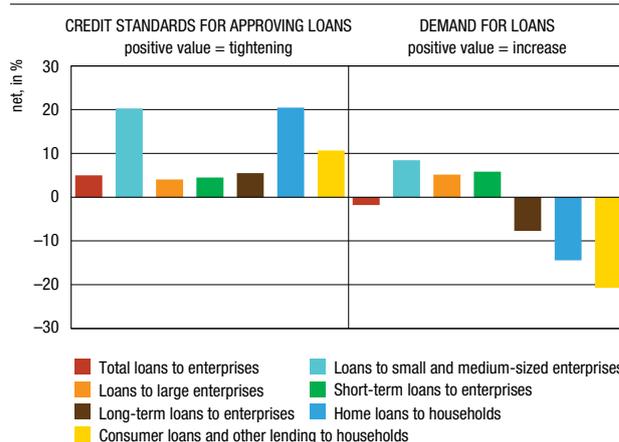
Source: CNB.

households (both housing and consumer) continued in the first quarter of 2013 (Figure 40) and are still far more unfavourable than developments in the enterprises sector. The factors contributing to weaker demand for loans to households are non-housing-related consumption expenditures, housing market prospects and consumer confidence. As regards consumer credit, the most unfavourable contribution came from spending on durable consumer goods.

Bank responses to questions as regards expectations on the supply of bank loans to enterprises in the second quarter of 2013 indicate further tightening in credit standards for approving all forms of lending to enterprises (Figure 42), in particular for small and medium sized enterprises. At the same time, no substantial changes in demand for loans by enterprises are expected in the coming quarter, while demand for long-term loans is expected to continue subsiding. As regards the households sector, bank expectations indicate a further tightening in credit standards for approving household loans, while a small share of banks, measured by their share in total loans, announced a tightening also in relation to consumer credit and other lending to households. Reduced demand for housing and other consumer credit is expected also in the second quarter of 2013.

Finally, a comparison of the survey results in Croatia for the first quarter with the results for the euro area for the most part indicate similar developments in credit standards for approving loans and demand for loans. Credit standards for approving loans to enterprises and households tightened in the euro area as well, and the factors behind these developments are also the

Figure 42 Expected changes in credit standards for approving bank loans and demand for loans in the second quarter of 2013



Source: CNB.

same. The only difference lies in the trends of demand by enterprises, which is on the rise in Croatia and the decline in the euro area. Trends in demand for loans to households in relation to both housing loans and consumer credit are identical, i.e. equally unfavourable.

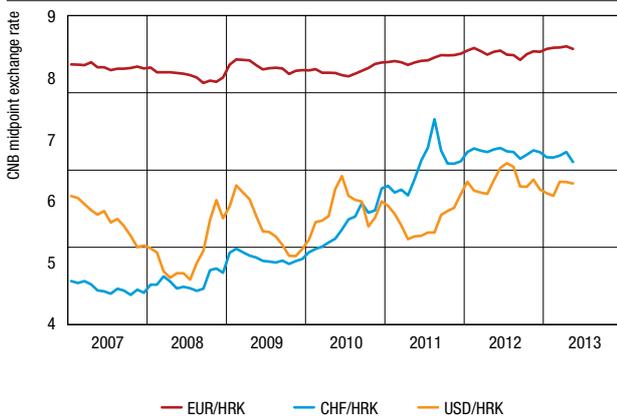
8 Monetary policy

In 2013, the Croatian National Bank continued the policy of supporting high monetary system liquidity, while maintaining the stable exchange rate of the domestic currency. In the first five months of the year, the CNB ensured kuna and foreign exchange market liquidity and stability of the domestic currency by repurchasing from the government foreign exchange obtained from foreign borrowing and by selling some of the foreign currency in the foreign exchange market to commercial banks. As

regards the movements of monetary aggregates, slightly more favourable developments than in the previous year were recorded. However, despite this it is not expected that they will grow very significantly in an environment marked by negative real developments.

In the period from January to late May 2013, the average kuna exchange rate against the euro was 7.58 EUR/HRK, up 0.8% on last year's average. The gradual weakening of the domestic

Figure 43 Nominal exchange rates EUR/HRK, CHF/HRK and USD/HRK



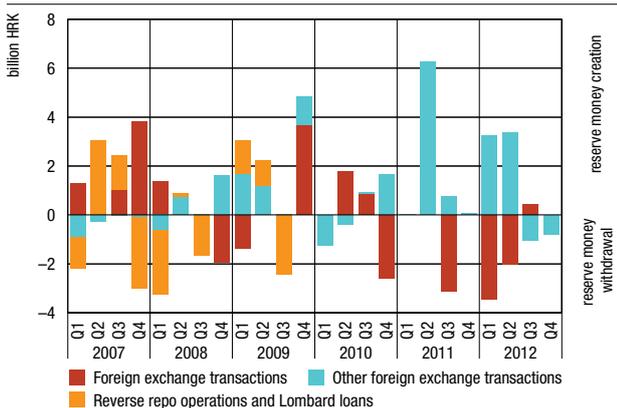
Source: CNB.

Figure 45 Bank liquidity and overnight interbank interest rate



Source: CNB.

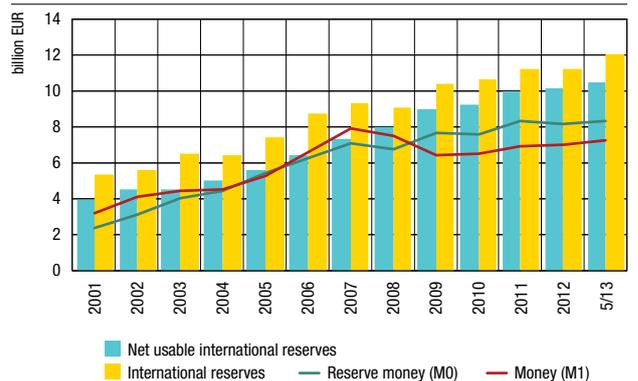
Figure 44 Flows of reserve money (M0) creation



Note: Other foreign exchange transactions include the purchase of foreign exchange from and the sale of foreign exchange to the MoF and foreign currency swaps with banks, where the positive values refer to the purchase of foreign exchange by the CNB. Data for the fourth quarter of 2012 refer to October and November.

Source: CNB.

Figure 46 International reserves of the CNB and monetary aggregates



Note: The most recent data available for M1 refer to May 2013. Net usable international reserves are defined as international reserves net of foreign liabilities of the CNB, reserve requirements in f/c, general and special SDR allocations in 2009, government foreign currency deposits and off-balance sheet liabilities (swaps).

Source: CNB.

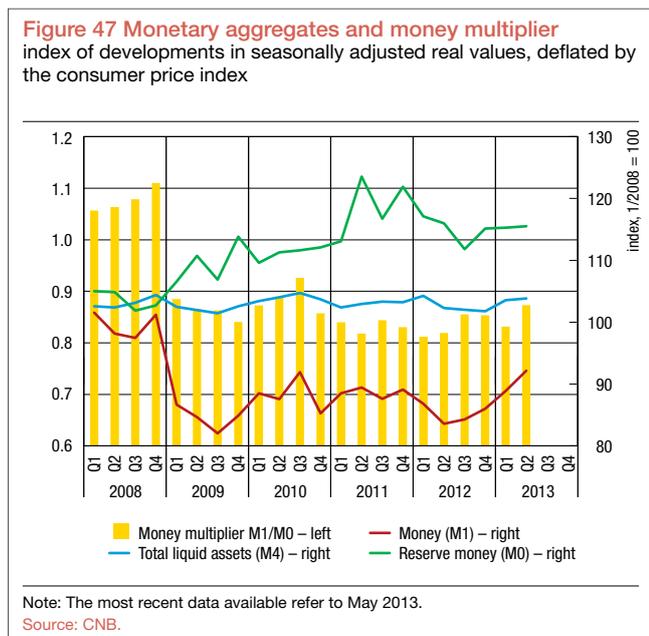
currency against the euro lasted from the beginning of the year until mid April, when the exchange rate stabilised. In the period to follow it started gaining strength, which may be linked to the usual seasonal developments and expected government bond issue in the domestic market. As for the exchange rate of the kuna against other major world currencies, in the first five months of 2013 the kuna lost strength against the US dollar and gained strength against the Swiss franc. These developments are a reflection of the change in the exchange rate of the US dollar and the Swiss franc against the euro in the global financial market. Regardless of some seasonal changes, the exchange rate of the kuna against the euro is expected to remain stable in the rest of 2013.

With the foreign exchange transactions of the first five months of 2013 the central bank repurchased EUR 208m, i.e. created HRK 1.6bn of kuna liquidity. In the period concerned, the CNB repurchased a net amount of EUR 423m from the government, thus creating HRK 3.2bn of kuna liquidity. It sold EUR 215m to commercial banks in April, thus withdrawing HRK 1.6bn.

The liquidity surplus of the monetary system went up

additionally in 2013, as confirmed by the expansionary orientation of the monetary policy. In the first five months of the year, credit institutions had an average kuna surplus of HRK 5.9bn, almost double the average in 2012. It is noteworthy that in accordance with the CNB Decision on reducing the remuneration rate on overnight deposits from 0.25% to 0.00% commercial banks ceased using the overnight deposit facility and now lodge the whole of the surplus liquidity in their settlement accounts with the CNB. The high liquidity level resulted in low overnight interest rates in the interbank market and very low interest rates on MoF T-bills. Favourable liquidity conditions are expected to continue as the year goes on.

The CNB's international reserves grew in the first five months of 2013, primarily on account of foreign exchange inflows from government borrowing. Some of the incoming funds were repurchased by the central banks and the rest was deposited by the government with the CNB as a foreign currency deposit with the CNB. The sale of foreign currency to commercial banks had the opposite effect, i.e. contributed to a reduction in international reserves. At the end of May 2013, overall gross international reserves totalled EUR 12.0bn, up EUR 0.8bn (7.2%) on the end



of 2012. Net usable reserves increased by EUR 0.3bn (2.9%) in the same period, totalling EUR 10.5 at the end of May.

Gross and net usable reserves are expected to grow additionally in 2014. As over the previous years, such developments are based primarily on the net purchase of foreign exchange from the government. Their growth would maintain the favourable

ratio between total reserves and reserve money and money, which is very important for a highly euroised country, such as Croatia, where monetary policy is based on maintaining a stable exchange rate for the domestic currency.

Developments in real monetary aggregates in 2012 were favourably affected by the slowdown in consumer price inflation. Consequently, the real seasonally adjusted values of money M1 and total liquid assets M4 have recovered slightly since the beginning of 2013. Positive developments related to money have been more prominent because this monetary aggregate also registered a nominal increase in the first five months of 2013. As the year goes on, we can expect to see a seasonal growth in savings and time deposits, as well as the strengthening of demand for cash and transaction money during the summer months paired with the additional weakening of consumer price inflation, which should all contribute to the continued growth of real monetary aggregates.

Monetary policy in 2014 will be based on the continued maintenance of the kuna/euro exchange rate stability. The expected capital flows should not pressure the exchange rate, leaving sufficient room for the CNB's policy of high primary liquidity. As for monetary aggregates, we expect slightly more favourable developments than in 2013. However, risks to their growth are still present. Bank lending should also increase slightly in 2014. However, we cannot expect it to intensify substantially. In 2015, the accelerated growth of monetary and credit aggregates is expected to continue, such growth being mainly posited on a stronger recovery of overall economic activity.

9 Public finance

In the first quarter of 2013, public finances were marked by a stagnation of revenues and the concurrent visible increase in expenditures. As a result, the consolidated general government deficit was one third higher than in the same period last year. The continuation of fiscal consolidation in 2013, as announced by the Ministry of Finance, will be difficult to achieve without introducing additional measures on the revenue and/or expenditure side of the budget. The CNB expects that the general government deficit (under the ESA 95 methodology) might be some 1 percentage point higher in 2013 than in 2012, reaching 4.8% of GDP.²⁷

With Croatia's EU accession, the rules of the Growth and Stability Pact will start to be applied. It is a framework for the coordination of national fiscal policies within the EU, which was set up in order to achieve and maintain healthy public finances in the member states. Among other things, if the nominal general government deficit of a country exceeds 3% of GDP the so-called Excessive Deficit Procedure is opened and it is given a deadline to carry out fiscal adjustment and reduce the deficit to an acceptable level. It is to be assumed that in 2014 and 2015 Croatia will be bound by the procedure and will accordingly have to carry out fiscal adjustment that may result in an annual decrease of the structural deficit by slightly over 0.5% of GDP.²⁸

It is noteworthy that this is only one of the possible scenarios because the adjustment that would be required by the European Commission might be even higher. Even with such a substantial fiscal consolidation, public debt might continue growing, well exceeding 60% of GDP in 2014.

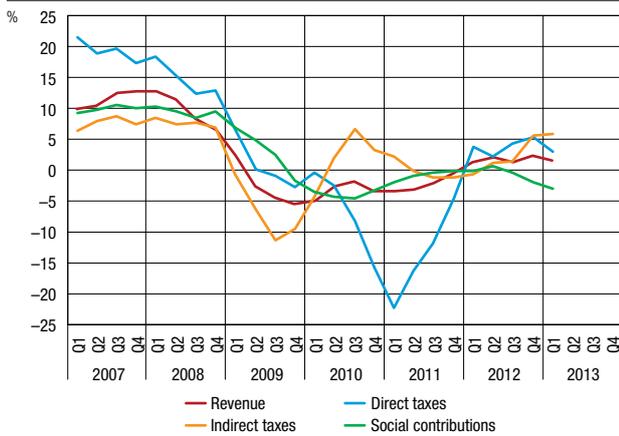
Revenues, expenditures and transactions in the non-financial assets of consolidated general government

In the first three months of 2013, the consolidated general government revenues stagnated at last year's level. The greatest negative contribution to the movement of total revenues came from revenues from social contributions, which went down as a result of the base effect of the decrease in the health insurance contribution and unfavourable developments in the wage bill. There was also a strong drop in excise duties, especially excises on tobacco products, in consequence of the increase in stocks at the end of last year aimed at postponing the payment of higher excise duties from December of 2012. Profit tax revenues narrowed by almost a fifth relative to the first three months of 2012, reflecting a fall in business entities' profits in 2012 relative to 2011 and partly regulatory changes in force since January this year, enabling enterprises to reduce their taxation base by the

²⁷ The general government balance calculated under the ESA 95 methodology equals total revenues reduced by total expenditures, activated guarantees, annual debt repayments to pensioners and the change in due but unpaid liabilities. The CNB also calculates the so-called fiscal deficit under the GFS 2001 methodology because it is a better reflection of the funds the government needs to acquire by selling financial and non-financial assets and/or borrowing. For the purpose of calculating the overall fiscal balance, outlays for net loans granted, shares, securities apart from shares and other receivables are included in expenditures while revenues from the sale of non-financial assets are excluded from revenues. In 2013 the total fiscal deficit will draw close to 6% of GDP. For more information on different deficit measurements see Box 4 in the CNB Bulletin No. 165.

²⁸ The structural balance is a cyclically adjusted balance corrected for the impact of one-off and temporary measures. The value of the balance is corrected for the effects of cyclical fluctuations in economic activity by a cyclical adjustment (see Box 5 in the CNB Bulletin No. 176).

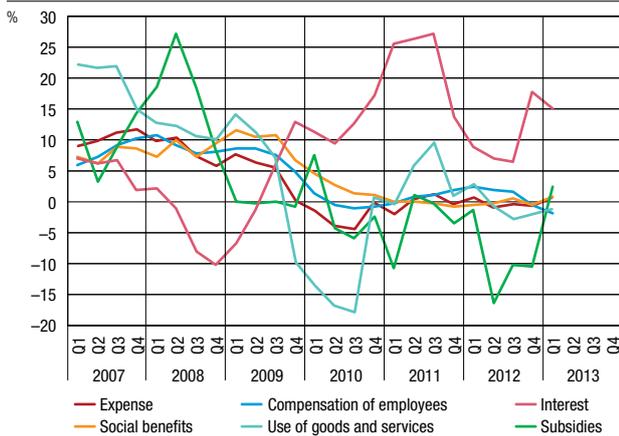
Figure 48 Consolidated general government revenue
year-on-year rate of change of four-quarter moving sums



Note: Revenues include proceeds from the disposal of non-financial assets. From 2008 on, CM is excluded from consolidated general government.

Sources: MoF and CNB calculations.

Figure 49 Consolidated general government expense
year-on-year rate of change of four-quarter moving sums



Note: Expense includes expenditures for the acquisition of non-financial assets. From 2008 on, CM is excluded from consolidated general government.

Sources: MoF and CNB calculations.

amount of their respective reinvested profit. The fall in total revenues was softened only by revenues from the value added tax which grew on an annual basis due to the base effect of the increase in the basic VAT rate, the repeal of the zero VAT rate and introduction of the 5% rate on the same group of products as of January this year as well as due to fiscal cash registers.

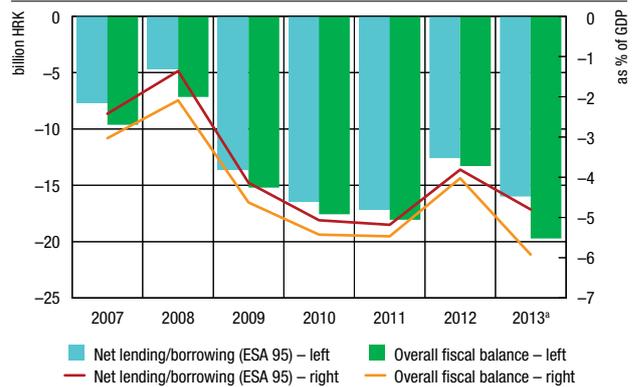
As the year goes on, the overall consolidated general government revenues are expected to be characterised by slightly more favourable developments, partly due to expected inflows from the EU budget, so viewed on annual basis, they might reach last year's level. It should be noted that the projected revenue outturn for 2013 was substantially below the MoF plans so we might expect a new budget revision later in the year. In line with projections of the main macroeconomic bases, in 2014 and 2015 the consolidated general government revenues might increase, with all main revenue categories increasing.

In the first three months of 2013, the consolidated general government expenditures went up by 4.6% annually. Expenditures for subsidies went up substantially, which is, according to the available information, predominantly the consequence of the earlier payment of subsidies to farmers. A strong contribution to

expenditure growth came also from expenditures on social benefits, which went up due to the rise in pension and health care expenditures. Interest expenses showed the same trend. Expenses for employees were the only expenditure category to decrease substantially, primarily due to the base effect of the cut in the health insurance contribution rate. As for government investments, expenses for the acquisition of non-financial assets went up considerably in the first three months of the year, reflecting capital investments of the state budget and Croatian Roads.

In 2013, consolidated general government expenditures might go up moderately, with expenditure growth affected mostly by the increase in interest expenses resulting from the increase in public debt and payments due to the EU budget. On the other hand, the greatest decline might be seen in employee compensations. Expenses for the acquisition of non-financial assets might go up considerably, although this growth might be much lower than the MoF projections. It is assumed that the government will try to partly make up for the shortfall in revenues with lower capital revenues. According to the MoF plans, net loans granted might go up visibly on an annual basis due to the government's plans aimed at improving the health care system, as well as due

Figure 50 Consolidated general government deficit

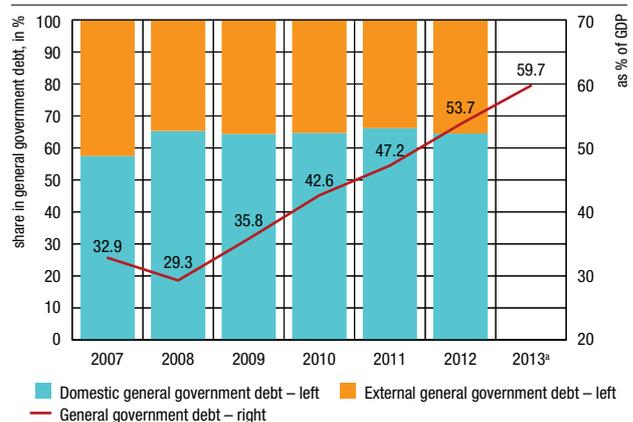


^a Projection of the CNB.

Note: From 2008 on, CM is excluded from consolidated general government. All data used in the balance calculation are shown on a cash basis, with the exception of CM and CR data. The overall fiscal balance includes repayments of debt to pensioners.

Sources: MoF and CNB calculations.

Figure 51 General government debt



^a Projection of the CNB.

Note: From 2008 on, CM is excluded from consolidated general government.

Source: CNB.

to expenditures for shares.

Sizeable cuts in some expenditures are expected in 2014, since fiscal consolidation is expected to be predominantly carried out through the expenditure side of the budget. However, total expenditures might still increase slightly due to the growth in interest expenses and payments to the EU budget. A slightly stronger expenditure growth is expected in 2015, under the influence of expenditures associated with the co-financing of EU fund-financed projects.

Consolidated general government deficit and debt

The general government deficit (ESA 95) might come in at HRK 16bn in 2013 or 4.8% of GDP, up by 1 percentage point on the year before. This increase is predominantly a consequence of the increase in interest expenses and payments to the EU budget, while the negative cyclical component of the deficit increased only slightly (from -1.0% to -1.1% of GDP). Taking into account the expenditures for the improvement of the health care system as well as expenditures on the acquisition of shares, the overall fiscal deficit comes up to as much as HRK 20bn or 5.9% of GDP.²⁹

The government relied predominantly on the issuance of T-bills, borrowing from Merrill Lynch and bond issuing in the US capital market, worth USD 1.5bn, to finance the deficit generated in the beginning of the year. In June, the sizeable funds required to improve the health care system were raised through loans, while the second half of the year was started with the issue of domestic bonds, worth HRK 2.8bn and EUR 750m, with a currency clause. The general government debt thus increased by HRK 4.2bn in the first three months of 2013, to HRK 181.6bn, and it is expected that it might end the year at some HRK 199.0 or almost 60.0% of GDP.

Although not envisaged in the budget projections, it is assumed that in 2014 Croatia will have to reduce its structural deficit by at least 0.5% in order to meet the requirements of the Growth and Stability Pact. The reduction of the structural deficit will increase in 2015. The European Union will set the period for fiscal adjustment in which nominal deficit is to be reduced to below 3%, concurrently determining the necessary budget savings. Public debt will continue its strong growth in 2014 since the government will finance the deficit predominantly through new borrowings.

10 Deviations from the previous projection

The expected rate of change in real GDP is -1.0% in 2013, while it was 0.3% in the previous Information on economic trends and forecasts (CNB Bulletin of December 2012). The correction primarily reflects negative developments in the first quarter of 2012 and the first quarter of 2013. In addition, the published revised 2010 annual GDP calculation contributed to a change in the quarterly GDP dynamics, which reflected itself on annual basis as a result of the transfer effect.

The change in expectations of domestic economic activity resulted from the postponement/lack of structural reforms, a delayed start of the announced public sector investment cycle, adverse labour market developments and associated diminished expectations regarding disposable income trends and consumer optimism in the forthcoming period and the lack of recovery in economic activity of Croatia's main foreign trade partners. Accordingly, personal consumption and investment activity of the private sector have been substantially reduced relative to prior expectations. The exports growth rate also went down substantially. By contrast, the decrease in government consumption is now expected to be more moderate. In line with the changes in domestic and foreign demand the total imports dynamics has been corrected downwards.

Labour market developments are also less favourable than expected than in the previous projection. The overall decline in the number of the employed in 2013 increased by 0.4 percentage points from the December 2012 projection, predominantly due to the negative correction of the expected GDP growth rate, while expectations as regards the administrative unemployment rate are similar to those from the previous projection. On the other hand, the Labour Force Survey unemployment rate went

up substantially due to unfavourable rates at the end of 2013 and in the first quarter of 2013.

The estimated average annual inflation rate in 2013 is lower by 0.6 percentage points than previously forecast. This is largely a consequence of the lower-than-expected carry-over of inflation from 2012 that was also present in the prices of food since the effect of a supply-side shock, i.e. a drought, was only temporary. The sharp increase in agricultural product prices in August and September was followed by price stabilisation in the last quarter, so that the growth of food prices was lower than expected. In addition, the current 2013 projection, the annual rate of change in energy prices was lower, largely in consequence of the more prominent decrease in the prices of crude oil (in kuna terms) relative to the previous projection. The contribution of consumer prices excluding food and energy is foreseen to be lower, as personal consumption trends and labour market conditions deteriorated from the previous projection.

The actual current account balance in 2012 was 0.4 percentage points of GDP more favourable than previously projected (instead of -0.4% of GDP the balance was almost in equilibrium). This was a result of the slightly weaker imports of goods and services which stagnated when it was expected to go up mildly on an annual basis. Accordingly, the expected current account balance for 2013 was revised upwards by 1.4 percentage points of GDP relative to the previous forecasts (instead of -0.1% of GDP the new forecast is a surplus of 1.3% of GDP). In view of the currently low interest rates in the foreign capital markets, interest expenditures have been revised downwards, as well as expectations on the performance of enterprises and banks in foreign ownership. Also, the expected growth of good

²⁹ The 2013 deficit calculations do not include government expenditures for covering some HRK 2.5bn of last year's losses of the CIHI and reducing time limits for the settlement of CIHI payments to suppliers to periods provided for under law (which were raised by borrowing in the domestic market in 2013 and consequently included in the public debt projection) since it is not yet known whether they will be registered as current year expenditures or expenditures of the previous years. This amount has not been included in the 2013 budget and may thus give rise to budget revision. It should be noted that the estimated amount that is required to cover the said losses and bring the time limits for the settlement of payments within the framework provided by law for the entire health care system totals some HRK 5.5bn. Some of the funds required were envisaged in the 2013 budget as funds earmarked for hospital rehabilitation, totalling HRK 1.1bn, with the additional HRK 0.6bn planned in 2014. Consequently, the amount included in the budget revision will probably amount to HRK 2.5bn, given the overall amount required to cover the expenses of the health care system.

Table 8 Deviations from the previous projection

| | 2012 | | | 2013 | | |
|-----------------------------------------------------------|-------------------------------|---------|-----------|-------------------------------|--------------------|-----------|
| | Previous projection (12/2012) | Outturn | Deviation | Previous projection (12/2012) | Current projection | Deviation |
| National accounts (real rate of change, in %) | | | | | | |
| GDP | -1.8 | -2.0 | -0.2 | 0.3 | -1.0 | -1.2 |
| Personal consumption | -2.4 | -3.0 | -0.5 | -1.0 | -2.2 | -1.2 |
| Government consumption | -1.2 | -0.8 | 0.3 | -1.1 | -1.2 | -0.1 |
| Gross fixed capital formation | -4.6 | -4.6 | 0.0 | 3.6 | 0.7 | -3.0 |
| Exports of goods and services | 0.4 | 0.4 | 0.0 | 1.8 | 0.3 | -1.5 |
| Imports of goods and services | -1.5 | -2.1 | -0.6 | 0.8 | -0.5 | -1.3 |
| Labour market | | | | | | |
| Number of employed persons (average rate of change, in %) | -1.1 | -1.2 | -0.1 | -1.2 | -1.6 | -0.4 |
| Registered unemployment rate | 19.0 | 19.0 | 0.0 | 20.0 | 20.1 | 0.1 |
| ILO unemployment rate | 14.8 | 15.8 | 1.1 | 15.2 | 16.7 | 1.5 |
| Prices | | | | | | |
| Consumer price index (average rate of change, in %) | 3.5 | 3.4 | -0.1 | 3.2 | 2.6 | -0.6 |
| Public finances (as % of GDP) | | | | | | |
| General government overall fiscal balance | -4.7 | -4.0 | 0.7 | -5.8 | -5.9 | -0.1 |
| Public debt ^a | 53.3 | 53.7 | 0.4 | 57.5 | 59.7 | 2.3 |
| External sector | | | | | | |
| Current account balance (as % of GDP) | -0.4 | -0.1 | 0.4 | -0.1 | 1.3 | 1.4 |
| Goods ^b | -13.7 | -13.8 | 0.0 | -13.5 | -13.9 | -0.5 |
| Services ^b | 14.2 | 14.6 | 0.4 | 14.2 | 15.1 | 0.9 |
| Factor income | -3.6 | -3.5 | 0.1 | -3.7 | -2.5 | 1.2 |
| Current transfers | 2.7 | 2.6 | -0.1 | 2.9 | 2.7 | -0.3 |
| Gross external debt (as % of GDP) | 102.3 | 102.1 | -0.2 | 101.7 | 102.0 | 0.3 |
| Monetary developments (rate of change, in %) | | | | | | |
| Total liquid assets – M4 | 2.7 | 3.2 | 0.5 | 2.6 | 4.1 | 1.5 |
| Total liquid assets – M4 ^c | 2.3 | 3.1 | 0.8 | 2.5 | 3.7 | 1.3 |
| Bank placements to the private sector ^d | -4.0 | -3.9 | 0.1 | 1.3 | 1.5 | 0.2 |
| Bank placements to the private sector ^{c,d} | -4.5 | -4.1 | 0.4 | 1.4 | 1.5 | 0.1 |

^a Public debt for 2012 includes assumed debts of state owned shipyards.

^b Exchange rate effects excluded.

^c In 2012 the Ministry of Finance assumed the credit liabilities of shipyards, while one commercial bank transferred a share of its claims to another undertaking, contributing to lower growth of placements by credit institutions. The effect was estimated at some 4.6 percentage points and without it the growth of placements in 2012 would have amounted to 0.6% or 0.4%, exchange rate effects excluded.

Sources: CBS, MoF and CNB.

exports in 2013 was also revised downwards after poor exports results were registered by a large number of activities in the first quarter of the year. In addition, the forecast growth in the imports of goods in 2013 was reduced in line with the altered expectations as regards economic recovery. External debt at the end of 2012 was lower than expected so the relative indicator of external debt slightly improved. Despite the expected decline in borrowing in 2013, the relative indicator of external debt was slightly less favourable than previously projected due to the sizeable correction in the nominal gross domestic product.

The 2013 projections for credit aggregates did not change much. Although the drop in lending seen at the end of 2012 and at the beginning of 2013 indicated the need for more serious downward correction of the expected growth in placements, developments registered in the rest of the first quarter and in the second quarter 2013 were positive. As a result, placements of credit institutions are expected to grow by 1.5% in 2013, which is 0.2 percentage points up on the latest projections. The changes described are in line with expectations of the decline of

economic activity in the current year. In addition, it should be noted that risks to such projections are still present due to the still unfavourable financing conditions, continued growth of bad loans and suppressed demand.

The projections of monetary aggregates were corrected upwards in 2013, so the annual growth of M4 is now 4.1% instead of the previously forecast 2.6%. The reason for these changes are more favourable results at the beginning of the year until 20 June, especially as regards the growth of money, which was much greater than previously expected.

The total fiscal deficit of the consolidated general government for 2012 was some HRK 2.5bn or 0.7% of GDP better than forecast.³⁰ This was partially a result of weaker acquisition of non-financial assets because the government did not manage to realise all of the investments planned in 2012. In addition,

³⁰ Data on the overall fiscal balance are compared because data on net lending/borrowing (ESA 95) were not published in the previous Information on economic trends and forecasts (CNB Bulletin of December 2012).

outlays for activated guarantees were noticeably lower than expected. However, this was due only to the statistical treatment of data since the debt of shipyards was assumed in the first half of 2012 as public debt. Although data on the change in arrears in 2012 are not available at this moment, it has been assumed that they will increase, which also contributed to deficit growth. The expected total fiscal deficit in 2013 did not change much compared to the latest projections (went down by HRK 0.4bn).

A noticeable reduction in revenues has also taken place, as well as a significant reduction in expenditures, including the acquisition of non-financial assets, which finally led to the said slight deficit correction. Nevertheless, public debt expressed as a share of GDP increased noticeably due to the downward correction of the GDP and payment of last year's losses incurred by the CIHI and reduction of CIHI payments to suppliers to the statutory time limits.

11 Annex 1

Table 9 Macroeconomic projections of other institutions
change in %

| | GDP | | Household consumption | | Gross fixed capital formation | | Exports of goods and services | | Imports of goods and services | | Industrial production | | Consumer prices | | General government balance (as % of GDP, ESA 95) | | |
|---------------------------------------------------------------|-------------|------------|-----------------------|------------|-------------------------------|------------|-------------------------------|----------|-------------------------------|----------|-----------------------|------------|-----------------|------------|--------------------------------------------------|-------------|--|
| | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | |
| <i>Consensus Forecast (June 2013)</i> | | | | | | | | | | | | | | | | | |
| Privredna Banka Zagreb | -0.5 | 1.2 | -2.0 | 0.1 | 0.2 | 5.6 | - | - | - | - | 1.0 | 2.5 | 3.0 | 2.2 | -4.5 | -4.2 | |
| GKI Econ Research | -0.8 | 1.0 | -1.5 | 1.0 | 0.5 | 2.0 | - | - | - | - | 0.5 | 2.5 | 3.7 | 2.5 | -4.5 | -4.0 | |
| IHS Global Insight | -0.4 | 1.2 | -1.1 | 0.8 | -0.1 | 2.6 | - | - | - | - | 0.1 | 2.3 | 2.9 | 2.4 | -4.3 | -4.0 | |
| Econ Intelligence Unit | -0.3 | 1.7 | -0.4 | 1.2 | 0.6 | 3.8 | - | - | - | - | -1.5 | 2.2 | 3.0 | 2.8 | -3.6 | -3.3 | |
| Dun & Bradstreet | -0.3 | 1.4 | 0.4 | 2.5 | 3.5 | 6.5 | - | - | - | - | na | na | 2.2 | 2.4 | -3.7 | -4.5 | |
| Feri | 0.1 | 2.2 | 0.1 | 2.3 | -0.8 | 3.6 | - | - | - | - | 0.1 | 2.4 | 2.5 | 2.0 | -4.0 | -3.6 | |
| Kopint-Tarki | 0.5 | 1.9 | 0.5 | 2.3 | 1.5 | 3.0 | - | - | - | - | 1.2 | 3.5 | 3.0 | 3.0 | -4.2 | -4.0 | |
| Raiffeisen Research | -0.5 | 1.0 | -1.8 | 0.7 | -1.0 | 4.5 | - | - | - | - | -1.5 | 2.0 | 2.5 | 2.7 | -4.2 | -3.8 | |
| Vienna Institute – WIIW | -1.0 | 1.5 | -2.5 | 0.0 | -2.0 | 3.0 | - | - | - | - | 1.0 | 2.5 | 3.5 | 2.0 | -4.8 | -3.5 | |
| Hypo Alpe-Adria-Bank | -2.0 | -0.7 | -2.2 | -0.9 | -1.2 | 0.9 | - | - | - | - | -2.8 | 1.4 | 2.8 | 2.5 | -5.0 | -4.8 | |
| Consensus Forecast (average) | -0.5 | 1.2 | -1.1 | 1.0 | 0.1 | 3.6 | - | - | - | - | -0.2 | 2.4 | 2.9 | 2.4 | -4.3 | -4.0 | |
| Ministry of Finance (2013 Economic Programme) | 0.7 | 2.4 | -0.7 | 1.5 | 6.3 | 9.9 | 1.6 | 3.2 | 1.2 | 4.3 | - | - | 3.2 | 2.3 | -3.6 | -3.4 | |
| European Commission (May 2013) | -1.0 | 0.2 | -2.0 | -0.5 | -0.5 | 4.0 | 1.3 | 3.5 | 0.4 | 3.7 | - | - | 3.1 | 2.0 | -4.7 | -5.6 | |
| International Monetary Fund (April 2013) | -0.2 | 1.5 | - | - | - | - | 1.6 | 3.0 | -0.2 | 3.0 | - | - | 3.2 | 2.3 | -4.0 | -4.5 | |
| UniCredit (June 2013) | -0.8 | -0.5 | -1.5 | -0.3 | -0.8 | 0.0 | 1.0 | 3.0 | -0.3 | 3.2 | - | - | 2.8 | 2.9 | - | - | |
| European Bank for Reconstruction and Development (April 2013) | -0.3 | 1.9 | - | - | - | - | - | - | - | - | - | - | 3.1 | - | - | - | |
| World Bank (June 2013) | -0.4 | 1.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |

Sources: *Consensus Forecast* and publications of the respective institutions.

12 Annex 2 The effects of changes in the statistical treatment and methodology on the balance of payments and the balance of gross external debt and international investments

In the light of the recent publication of the statistical data in the field of monetary statistics under the new methodology laid down by the European Central Bank and the need to harmonise other statistics compiled and published by the CNB, as of this issue of the CNB Bulletin the balance of payments statistics and the statistics of external debt and the international investment position are adjusted to the new methodology, including the revision of past data for the purpose of achieving full consistency.

The tables of international investment position, balance of payments and external debt statistics (Tables H1 to H9 in the Bulletin) are compiled in the entire reporting series using sector

classification in accordance with the Decision on the statistical classification of institutional sectors (OG 146/2011) published by the Central Bureau of Statistics which is based on the European System of Accounts (ESA 1995). Detailed information on the mentioned sector classification was published in Bulletin No. 190. The said adjustment did not affect the overall amount of the balance of payments current account balance and the position of net errors and omissions or the total balance of international investments or external debt because this was only the effect of sector classification of the existing balances and flows.

In addition, data on the international investment position,

Table 10 The effects of the change in the statistical treatment of bonds accompanied with the swap agreement on the international investment position

revised relative to the previously published data, in million EUR

| | Q1/2011 | Q2/2011 | Q3/2011 | Q4/2011 | Q1/2012 | Q2/2012 | Q3/2013 | Q4/2012 | Q1/2013 |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Portfolio debt investment, bonds | -15.5 | -36.5 | 51.5 | 157.1 | 93.3 | 251.7 | 175.0 | 105.1 | 204.6 |
| Financial derivatives | 15.5 | 36.5 | -51.5 | -157.1 | -93.3 | -251.7 | -175.0 | -105.1 | -204.6 |

Note: A positive sign denotes an increase in the balance of liabilities, while a negative sign denotes a decrease relative to the previously published data.
Source: CNB.

Table 11 The effects of the change in the statistical treatment of bonds with the accompanying swap agreement on the balance of payments

revised relatively to the previously published data, in million EUR

| | Q1/2011 | Q2/2011 | Q3/2011 | Q4/2011 | Q1/2012 | Q2/2012 | Q3/2013 | Q4/2012 | Q1/2013 |
|-----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Current account | 0.0 | 1.4 | 1.6 | 0.4 | -0.4 | -1.7 | -2.2 | -0.3 | 0.9 |
| Income, portfolio debt investment | | 1.4 | 1.6 | 0.4 | -0.4 | -1.7 | -2.2 | -0.3 | 0.9 |
| Financial account | 0.0 | -1.4 | -1.6 | -0.4 | 0.4 | 1.7 | 2.2 | 0.3 | -0.9 |
| Portfolio debt investment, bonds | | -1.4 | -0.1 | -0.4 | -0.5 | -3.7 | -1.1 | -2.1 | -1.9 |
| Principal withdrawal | -8.8 | 0.0 | 0.0 | 0.0 | 0.0 | -5.3 | 0.0 | -2.8 | 0.0 |
| Interest paid | 0.0 | 0.0 | 1.5 | 0.0 | -0.9 | 0.0 | -3.4 | 0.4 | -1.1 |
| Interest accrued | 0.0 | -1.4 | -1.6 | -0.4 | 0.4 | 1.7 | 2.2 | 0.3 | -0.9 |
| Financial derivatives | 8.8 | 0.0 | -1.5 | 0.0 | 0.9 | 5.3 | 3.4 | 2.4 | 1.1 |

Note: The negative sign in the financial account (portfolio investments, financial derivatives) denotes a reduction in liabilities, while in the current account (income) it denotes an increase in expenses relative to the previously published data.
Source: CNB.

Table 12 The effects of the change in methodology on the balance of gross external debt

revised relative to the previously published data, in million EUR

| Sektor | 12/2004 | 12/2005 | 12/2006 | 12/2007 | 12/2008 | 12/2009 | 12/2010 | 12/2011 | 3/2012 | 6/2012 | 9/2012 | 12/2012 | 3/2013 |
|-------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|---------|--------|
| 1 General government | 5.3 | 4.4 | 3.5 | 108.9 | 85.2 | 55.8 | 19.6 | 151.0 | 88.1 | 240.8 | 169.5 | 105.8 | 187.6 |
| o/w: Resectorisation | 5.3 | 4.4 | 3.5 | 108.9 | 85.2 | 55.8 | 11.3 | 7.6 | 7.5 | 5.8 | 5.7 | 3.8 | 3.8 |
| 2 Croatian National Bank | 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 Credit institutions* | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 14.6 | -0.2 | 8.7 | 7.5 | 7.4 | 9.7 | 13.3 |
| 4 Other sectors | -5.3 | -4.4 | -3.5 | -108.9 | -85.2 | -55.8 | -15.8 | -9.0 | -7.0 | -5.6 | -3.2 | -22.1 | -5.1 |
| o/w: Resectorisation | -5.3 | -4.4 | -3.5 | -108.9 | -85.2 | -55.8 | -11.3 | -7.6 | -7.5 | -5.8 | -5.7 | -3.8 | -3.8 |
| 5 Direct investment | 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 |
| Gross external debt | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 18.3 | 141.8 | 89.8 | 242.7 | 173.8 | 93.3 | 195.8 |
| o/w: Effect of bonds accompanied with swap agreements | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 157.1 | 93.3 | 251.7 | 175.0 | 105.1 | 204.6 |

* A change in data sources used.

Note: The positive sign denotes an increase in the balance of gross external debt relative to the previously published data.

Source: CNB.

balance of payments and external debt have also been revised due to the changed statistical treatment of bonds in connection to which currency swap agreements enabling issuers to protect themselves from currency risk have been concluded. Now, such bonds are valued in the original currency of the instrument instead of the swap currency as was the case thus far. This prompted a revision in the balance of payments and international investment position data series in the position of portfolio investments and financial derivatives because balances and flows arising from the actual instrument and from the swap agreement are now shown separately. The net effect of this change in methodology on the international investment position is neutral because the part arising from the difference between the amount expressed in the original currency and the amount in the currency of the swap (the euro) is only reclassified from the portfolio investment position of the financial derivatives position.

However, the effect of this revision was reflected in the balance of payments current account because accrued interest is not expressed directly in the reporting currency (the euro) but as an amount of the accrued interest in the original currency of the bond issue expressed in the reporting currency (the euro) using the average monthly midpoint exchange rate of the CNB. There is no compensatory effect because the balance of payments compilation methodology does not provide for cases of recording

income from the use of financial derivatives. The effects on the position of net errors and omissions are neutral because under the methodology the same amount of accrued interest is also registered in the financial account as new liability until the moment of actual payment. Interest payments are shown in the financial account in accordance with bond elements (in the original currency) and the difference to the actually paid amount due to the accompanying swap agreement is registered as a transaction in financial derivatives, so there are no effects on net errors and omissions in this case as well.

As for data on external debt, the revision conducted is a way for the value of bonds to be shown in the balance of external debt in accordance with the characteristics of the original instrument, while previous data showed bond values adjusted for the effect of the derivative. This led to substantial changes in the presented balance of external debt, because in accordance to methodological standards derivatives are not considered debt instruments and therefore do not make up the external debt statistics but only the international investment position statistics. This form of revision is also carried out in the government sector and other domestic sectors (enterprises). In addition, data as regards the credit institutions sector and other domestic sectors were revised as a result of the use of other, better quality data for the period since December 2010.



Statistical survey

Classification and presentation of data on claims and liabilities

Data on financial institutions' claims and liabilities are classified according to institutional sectors and financial instruments.

Up to November 2010, the sector classification of institutional units was based on the sector classification under the Decision on the Chart of Accounts for Banks, and data were based on the reporting system in accordance with the Decision relating to the bank statistical report.

From December 2010 on, the sector classification of counterparties is made in accordance with the Decision on the statistical classification of institutional sectors published by the Central Bureau of Statistics State (CBS). This classification by sectors is based on the European System of Accounts 1995 (ESA 1995), a mandatory statistical standard of the European Union, and is aligned with the basic international statistical standard – the System of National Accounts 1993 (SNA 1993). The data are based on the reporting system in accordance with the Decision on statistical and prudential reporting.

Table 1 provides a comparative overview of the two sector classifications.

Table 1 Comparative overview of the two sector classifications

| Sector classification under the Decision on the Chart of Accounts for Banks | ESA 95 sector classification |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Enterprises | Non-financial corporations |
| Public enterprises | Public non-financial corporations |
| Other enterprises | National private non-financial corporations |
| | Foreign controlled non-financial corporations |
| Financial institutions | Financial institutions |
| Croatian National Bank | Central bank |
| Banks | Other monetary financial institutions |
| Other banking institutions | Other financial intermediaries, except insurance corporations and pension funds |
| CBRD | |
| Non-banking financial institutions | Financial auxiliaries |
| Banks undergoing bankruptcy proceedings | Insurance corporations and pension funds |
| Government units | General government |
| Republic of Croatia (central government) | Central government |
| Central government funds | State government |
| Local government | Local government |
| | Social security funds |
| Households | Households |
| Non-profit institutions serving households | Non-profit institutions serving households |
| Non-residents | Rest of the world |

For the purposes of the CNB Bulletin, institutional sectors in tables A to D12 are as follows: financial institutions, central government, other domestic sectors and rest of the world.

Financial institutions

Up to November 2010, the financial institutions sector included 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. Banks are institutions to which the Croatian National Bank has issued a license to perform banking business services in accordance with the Banking Act. 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 corporations, pension funds).

Data in tables A to D12 have been revised due to the reclassification of the Croatian Bank for Reconstruction and Development from the subsector social security funds to the subsector other banking institutions as of July 1999.

From December 2010 on, the financial institutions sector comprises the following subsectors: monetary authorities (the central bank), other monetary financial institutions, other financial intermediaries except insurance corporations and pension funds, financial auxiliaries, and insurance corporations and pension funds. The central bank is the Croatian National Bank. Other monetary financial institutions are credit institutions (banks, savings banks and housing savings banks). In line with European Central Bank regulations, the scope of the other monetary financial institutions is to be expanded to include money market funds. Credit institutions are institutions authorised by the Croatian National Bank under the Credit Institutions Act. Data on

Table 2 Sector classification of financial institutions up to November 2010

| | |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| | Central bank |
| | Banks |
| | Banks and savings banks |
| | Housing savings banks |
| | Other banking institutions |
| | Savings and loan cooperatives/Credit unions |
| | Investment funds etc. |
| Financial institutions | CBRD |
| | Insurance corporations |
| | Pension funds |
| | Non-banking financial institutions |
| | Other financial intermediaries (e.g. leasing companies) |
| | Financial auxiliaries (stock exchanges, exchange offices, investment firms, investment and pension fund management companies, etc.) |

Table 3 Sector classification of financial institutions from December 2010

| | |
|------------------------|----------------------------------------------------------------------------------|
| | Central bank |
| | Banks |
| | Credit institutions |
| | Savings banks |
| | Housing savings banks |
| | Open-end money market funds |
| | Other monetary financial institutions |
| | Investment funds |
| | Leasing companies |
| | Other financial intermediaries (except insurance corporations and pension funds) |
| | Factoring companies |
| | Banks undergoing bankruptcy/winding-up proceedings |
| | CBRD |
| | Credit unions, etc. |
| | Stock exchanges |
| | Exchange offices |
| | Financial regulatory authorities |
| Financial institutions | Financial auxiliaries |
| | Insurance intermediaries and agents |
| | Investment firms |
| | Investment/pension fund management companies, etc. |
| | Insurance corporations and pension funds |
| | Insurance corporations |
| | Pension funds |

credit institutions do not include banks undergoing winding-up or bankruptcy proceedings. The subsector other financial intermediaries except insurance corporations and pension funds consists of institutions which are principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits and/or close substitutes for deposits. It includes, for example, investment funds, leasing companies, factoring companies, banks undergoing winding-up or bankruptcy proceedings, credit unions, the Croatian Bank for Reconstruction and Development, etc. Financial auxiliaries are institutions which are principally engaged in providing auxiliary financial services and comprise, in particular, stock exchanges, exchange offices, financial regulatory authorities, insurance intermediaries and agents, investment firms, investment and pension fund management companies, the CDCC, HANFA, FINA, DAB, etc. Insurance corporations and pension funds are institutions which are principally engaged in financial intermediation as the consequence of the pooling of risks.

Tables 2 and 3 provide a comparative overview of the structure of differences among financial institutions.

Central government

Up to November 2010, the central government and social security funds sector consisted of the central government subsector (up to CNB Bulletin No. 190, reported under Republic of Croatia) and the social security funds subsector (up to CNB Bulletin No. 190, reported under central government funds).

Up to December 2003, the central government subsector included government authorities, comprising the Croatian Roads, the Croatian Motorways and the State Agency for Deposit Insurance and Bank Rehabilitation. The subsector social security funds included the Croatian Institute for Health Insurance, the Croatian Pension Insurance Administration, the Croatian Employment Service, the Croatian Privatisation Fund and the Croatian Waters. As from January 2004, the Croatian Roads, the State Agency for Deposit Insurance and Bank Rehabilitation and the Croatian Motorways have been reclassified from the central government subsector to the social security funds subsector. In addition, as from January 2008, the Croatian Motorways have been reclassified from the social security funds subsector to the subsector of public non-financial corporations.

From December 2010 on, the central government includes government authorities, comprising the Croatian Roads, the Croatian Waters and the Agency for Management of the Public Property. The social security funds subsector comprises the Croatian Pension Insurance Administration, the Croatian Institute for Health Insurance and the Croatian Employment Service.

The central government sector also includes institutional units established and controlled by the central government (e.g. engaged in education, health, science, culture, etc.), which have been reclassified from the subsector national private non-financial corporations and foreign controlled non-financial corporations (up to CNB Bulletin No. 190, reported under other enterprises).

Other domestic sectors

Other domestic sectors comprise local government, public non-financial corporations, national private non-financial corporations, foreign controlled non-financial corporations and households, including craftsmen and non-profit institutions serving households.

In some tables other domestic sectors are divided into the following subsectors: local government, non-financial corporations (up to CNB Bulletin No. 190, reported under enterprises) and households.

Local government comprises units of local and regional

self-government. The local government sector also includes institutional units established and controlled by local government units (e.g. engaged in education, health, science, culture, etc.), which have been reclassified from the subsector national private non-financial corporations and foreign controlled non-financial corporations (up to CNB Bulletin No. 190, reported under other enterprises).

Non-financial corporations include public non-financial corporations, national private non-financial corporations and foreign controlled non-financial corporations.

Up to November 2010, public non-financial corporations (up to CNB Bulletin No. 190, reported under public enterprises) comprised public non-financial corporations included in the list provided in the Instructions for the implementation of the Chart of Accounts for Banks.

National private non-financial corporations and foreign controlled non-financial corporations (up to CNB Bulletin No. 190, reported under other enterprises) include, among others, institutional units established and controlled by the central government (e.g. engaged in education, health, science, culture, etc.). This comprises, in particular, faculties, hospitals, kindergartens, health centres, etc., whereby reporting institutions have to classify e.g. higher education institutions into this subsector regardless of ownership and control (and regardless of whether they are established by the Republic of Croatia or whether they are private institutions). This subsector also includes banks undergoing bankruptcy proceedings.

Data in tables A to D12 have been revised due to the reclassification of the Croatian Motorways from the subsector social security funds to the subsector of public non-financial corporations as of January 2008.

From December 2010 on, public non-financial corporations (up to CNB Bulletin No. 190, reported under public enterprises) include all institutional units meeting the criteria for this subsector in accordance with the sector classification of institutional units.

All privately established institutions remained within national private non-financial corporations and foreign controlled non-financial corporations (up to CNB Bulletin No. 190, reported under other enterprises), while institutional units established and controlled by the government (e.g. engaged in education, health, science, culture, etc.) are classified into the corresponding subsector (central or local government) of the general government sector, depending on their founder. This subsector does not include banks undergoing bankruptcy proceedings.

Households also include craftsmen and non-profit institutions serving households.

Rest of the world includes foreign natural and legal persons.

All data on claims and liabilities in tables A to D12 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. In tables where there is a breakdown into kuna and foreign currency items, kuna items include kuna items not indexed to foreign currency and kuna items indexed to foreign currency. All items are reported on a gross basis (i.e. before value adjustments).

The change in the sector classification and reporting system caused a break in the series of data in tables A to D12 (CNB Bulletin No. 190) and in tables H (CNB Bulletin No. 194) as of December 2010.

Furthermore, data in tables A to D12 have been revised starting from July 1999 to include data on housing savings banks in addition to data on banks and savings banks.

A Monetary and credit aggregates

Table A1 Monetary and credit aggregates
end of period, in million HRK and %

| Year | Month | Reserve money | Money M1 | Broadest money M4 | Net domestic assets | Domestic credit | Monthly rates of growth | | | | |
|------|-----------------------|---------------|----------|-------------------|---------------------|-----------------|-------------------------|----------|-------------------|---------------------|-----------------|
| | | | | | | | Reserve money | Money M1 | Broadest money M4 | Net domestic assets | Domestic credit |
| 1999 | December ^a | 10,310.3 | 13,850.7 | 59,579.0 | 42,923.5 | 55,937.6 | 4.53 | 5.44 | 2.31 | 0.51 | -4.54 |
| 2000 | December | 11,717.8 | 18,023.2 | 76,005.6 | 46,988.4 | 60,949.6 | 7.20 | 9.93 | 3.68 | 10.06 | 2.67 |
| 2001 | December | 17,864.6 | 23,749.5 | 109,951.7 | 61,290.3 | 75,103.2 | 8.21 | 13.11 | 11.47 | 3.61 | 1.19 |
| 2002 | December | 23,066.6 | 30,889.4 | 120,915.3 | 88,097.9 | 97,841.8 | 10.83 | 6.18 | 1.88 | 7.91 | 2.32 |
| 2003 | December | 30,637.9 | 33,940.4 | 135,200.4 | 102,429.0 | 112,075.1 | 9.08 | 1.93 | 0.46 | 3.37 | 0.60 |
| 2004 | December | 33,925.5 | 34,563.2 | 148,819.7 | 117,087.8 | 127,929.0 | 8.46 | 2.66 | 0.70 | 2.62 | 2.02 |
| 2005 | December | 40,441.9 | 38,868.2 | 166,161.3 | 142,867.8 | 150,245.3 | 9.51 | 4.46 | 0.55 | 2.37 | 2.01 |
| 2006 | December | 46,338.0 | 48,527.8 | 196,724.2 | 169,171.5 | 184,879.1 | 3.18 | 4.76 | 1.86 | 3.57 | 3.06 |
| 2007 | December | 51,932.2 | 57,886.6 | 233,080.1 | 183,673.5 | 213,200.1 | 3.75 | 6.73 | 3.95 | 3.56 | 2.67 |
| 2008 | December | 49,752.8 | 55,237.9 | 244,134.1 | 202,476.0 | 241,827.1 | -9.89 | 8.16 | 3.30 | 5.61 | 2.76 |
| 2009 | December | 56,153.9 | 47,195.7 | 244,445.9 | 199,520.7 | 241,862.6 | 4.57 | 3.16 | 0.67 | 0.25 | 0.01 |
| 2010 | December | 56,353.8 | 48,301.4 | 251,738.5 | 207,240.1 | 256,504.6 | 3.00 | -0.12 | -0.79 | 1.44 | -1.02 |
| 2011 | December | 62,559.6 | 51,934.5 | 255,730.6 | 221,732.4 | 269,114.2 | 3.76 | 3.27 | 0.15 | 2.40 | 1.08 |
| 2012 | June | 61,703.2 | 50,548.4 | 255,157.6 | 219,325.0 | 267,446.4 | -3.84 | 3.69 | 0.09 | 0.06 | 0.80 |
| | July | 58,878.0 | 52,582.9 | 259,947.2 | 217,544.1 | 268,113.0 | -4.58 | 4.02 | 1.88 | -0.81 | 0.25 |
| | August | 59,190.5 | 52,214.4 | 262,982.4 | 215,283.0 | 265,367.0 | 0.53 | -0.70 | 1.17 | -1.04 | -1.02 |
| | September | 60,656.7 | 51,877.0 | 261,252.1 | 214,532.3 | 263,248.9 | 2.48 | -0.65 | -0.66 | -0.35 | -0.80 |
| | October | 59,997.2 | 50,753.6 | 262,237.0 | 213,391.2 | 264,019.3 | -1.09 | -2.17 | 0.38 | -0.53 | 0.29 |
| | November | 59,734.3 | 50,512.9 | 263,106.0 | 212,255.7 | 263,078.6 | -0.44 | -0.47 | 0.33 | -0.53 | -0.36 |
| | December ^b | 61,856.3 | 52,780.4 | 263,788.3 | 213,562.9 | 258,492.0 | 3.55 | 4.49 | 0.26 | 0.62 | -1.74 |
| 2013 | January | 60,856.9 | 49,919.3 | 261,143.8 | 213,896.6 | 258,401.5 | -1.62 | -5.42 | -1.00 | 0.16 | -0.03 |
| | February | 60,509.1 | 49,625.1 | 261,170.4 | 214,661.9 | 258,732.2 | -0.57 | -0.59 | 0.01 | 0.36 | 0.13 |
| | March | 62,354.6 | 51,859.3 | 263,130.6 | 215,761.0 | 259,586.3 | 3.05 | 4.50 | 0.75 | 0.51 | 0.33 |
| | April | 61,580.6 | 52,896.1 | 262,070.0 | 211,724.1 | 261,889.7 | -1.24 | 2.00 | -0.40 | -1.87 | 0.89 |
| | May | 62,746.3 | 54,780.3 | 263,572.5 | 212,804.8 | 260,556.0 | 1.89 | 3.56 | 0.57 | 0.51 | -0.51 |

^a Domestic credit decreased by a one-off HRK 2,759.4m. ^b Within Domestic credit, claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

Table A1 Monetary and credit aggregates • The table shows data on some basic monetary and credit aggregates, including their monthly growth rates.

As from CNB Bulletin No. 190, data on all the monetary aggregates have been revised from July 1999 onward to include housing savings banks in addition to the Croatian National Bank, banks and savings banks.

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 credit institutions, deposits with the CNB by other financial institutions as well as demand deposits with credit institutions.

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).

Up to November 2010, Domestic credit comprised banks' and housing savings banks' claims on other domestic sectors, other banking institutions and non-banking financial institutions.

From December 2010 on, Domestic credit comprises credit institutions' claims on other domestic sectors, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

B Monetary institutions

Table B1 Monetary survey
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. ^a | 2013 | | |
|------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------------|------------------|------------------|------------------|
| | | | | | | | Mar. | Apr. | May |
| ASSETS | | | | | | | | | |
| 1 Foreign assets (net) | 49,406.6 | 41,658.1 | 44,925.2 | 44,498.4 | 33,998.2 | 50,225.4 | 47,369.7 | 50,346.0 | 50,767.7 |
| 2 Domestic credit | 243,686.6 | 274,165.9 | 275,430.1 | 295,198.1 | 317,322.1 | 315,273.2 | 318,974.7 | 314,714.7 | 314,498.6 |
| 2.1 Claims on central government and social security funds (net) | 30,486.5 | 32,338.7 | 33,567.5 | 38,693.6 | 48,208.0 | 56,781.3 | 59,388.3 | 52,825.1 | 53,942.5 |
| 2.2 Claims on other domestic sectors | 209,555.2 | 239,449.4 | 240,118.1 | 250,294.2 | 261,982.9 | 247,816.4 | 249,083.0 | 250,890.9 | 249,883.0 |
| 2.3 Claims on other banking institutions | 1,791.3 | 1,249.9 | 633.9 | .... | .... | .... | .... | .... | .... |
| 2.4 Claims on non-banking financial institutions | 1,853.7 | 1,127.8 | 1,110.6 | .... | .... | .... | .... | .... | .... |
| 2.5 Claims on other financial intermediaries | .... | .... | .... | 4,588.1 | 5,975.8 | 9,366.9 | 9,310.4 | 9,743.4 | 9,443.1 |
| 2.6 Claims on financial auxiliaries | .... | .... | .... | 967.9 | 1,022.8 | 1,065.5 | 1,035.9 | 1,137.2 | 1,118.2 |
| 2.7 Claims on insurance corporations and pension funds | .... | .... | .... | 654.3 | 132.6 | 243.1 | 157.0 | 118.1 | 111.6 |
| Total (1+2) | 293,093.2 | 315,824.0 | 320,355.3 | 339,696.6 | 351,320.4 | 365,498.7 | 366,344.3 | 365,060.7 | 365,266.2 |
| LIABILITIES | | | | | | | | | |
| 1 Money | 57,886.6 | 55,237.9 | 47,195.7 | 48,301.4 | 51,934.5 | 52,780.4 | 51,859.3 | 52,896.1 | 54,780.3 |
| 2 Savings and time deposits | 59,800.7 | 56,240.7 | 44,874.3 | 38,885.2 | 42,558.9 | 40,590.0 | 41,780.0 | 40,959.1 | 40,989.4 |
| 3 Foreign currency deposits | 103,156.1 | 117,590.8 | 135,509.1 | 147,320.5 | 144,486.8 | 152,649.2 | 152,731.1 | 151,318.9 | 150,996.7 |
| 4 Bonds and money market instruments | 12,236.8 | 15,064.7 | 16,866.7 | 17,231.3 | 16,750.4 | 17,768.7 | 16,760.3 | 16,895.9 | 16,806.0 |
| 5 Restricted and blocked deposits | 2,280.9 | 3,094.2 | 2,598.3 | 3,580.9 | 3,399.7 | 5,274.1 | 5,511.7 | 5,361.0 | 4,938.9 |
| 6 Other items (net) | 57,732.1 | 68,595.7 | 73,311.1 | 84,377.1 | 92,190.1 | 96,436.2 | 97,702.0 | 97,629.7 | 96,754.9 |
| Total (1+2+3+4+5+6) | 293,093.2 | 315,824.0 | 320,355.3 | 339,696.6 | 351,320.4 | 365,498.7 | 366,344.3 | 365,060.7 | 365,266.2 |

^a Claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

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

As from CNB Bulletin No. 190, data on all the items have been revised from July 1999 onward to include housing savings banks in addition to the Croatian National Bank, banks and savings banks.

Foreign assets (net) is a difference between total foreign assets and total foreign liabilities of the CNB and credit institutions.

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

and credit institutions.

Money is the sum of currency outside credit institutions, deposits by other financial institutions with the CNB and demand deposits with credit institutions (item Demand deposits in the Credit institutions' 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 Credit institutions' accounts, while item Restricted and blocked deposits represents the sum of the corresponding items in the Monetary authorities accounts (excluding credit institutions' blocked deposits with the CNB) and the Credit institutions' accounts. Other items (net) are unclassified liabilities decreased by unclassified assets.

Table B2 Number of credit institutions and their classification by total assets

| Year | Month | Total number of credit institutions | Banks | Savings banks | Housing savings banks | Savings banks ^a | Credit institutions 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 |
| 1 | 2 | 3 = 4 to 7 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 1999 | December | 87 | 53 | 0 | 4 | 30 | 34 | 27 | 7 | 7 | 10 | 2 |
| 2000 | December | 78 | 45 | 0 | 4 | 29 | 28 | 23 | 9 | 6 | 10 | 2 |
| 2001 | December | 69 | 44 | 0 | 4 | 21 | 20 | 20 | 8 | 7 | 10 | 4 |
| 2002 | December | 59 | 46 | 0 | 3 | 10 | 12 | 16 | 9 | 9 | 8 | 5 |
| 2003 | December | 53 | 42 | 0 | 4 | 7 | 7 | 16 | 9 | 7 | 8 | 6 |
| 2004 | December | 49 | 39 | 0 | 4 | 6 | 7 | 13 | 10 | 8 | 5 | 6 |
| 2005 | December | 43 | 36 | 0 | 4 | 3 | 4 | 10 | 8 | 8 | 7 | 6 |
| 2006 | December | 43 | 35 | 0 | 5 | 3 | 6 | 6 | 6 | 11 | 6 | 8 |
| 2007 | December | 42 | 35 | 0 | 5 | 2 | 5 | 5 | 2 | 16 | 5 | 9 |
| 2008 | December | 43 | 35 | 1 | 5 | 2 | 4 | 8 | 1 | 14 | 7 | 9 |
| 2009 | December | 43 | 34 | 2 | 5 | 2 | 5 | 6 | 3 | 14 | 7 | 8 |
| 2010 | December | 38 | 32 | 1 | 5 | 0 | 1 | 5 | 2 | 12 | 10 | 8 |
| 2011 | December | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 12 | 10 | 8 |
| 2012 | June | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 12 | 10 | 8 |
| | July | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 11 | 8 |
| | August | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 11 | 8 |
| | September | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 11 | 8 |
| | October | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 11 | 8 |
| | November | 37 | 31 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 11 | 8 |
| | December | 36 | 30 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 10 | 8 |
| 2013 | January | 36 | 30 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 10 | 8 |
| | February | 36 | 30 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 10 | 8 |
| | March | 36 | 30 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 10 | 8 |
| | April | 36 | 30 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 10 | 8 |
| | May | 36 | 30 | 1 | 5 | 0 | 1 | 5 | 1 | 11 | 10 | 8 |

^a Savings banks operated under the Act on Banks and Savings Banks of 1993.

Table B2 Number of reporting credit institutions and their classification by total assets • The table shows the total number of credit institutions which report monthly to the CNB. Their operations are shown in the Credit institutions' accounts. In line with European Central Bank regulations, the scope of the other monetary financial institutions is to be expanded to include money market funds.

Up to February 2005, monetary statistics included institutions whose authorisations have been withdrawn, but which have not initiated winding-up proceedings. Up to November 2010, monetary statistics included institutions undergoing winding-up proceedings.

The table also shows the classification of reporting credit institutions according to their total assets.

C Monetary authorities

Table C1 Monetary authorities accounts
end of period, in million HRK

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | |
|------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Dec. | Dec. | Dec. | Dec. | Dec. | Dec. | Mar. | Apr. | May |
| ASSETS | | | | | | | | | |
| 1 Foreign assets | 68,177.8 | 66,805.5 | 75,807.8 | 78,728.2 | 84,302.0 | 84,782.1 | 85,552.5 | 91,655.8 | 91,048.1 |
| 1.1 Gold | - | - | - | - | - | - | - | - | - |
| 1.2 Holdings of SDRs | 5.6 | 5.3 | 2,423.7 | 2,634.5 | 2,716.3 | 2,662.3 | 2,709.1 | 2,672.5 | 2,676.8 |
| 1.3 Reserve position in the IMF | 1.3 | 1.3 | 1.3 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| 1.4 Currency and demand deposits with foreign banks | 7.2 | 1,472.7 | 1,763.8 | 1,483.0 | 1,887.2 | 10,647.4 | 6,460.5 | 5,959.6 | 6,403.1 |
| 1.5 Time deposits with foreign banks | 33,204.4 | 13,189.3 | 17,534.5 | 22,702.9 | 18,676.4 | 6,298.8 | 7,257.9 | 14,467.5 | 13,988.2 |
| 1.6 Securities in f/c | 34,959.3 | 52,136.9 | 54,084.5 | 51,906.5 | 61,020.7 | 65,172.2 | 69,123.5 | 68,554.8 | 67,978.6 |
| 1.7 Non-convertible foreign exchange | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2 Claims on central government | 1.0 | 2.2 | 2.9 | 0.3 | 251.8 | - | - | 0.0 | 0.0 |
| 2.1 Claims in kuna | 1.0 | 2.2 | 2.9 | 0.3 | 251.8 | - | - | 0.0 | 0.0 |
| 2.2 Claims in f/c | - | - | - | - | - | - | - | - | - |
| 3 Claims on other domestic sectors | 4.0 | 3.7 | 3.5 | 3.1 | 2.8 | 2.5 | 2.5 | 2.5 | 2.5 |
| 4 Claims on credit institutions | 4,178.3 | 13.9 | 13.5 | 12.9 | 139.2 | 11.8 | 11.5 | 72.9 | 48.9 |
| 4.1 Loans to credit institutions | 4,178.3 | 13.9 | 13.5 | 12.9 | 139.2 | 11.8 | 11.5 | 72.9 | 48.9 |
| Lombard loans | 1,349.1 | - | - | - | - | - | - | - | - |
| Short-term liquidity loans | - | - | - | - | 126.8 | - | - | 61.4 | 37.6 |
| Other loans | 14.7 | 13.9 | 13.5 | 12.9 | 12.4 | 11.8 | 11.5 | 11.5 | 11.3 |
| Reverse repo transactions | 2,814.5 | - | - | - | - | - | - | - | - |
| 4.2 Overdue claims | - | - | - | - | - | - | - | - | - |
| 5 Claims on other financial institutions | 63.9 | 60.5 | 0.7 | 0.7 | 0.7 | - | - | - | - |
| Total (1+2+3+4+5) | 72,425.1 | 66,885.8 | 75,828.3 | 78,745.2 | 84,696.5 | 84,796.4 | 85,566.5 | 91,731.2 | 91,099.5 |
| LIABILITIES | | | | | | | | | |
| 1 Reserve money | 51,932.2 | 49,752.8 | 56,153.9 | 56,353.8 | 62,559.6 | 61,856.3 | 62,354.6 | 61,580.6 | 62,746.3 |
| 1.1 Currency outside credit institutions | 16,007.5 | 17,051.0 | 15,282.1 | 15,262.7 | 16,689.1 | 16,947.0 | 16,919.3 | 17,174.4 | 17,681.9 |
| 1.2 Credit institutions' cash in vaults | 3,305.8 | 3,428.3 | 3,659.6 | 4,048.7 | 4,253.9 | 4,681.0 | 4,021.3 | 4,192.5 | 4,495.6 |
| 1.3 Credit institutions' deposits | 32,610.6 | 29,263.7 | 37,200.1 | 36,937.6 | 41,436.0 | 39,636.7 | 41,347.5 | 39,363.2 | 39,745.1 |
| Settlement accounts | 7,553.9 | 9,520.3 | 12,024.6 | 10,246.1 | 12,705.0 | 11,509.2 | 9,847.7 | 15,180.5 | 15,436.9 |
| Statutory reserve in kuna | 22,275.6 | 19,222.7 | 23,600.6 | 22,705.1 | 25,755.0 | 24,555.7 | 24,129.8 | 24,182.7 | 24,308.1 |
| CNB bills on obligatory basis | 1,991.1 | 460.6 | - | - | - | - | - | - | - |
| Overnight deposits | 790.0 | 60.0 | 1,575.0 | 3,986.4 | 2,976.0 | 3,571.9 | 7,370.0 | - | - |
| 1.4 Deposits of other financial institutions | 8.3 | 9.9 | 12.0 | 104.8 | 180.6 | 591.6 | 66.5 | 850.4 | 823.7 |
| 2 Restricted and blocked deposits | 14,286.0 | 8,064.1 | 5,091.6 | 5,979.3 | 5,754.0 | 7,954.8 | 7,482.5 | 7,391.4 | 7,381.3 |
| 2.1 Statutory reserve in f/c | 14,257.5 | 8,008.3 | 5,041.7 | 4,773.2 | 5,538.3 | 5,094.5 | 5,066.9 | 5,013.1 | 5,052.7 |
| 2.2 Restricted deposits | 28.6 | 55.8 | 49.9 | 1,206.0 | 215.8 | 2,860.2 | 2,415.6 | 2,378.4 | 2,328.6 |
| 2.3 Blocked f/c deposits | - | - | - | - | - | - | - | - | - |
| 3 Foreign liabilities | 17.2 | 16.6 | 8.1 | 8.7 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 |
| 3.1 Use of IMF credit | - | - | - | - | - | - | - | - | - |
| 3.2 Liabilities to international institutions | 17.2 | 16.6 | 8.1 | 8.7 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 |
| 3.3 Liabilities to foreign banks | - | - | - | - | 0.0 | 0.0 | - | - | - |
| 4 Deposits of central government and social security funds | 190.8 | 197.1 | 4,159.4 | 4,106.2 | 1,439.2 | 146.6 | 296.3 | 7,475.5 | 5,913.1 |
| 4.1 Demand deposits | 117.5 | 161.3 | 1,827.1 | 1,379.8 | 849.7 | 68.1 | 258.0 | 2,930.2 | 1,818.2 |
| Central government demand deposits | 100.3 | 43.0 | 1,772.9 | 1,379.8 | 849.7 | 68.1 | 258.0 | 2,930.2 | 1,818.2 |
| Demand deposits of social security funds | 17.1 | 118.3 | 54.2 | - | - | - | - | - | - |
| 4.2 Central government f/c deposits | 73.3 | 35.8 | 2,332.2 | 2,726.4 | 589.5 | 78.5 | 38.3 | 4,545.3 | 4,094.8 |
| 4.3 CNB bills | - | - | - | - | - | - | - | - | - |
| 5 CNB bills | - | - | - | - | - | - | - | - | - |
| 5.1 CNB bills in kuna | - | - | - | - | - | - | - | - | - |
| 5.2 CNB bills in f/c | - | - | - | - | - | - | - | - | - |
| 6 Capital accounts | 6,664.5 | 9,562.4 | 11,151.3 | 13,090.1 | 15,787.9 | 15,716.8 | 16,329.9 | 16,186.7 | 15,960.3 |
| 7 Other items (net) | -665.6 | -707.1 | -735.9 | -792.9 | -844.6 | -878.1 | -896.8 | -903.1 | -901.5 |
| Total (1+2+3+4+5+6+7) | 72,425.1 | 66,885.8 | 75,828.3 | 78,745.2 | 84,696.5 | 84,796.4 | 85,566.5 | 91,731.2 | 91,099.5 |

Table C1 Monetary authorities accounts • The table reports data on claims and liabilities of the 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 are loans, overdue claims on the budget of the Republic of Croatia and investments in short-term securities of the Republic of Croatia. In accordance with the Croatian National Bank Act that entered into force in July 2008, 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.

Claims on other domestic sectors are loans and overdue claims on other domestic sectors (up to CNB Bulletin No. 190, this item included claims on banks undergoing bankruptcy proceedings).

From May 1999 on, Claims on other financial institutions (up to CNB Bulletin No. 190, reported under Claims on other banking institutions) include overdue claims on credit institutions against which bankruptcy proceedings have been initiated.

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

Reserve money consists of currency outside credit institutions,

cash in credit institutions' vaults, credit institutions' deposits with the CNB and deposits of other financial institutions with the CNB.

Credit institutions' deposits are: settlement account balances, statutory reserves deposited on a special account with the CNB (including, from March 2006, the special reserve requirement on liabilities arising from issued securities), CNB bills on an obligatory basis and overnight deposits.

Deposits by other financial institutions are settlement account balances of the CBRD, CDCC deposits for securities trading and DAB deposits.

Restricted and blocked deposits include required foreign currency reserves and accrued interest, restricted deposits and blocked foreign currency deposits. Credit institutions 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 undergoing bankruptcy proceedings. From March 2010 on, this item includes CBRD funds related to the accounts of the programme for the development of the economy. 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.

Deposits of central government and social security funds are demand deposits and foreign currency deposits of the central government and social security funds with the CNB, and CNB bills purchased by institutions in the central government and social security funds' sector.

CNB bills are kuna and f/c CNB bills on a voluntary basis, excluding CNB bills voluntarily purchased by institutions in the central government and social security funds' sector.

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.

D Credit institutions

Table D1 Credit institutions' accounts
end of period, in million HRK

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | |
|------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|
| | Dec. | Dec. | Dec. | Dec. | Dec. | Dec. ^a | Mar. | Apr. | May |
| ASSETS | | | | | | | | | |
| 1 Reserves with the CNB | 50,178.9 | 40,705.6 | 45,902.1 | 45,745.5 | 51,114.0 | 49,411.3 | 50,442.0 | 48,569.8 | 49,294.1 |
| 1.1 In kuna | 35,929.1 | 32,700.5 | 40,860.4 | 40,169.1 | 45,590.6 | 44,316.8 | 45,375.1 | 43,556.7 | 44,241.4 |
| 1.2 In f/c | 14,249.8 | 8,005.1 | 5,041.7 | 5,576.4 | 5,523.5 | 5,094.5 | 5,066.9 | 5,013.1 | 5,052.7 |
| 2 Foreign assets | 46,438.5 | 50,246.6 | 49,577.0 | 47,878.2 | 40,044.9 | 39,118.6 | 34,225.2 | 33,059.3 | 34,091.7 |
| 3 Claims on central government and social security funds | 32,856.8 | 35,209.4 | 40,031.2 | 46,162.1 | 53,474.4 | 60,838.0 | 63,403.5 | 64,040.9 | 63,726.3 |
| 4 Claims on other domestic sectors | 209,551.1 | 239,445.7 | 240,114.6 | 250,291.1 | 261,980.1 | 247,813.8 | 249,080.5 | 250,888.5 | 249,880.6 |
| 4.1 Claims on local government | 2,140.8 | 2,077.4 | 2,074.2 | 3,348.1 | 3,563.3 | 3,500.1 | 3,547.2 | 3,523.3 | 3,410.8 |
| 4.2 Claims on non-financial corporations | 92,265.1 | 107,959.0 | 112,167.5 | 116,802.9 | 126,938.8 | 114,622.2 | 116,082.3 | 117,878.7 | 117,996.0 |
| 4.3 Claims on households | 115,145.3 | 129,409.4 | 125,872.8 | 130,140.1 | 131,478.0 | 129,691.5 | 129,451.0 | 129,486.5 | 128,473.9 |
| 5 Claims on other banking institutions | 1,791.3 | 1,249.9 | 633.9 | .... | .... | .... | .... | .... | .... |
| 6 Claims on non-banking financial institutions | 1,789.7 | 1,067.4 | 1,109.9 | .... | .... | .... | .... | .... | .... |
| 7 Claims on other financial intermediaries | .... | .... | .... | 4,587.5 | 5,975.1 | 9,366.9 | 9,310.4 | 9,743.4 | 9,443.1 |
| 8 Claims on financial auxiliaries | .... | .... | .... | 967.9 | 1,022.8 | 1,065.5 | 1,035.9 | 1,137.2 | 1,118.2 |
| 9 Claims on insurance corporations and pension funds | .... | .... | .... | 654.3 | 132.6 | 243.1 | 157.0 | 118.1 | 111.6 |
| Total (1+2+3+4+5+6+7+8+9) | 342,606.3 | 367,924.6 | 377,368.7 | 396,286.6 | 413,744.0 | 407,857.2 | 407,654.5 | 407,557.2 | 407,665.7 |
| LIABILITIES | | | | | | | | | |
| 1 Demand deposits | 41,870.8 | 38,177.0 | 31,901.5 | 32,933.9 | 35,064.8 | 35,241.9 | 34,873.6 | 34,871.3 | 36,274.7 |
| 2 Savings and time deposits | 59,800.7 | 56,240.7 | 44,874.3 | 38,885.2 | 42,558.9 | 40,590.0 | 41,780.0 | 40,959.1 | 40,989.4 |
| 3 Foreign currency deposits | 103,156.1 | 117,590.8 | 135,509.1 | 147,320.5 | 144,486.8 | 152,649.2 | 152,731.1 | 151,318.9 | 150,996.7 |
| 4 Bonds and money market instruments | 12,236.8 | 15,064.7 | 16,866.7 | 17,231.3 | 16,750.4 | 17,768.7 | 16,760.3 | 16,895.9 | 16,806.0 |
| 5 Foreign liabilities | 65,192.5 | 75,377.4 | 80,451.5 | 82,099.3 | 90,348.3 | 73,675.1 | 72,408.0 | 74,369.0 | 74,372.1 |
| 6 Deposits of central government and social security funds | 2,180.5 | 2,675.8 | 2,307.2 | 3,362.6 | 4,079.1 | 3,910.1 | 3,718.8 | 3,740.3 | 3,870.7 |
| 7 Credit from central bank | 4,178.3 | 14.0 | 13.5 | 12.9 | 139.1 | 11.8 | 11.5 | 72.9 | 48.9 |
| 8 Restricted and blocked deposits | 2,252.3 | 3,038.4 | 2,548.4 | 2,374.9 | 3,183.9 | 2,413.9 | 3,096.1 | 2,982.6 | 2,610.3 |
| 9 Capital accounts | 53,481.8 | 60,708.0 | 66,784.4 | 72,555.2 | 77,208.3 | 80,700.6 | 82,000.6 | 81,402.7 | 81,791.1 |
| 10 Other items (net) | -1,743.6 | -962.2 | -3,888.0 | -489.3 | -75.6 | 896.0 | 274.6 | 944.4 | -94.3 |
| Total (1+2+3+4+5+6+7+8+9+10) | 342,606.3 | 367,924.6 | 377,368.7 | 396,286.6 | 413,744.0 | 407,857.2 | 407,654.5 | 407,557.2 | 407,665.7 |

^a Claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

Table D1 Credit institutions' accounts • Credit institutions' accounts include data on claims and liabilities of credit institutions.

As from CNB Bulletin No. 190, data on all the items have been revised from July 1999 onward to include housing savings banks in addition to the Croatian National Bank, banks and savings banks. Mutual claims and liabilities between banks, savings banks and housing savings banks 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 social security 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.

Up to November 2010, the same forms of kuna and foreign currency claims were included in claims on other banking institutions and non-banking financial institutions, with one difference: Claims on other banking institutions also included deposits with those institutions. From December 2010 on, the same forms of kuna and foreign currency claims are included in claims on other financial intermediaries (including claims on the CBRD), financial auxiliaries as well as insurance corporations and pension funds.

Up to November 2010, items Demand deposits, Savings and time deposits, Foreign currency deposits as well as Bonds and money market instruments comprised credit institutions' liabilities to other domestic sectors, other banking institutions and non-banking financial institutions. From December 2010 on, these items comprise credit institutions' liabilities to other domestic sectors, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

Demand deposits include transaction accounts balances and credit institutions' obligations arising from kuna payment

instruments issued, minus currency in the payment system, i.e. checks in credit institutions' 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 credit institutions' 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: transaction accounts, savings deposits (including loro letters of credit and other forms of collateral), time deposits, loans received and liabilities due. Issued subordinated and hybrid instruments, purchased by foreign investors, are also included in loans received.

Deposits of central government and social security funds are all forms of credit institutions' kuna and foreign currency liabilities (except restricted and blocked deposits) to the central government and social security funds.

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

Up to November 2010, Restricted and blocked deposits comprised the following banks' liabilities: kuna and foreign currency restricted deposits by other domestic sectors, other banking institutions, non-banking financial institutions, central government 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.

From December 2010 on, Restricted and blocked deposits comprise the following credit institutions' liabilities: kuna and foreign currency restricted deposits by other domestic sectors, other financial intermediaries, financial auxiliaries, insurance corporations and pension funds, central government 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, retained earnings (loss), profit (loss) for the previous year, profit (loss) for the current year, legal reserves, reserves provided for by the articles of association and other capital reserves, reserves for general banking risks, deferred tax in equity, dividends paid in the current year, revaluation reserves, collectively and individually assessed impairment provisions for off-balance sheet items, 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 tables D5, D5a, D5b, D5c and D5d) provides a detailed analysis of the relevant asset and liability items in Table D1 (Credit institutions' accounts).

Table D2 Foreign assets of credit institutions
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|--------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Foreign assets in f/c | 45,837.2 | 49,705.1 | 49,230.3 | 46,906.2 | 39,109.0 | 37,343.7 | 33,260.4 | 32,043.7 | 33,175.0 |
| 1.1 Claims on foreign financial institutions | 37,824.9 | 38,038.3 | 34,186.6 | 32,056.3 | 29,655.0 | 28,730.5 | 26,088.1 | 24,488.7 | 24,976.9 |
| Foreign currencies | 1,245.5 | 1,973.2 | 1,772.6 | 1,623.1 | 1,940.5 | 1,758.0 | 1,748.7 | 1,799.2 | 1,830.2 |
| Demand deposits | 1,305.2 | 2,109.8 | 1,338.7 | 1,175.2 | 2,377.1 | 5,457.7 | 3,609.0 | 3,296.8 | 3,683.4 |
| Time and notice deposits | 31,726.1 | 31,444.5 | 29,254.5 | 27,129.2 | 22,372.8 | 15,915.9 | 14,629.5 | 13,475.6 | 13,570.3 |
| Securities | 3,210.4 | 2,307.1 | 1,629.0 | 1,896.5 | 2,847.4 | 5,360.6 | 5,982.6 | 5,760.6 | 5,726.4 |
| Loans and advances | 195.9 | 166.3 | 117.6 | 170.1 | 8.7 | 187.7 | 67.4 | 56.2 | 65.4 |
| Shares and participations | 141.9 | 37.4 | 74.2 | 62.1 | 108.5 | 50.6 | 50.9 | 100.4 | 101.2 |
| 1.2 Claims on foreign non-financial institutions | 8,012.3 | 11,666.8 | 15,043.7 | 14,849.9 | 9,454.0 | 8,613.2 | 7,172.3 | 7,554.9 | 8,198.1 |
| Claims on foreign governments | 6,696.1 | 9,976.8 | 13,477.2 | 12,906.2 | 7,544.3 | 6,944.0 | 5,474.7 | 5,886.5 | 6,171.3 |
| Claims on other non-residents | 1,295.2 | 1,613.5 | 1,534.5 | 1,926.6 | 1,902.7 | 1,643.2 | 1,662.4 | 1,631.6 | 1,993.0 |
| Securities | 180.9 | 235.1 | 205.4 | 271.7 | 55.1 | 0.1 | 2.3 | 13.4 | 18.1 |
| Loans and advances | 1,114.3 | 1,378.4 | 1,329.1 | 1,654.9 | 1,847.7 | 1,643.1 | 1,660.1 | 1,618.2 | 1,974.9 |
| Shares and participations | 20.9 | 76.5 | 32.0 | 17.1 | 6.9 | 26.0 | 35.3 | 36.9 | 33.8 |
| 2 Foreign assets in kuna | 601.3 | 541.5 | 346.7 | 972.1 | 935.9 | 1,774.9 | 964.8 | 1,015.6 | 916.8 |
| 2.1 Claims on foreign financial institutions | 408.1 | 144.1 | 86.3 | 713.7 | 764.4 | 1,583.4 | 772.3 | 820.3 | 723.3 |
| 2.2 Claims on foreign non-banks | 193.3 | 397.4 | 260.3 | 258.3 | 171.5 | 191.5 | 192.6 | 195.4 | 193.5 |
| o/w: Loans and advances | 192.7 | 396.8 | 260.0 | 258.0 | 171.2 | 191.2 | 192.2 | 195.1 | 193.1 |
| Total (1+2) | 46,438.5 | 50,246.6 | 49,577.0 | 47,878.2 | 40,044.9 | 39,118.6 | 34,225.2 | 33,059.3 | 34,091.7 |

Table D2 Foreign assets of credit institutions • This table shows credit institutions' claims on foreign legal and natural persons.

Foreign assets of credit institutions comprise foreign assets in

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

Table D3 Credit institutions' claims on the central government and social security funds
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|---------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 In kuna | 28.118,3 | 24.192,6 | 23.306,6 | 27.968,6 | 31.215,7 | 32.801,9 | 33,104.7 | 33,438.6 | 33,515.4 |
| 1.1 Claims on central government | 22.135,6 | 22.361,4 | 21.517,8 | 27.967,6 | 31.213,5 | 32.800,3 | 33,102.7 | 33,436.7 | 33,513.6 |
| Securities | 19.178,1 | 19.431,0 | 18.592,7 | 21.932,2 | 22.831,0 | 19.556,8 | 21,565.3 | 21,804.1 | 21,972.6 |
| o/w: Bonds (c'part to f/c savings deposits) | 6,4 | 6,1 | 5,2 | 17,1 | 16,3 | 15,6 | 15.5 | 15.5 | 15.5 |
| Loans and advances | 2.957,5 | 2.930,4 | 2.925,1 | 6.035,4 | 8.382,5 | 13.243,5 | 11,537.4 | 11,632.6 | 11,541.0 |
| 1.2 Claims on social security funds | 5.982,8 | 1.831,2 | 1.788,8 | 1,0 | 2,2 | 1,6 | 1,9 | 1,9 | 1,8 |
| Securities | - | 6,1 | - | - | - | - | - | - | - |
| Loans and advances | 5.982,8 | 1.825,2 | 1.788,8 | 1,0 | 2,2 | 1,6 | 1,9 | 1,9 | 1,8 |
| 2 In f/c | 4.738,4 | 11.016,8 | 16.724,6 | 18.193,4 | 22.258,7 | 28.036,1 | 30,298.8 | 30,602.3 | 30,210.9 |
| 2.1 Claims on central government | 4.388,6 | 9.843,6 | 14.793,1 | 18.193,4 | 22.258,7 | 28.036,1 | 30,298.8 | 30,602.3 | 30,210.9 |
| Securities | 268,4 | 300,7 | 234,7 | 207,7 | 1.281,2 | 6.907,5 | 6,948.8 | 7,118.4 | 7,021.5 |
| Loans and advances | 4.120,1 | 9.542,9 | 14.558,4 | 17.985,7 | 20.977,5 | 21.128,6 | 23,350.0 | 23,483.8 | 23,189.3 |
| 2.2 Claims on social security funds | 349,9 | 1.173,2 | 1.931,6 | - | - | - | - | - | - |
| Securities | - | - | - | - | - | - | - | - | - |
| Loans and advances | 349,9 | 1.173,2 | 1.931,6 | - | - | - | - | - | - |
| Total (1+2) | 32.856,8 | 35.209,4 | 40.031,2 | 46.162,1 | 53.474,4 | 60.838,0 | 63,403.5 | 64,040.9 | 63,726.3 |

Table D3 Credit institutions' claims on the central government and social security funds • The table shows credit institutions' kuna and foreign currency claims on the central government and social security funds. Item Securities, shown under kuna claims

on the central government, 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 D3a Credit institutions' kuna claims on the central government and social security funds
end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|-----------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Kuna claims not indexed to foreign currency | 16,278.6 | 18,636.8 | 16,764.9 | 18,224.7 | 18,536.0 | 17,056.8 | 18,072.2 | 20,318.2 | 20,740.7 | 21,157.9 |
| 1.1 Claims on central government | 16,277.6 | 18,635.2 | 16,762.7 | 18,222.4 | 18,535.4 | 17,056.1 | 18,070.6 | 20,316.2 | 20,738.8 | 21,156.0 |
| Securities | 12,633.4 | 14,685.2 | 12,767.4 | 14,070.4 | 13,379.8 | 12,062.0 | 12,650.7 | 14,637.7 | 15,060.5 | 15,580.7 |
| Loans and advances | 3,644.2 | 3,950.0 | 3,995.3 | 4,152.0 | 5,155.5 | 4,994.1 | 5,419.9 | 5,678.5 | 5,678.3 | 5,575.4 |
| 1.2 Claims on social security funds | 1.0 | 1.6 | 2.2 | 2.2 | 0.7 | 0.7 | 1.6 | 1.9 | 1.9 | 1.8 |
| Securities | - | - | - | - | - | - | - | - | - | - |
| Loans and advances | 1.0 | 1.6 | 2.2 | 2.2 | 0.7 | 0.7 | 1.6 | 1.9 | 1.9 | 1.8 |
| 2 Kuna claims indexed to foreign currency | 11,690.0 | 10,998.1 | 12,421.3 | 12,991.1 | 13,500.6 | 14,025.5 | 14,729.7 | 12,786.5 | 12,697.9 | 12,357.5 |
| 2.1 Claims on central government | 11,690.0 | 10,998.1 | 12,421.3 | 12,991.1 | 13,500.6 | 14,025.5 | 14,729.7 | 12,786.5 | 12,697.9 | 12,357.5 |
| Securities | 9,298.8 | 8,231.9 | 9,196.7 | 8,760.6 | 6,461.9 | 6,980.1 | 6,906.1 | 6,927.6 | 6,743.6 | 6,391.9 |
| o/w: Bonds (c'part to f/c savings deposits) | 17.0 | 15.9 | 16.2 | 16.3 | 16.0 | 15.8 | 15.6 | 15.5 | 15.5 | 15.5 |
| Loans and advances | 2,391.2 | 2,766.1 | 3,224.6 | 4,230.5 | 7,038.7 | 7,045.4 | 7,823.6 | 5,858.9 | 5,954.3 | 5,965.6 |
| 2.2 Claims on social security funds | - | - | - | - | - | - | - | - | - | - |
| Securities | - | - | - | - | - | - | - | - | - | - |
| Loans and advances | - | - | - | - | - | - | - | - | - | - |
| Total (1+2) | 27,968.6 | 29,634.8 | 29,186.2 | 31,215.7 | 32,036.7 | 31,082.2 | 32,801.9 | 33,104.7 | 33,438.6 | 33,515.4 |

Table D3a Credit institutions' kuna claims on the central government and social security funds • The table provides a detailed analysis of the claims in kuna item in Table D3, showing

separately claims not indexed to foreign currency and claims indexed to foreign currency.

Table D4 Credit institutions' claims on other domestic sectors
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. ^a | 2013 | | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------------|------------------|------------------|------------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Claims in kuna | 196,697.1 | 223,493.1 | 218,545.6 | 224,689.7 | 232,466.6 | 223,356.3 | 224,641.4 | 224,965.7 | 223,401.8 |
| 1.1 Money market instruments | 2,147.4 | 2,674.5 | 2,040.2 | 1,906.0 | 2,165.9 | 3,786.7 | 4,008.1 | 3,995.7 | 3,869.1 |
| 1.2 Bonds | 1,366.0 | 1,341.4 | 1,691.0 | 1,714.7 | 1,734.5 | 1,553.1 | 1,508.6 | 1,506.0 | 1,488.0 |
| 1.3 Loans and advances | 190,682.9 | 217,386.3 | 212,551.5 | 219,978.2 | 227,495.7 | 216,980.4 | 217,931.5 | 218,280.3 | 216,863.7 |
| 1.4 Shares and participations | 2,500.8 | 2,090.8 | 2,262.9 | 1,090.7 | 1,070.6 | 1,036.1 | 1,193.3 | 1,183.7 | 1,181.1 |
| 2 Claims in f/c | 12,854.0 | 15,952.6 | 21,569.1 | 25,601.4 | 29,513.5 | 24,457.5 | 24,439.1 | 25,922.8 | 26,478.8 |
| 2.1 Securities | 249.2 | 109.3 | 441.1 | 106.0 | 163.0 | 143.5 | 167.0 | 164.3 | 136.2 |
| 2.2 Loans and advances | 12,604.9 | 15,843.3 | 21,128.0 | 25,495.4 | 29,350.4 | 24,314.0 | 24,272.2 | 25,758.5 | 26,342.5 |
| Total (1+2) | 209,551.1 | 239,445.7 | 240,114.6 | 250,291.1 | 261,980.1 | 247,813.8 | 249,080.5 | 250,888.5 | 249,880.6 |

^a Claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

Table D4 Credit institutions' claims on other domestic sectors • The table shows credit institutions' kuna and foreign currency claims on other domestic sectors, classified according to financial instruments: money market instruments (including factoring and forfeiting since January 2004), bonds, loans and advances, and equities.

From January 2004 to November 2010, factoring and

forfeiting were in their entirety included in money market instruments. From December 2010 on, factoring and forfeiting which credit institutions report within the loan portfolio are included in loans and advances. Factoring and forfeiting in all other portfolios are reported within money market instruments (with original maturity of up to and including one year) or bonds (with original maturity of over one year).

Table D4a Credit institutions' kuna claims on other domestic sectors
end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|-----------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Kuna claims not indexed to foreign currency | 66,440.4 | 65,168.5 | 66,190.6 | 66,228.5 | 66,077.8 | 66,340.0 | 64,761.5 | 66,329.5 | 67,022.2 | 67,064.2 |
| 1.1 Money market instruments | 1,720.7 | 1,930.7 | 1,893.2 | 2,030.7 | 2,525.5 | 2,760.3 | 3,176.5 | 3,357.0 | 3,384.4 | 3,290.4 |
| 1.2 Bonds | 1,381.8 | 1,005.6 | 1,072.6 | 1,024.9 | 1,175.0 | 1,116.2 | 1,047.4 | 1,028.2 | 1,029.8 | 1,026.6 |
| 1.3 Loans and advances | 62,247.2 | 61,114.9 | 62,129.6 | 62,102.3 | 61,314.7 | 61,412.7 | 59,501.5 | 60,751.1 | 61,424.3 | 61,566.2 |
| 1.4 Shares and participations | 1,090.7 | 1,117.3 | 1,095.2 | 1,070.6 | 1,062.6 | 1,050.8 | 1,036.1 | 1,193.3 | 1,183.7 | 1,181.1 |
| 2 Kuna claims indexed to foreign currency | 158,249.3 | 163,100.2 | 164,622.5 | 166,238.1 | 162,549.6 | 159,451.1 | 158,594.8 | 158,311.9 | 157,943.5 | 156,337.7 |
| 2.1 Securities | 518.2 | 800.0 | 728.8 | 844.7 | 725.7 | 586.9 | 1,115.8 | 1,131.5 | 1,087.5 | 1,040.1 |
| 2.2 Loans and advances | 157,731.1 | 162,300.2 | 163,893.7 | 165,393.4 | 161,823.9 | 158,864.2 | 157,479.0 | 157,180.4 | 156,856.0 | 155,297.5 |
| Total (1+2) | 224,689.7 | 228,268.7 | 230,813.1 | 232,466.6 | 228,627.4 | 225,791.1 | 223,356.3 | 224,641.4 | 224,965.7 | 223,401.8 |

Table D4a Credit institutions' kuna claims on other domestic sectors • The table provides a detailed analysis of the Claims in

kuna item in Table D4, showing separately claims not indexed to foreign currency and claims indexed to foreign currency.

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

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|---------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | | | Mar. | Apr. | May |
| LOANS IN KUNA | | | | | | | | | |
| 1 Loans to central government and social security funds | 8,940.2 | 4,755.6 | 4,713.9 | 6,036.4 | 8,384.7 | 13,245.1 | 11,539.3 | 11,634.6 | 11,542.8 |
| 1.1 Loans to central government | 2,957.5 | 2,930.4 | 2,925.1 | 6,035.4 | 8,382.5 | 13,243.5 | 11,537.4 | 11,632.6 | 11,541.0 |
| 1.2 Loans to social security funds | 5,982.8 | 1,825.2 | 1,788.8 | 1.0 | 2.2 | 1.6 | 1.9 | 1.9 | 1.8 |
| 2 Loans to local government | 1,867.5 | 1,786.9 | 1,795.4 | 3,096.8 | 3,360.1 | 3,346.3 | 3,395.6 | 3,374.2 | 3,259.1 |
| 3 Loans to non-financial corporations | 74,001.7 | 86,536.1 | 85,206.2 | 87,099.3 | 93,018.7 | 84,260.3 | 85,419.8 | 85,758.4 | 85,467.6 |
| 4 Loans to households | 114,813.7 | 129,063.3 | 125,549.8 | 129,782.2 | 131,117.0 | 129,373.9 | 129,116.1 | 129,147.6 | 128,137.0 |
| o/w: Housing loans | 47,437.6 | 55,162.0 | 55,927.1 | 60,955.4 | 63,016.7 | 62,662.3 | 62,459.0 | 62,261.5 | 61,444.2 |
| 5 Loans to other banking institutions | 213.6 | 36.1 | 102.0 | .... | .... | .... | .... | .... | .... |
| 6 Loans to non-banking financial institutions | 947.6 | 741.4 | 689.0 | .... | .... | .... | .... | .... | .... |
| 7 Loans to other financial intermediaries | .... | .... | .... | 3,555.4 | 3,789.8 | 7,435.1 | 7,242.0 | 7,283.3 | 7,332.4 |
| 8 Loans to financial auxiliaries | .... | .... | .... | 604.6 | 608.9 | 661.3 | 604.4 | 616.8 | 626.9 |
| 9 Loans to insurance corporations and pension funds | .... | .... | .... | 487.1 | 23.2 | 134.1 | 49.0 | 9.2 | 4.2 |
| A Total (1+2+3+4+5+6+7+8+9) | 200,784.3 | 222,919.4 | 218,056.4 | 230,661.8 | 240,302.3 | 238,455.9 | 237,366.3 | 237,824.0 | 236,370.1 |
| LOANS IN F/C | | | | | | | | | |
| 1 Loans to central government and social security funds | 4,470.0 | 10,716.1 | 16,489.9 | 17,985.7 | 20,977.5 | 21,128.6 | 23,350.0 | 23,483.8 | 23,189.3 |
| 1.1 Loans to central government | 4,120.1 | 9,542.9 | 14,558.4 | 17,985.7 | 20,977.5 | 21,128.6 | 23,350.0 | 23,483.8 | 23,189.3 |
| 1.2 Loans to social security funds | 349.9 | 1,173.2 | 1,931.6 | - | - | - | - | - | - |
| 2 Loans to local government | 8.7 | 5.5 | 3.0 | 0.5 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 |
| 3 Loans to non-financial corporations | 12,264.5 | 15,491.7 | 20,802.0 | 25,149.9 | 29,022.2 | 24,051.5 | 23,991.5 | 25,470.1 | 26,049.9 |
| 4 Loans to households | 331.6 | 346.1 | 323.0 | 345.0 | 327.9 | 262.3 | 280.4 | 288.3 | 292.5 |
| 5 Loans to other banking institutions | 143.2 | 758.3 | 65.7 | .... | .... | .... | .... | .... | .... |
| 6 Loans to non-banking financial institutions | 668.0 | 143.5 | 269.4 | .... | .... | .... | .... | .... | .... |
| 7 Loans to other financial intermediaries | .... | .... | .... | 367.5 | 446.0 | 293.5 | 435.9 | 756.2 | 406.4 |
| 8 Loans to financial auxiliaries | .... | .... | .... | 17.5 | 48.8 | 37.9 | 70.3 | 68.8 | 39.7 |
| 9 Loans to insurance corporations and pension funds | .... | .... | .... | 0.0 | 0.0 | - | - | - | 0.0 |
| B Total (1+2+3+4+5+6+7+8+9) | 17,886.0 | 27,461.1 | 37,953.0 | 43,866.1 | 50,822.7 | 45,774.1 | 48,128.3 | 50,067.3 | 49,978.0 |
| TOTAL (A+B) | 218,670.4 | 250,380.5 | 256,009.4 | 274,527.9 | 291,125.0 | 284,230.0 | 285,494.6 | 287,891.3 | 286,348.1 |

Table D5 Distribution of credit institutions' loans by domestic institutional sectors • The table shows data on kuna and foreign currency loans granted by credit institutions 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. From December 2010 on, loans include the following types of loans: overnight loans, loans for payments made on the basis of guarantees and similar instruments, reverse repo loans, shares in syndicated loans, financial leases, consumer loans, education

loans, housing loans, mortgage loans, car loans, credit card loans, overdrafts on transaction accounts, margin loans, Lombard loans, working capital loans, construction loans, agricultural loans, tourism loans, investment loans, export finance loans, any-purpose cash loans, factoring and forfeiting in the portfolio of loans and claims and other loans.

Tables D5a – D5d • This group of tables provides a detailed analysis of the corresponding items in Table D5 Distribution of credit institutions' loans by domestic institutional sectors.

Table D5a: Distribution of credit institutions' kuna loans by domestic institutional sectors
end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|---------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| KUNA LOANS NOT INDEXED TO FOREIGN CURRENCY | | | | | | | | | | |
| 1 Loans to central government and social security funds | 3,645.2 | 3,951.6 | 3,997.5 | 4,154.2 | 5,156.2 | 4,994.8 | 5,421.5 | 5,680.5 | 5,680.2 | 5,577.2 |
| 1.1 Loans to central government | 3,644.2 | 3,950.0 | 3,995.3 | 4,152.0 | 5,155.5 | 4,994.1 | 5,419.9 | 5,678.5 | 5,678.3 | 5,575.4 |
| 1.2 Loans to social security funds | 1.0 | 1.6 | 2.2 | 2.2 | 0.7 | 0.7 | 1.6 | 1.9 | 1.9 | 1.8 |
| 2 Loans to local government | 896.4 | 918.8 | 1,031.3 | 953.9 | 982.9 | 964.1 | 974.7 | 1,087.6 | 1,091.0 | 978.9 |
| 3 Loans to non-financial corporations | 28,612.9 | 29,076.2 | 30,247.5 | 30,226.7 | 29,820.2 | 30,140.1 | 27,943.5 | 28,819.5 | 29,114.1 | 29,155.2 |
| 4 Loans to households | 32,737.8 | 31,119.9 | 30,850.8 | 30,921.8 | 30,511.6 | 30,308.5 | 30,583.2 | 30,843.9 | 31,219.2 | 31,432.1 |
| 5 Loans to other financial intermediaries | 2,739.2 | 2,732.4 | 2,821.7 | 2,928.2 | 6,238.8 | 6,283.2 | 6,650.0 | 6,553.9 | 6,597.8 | 6,675.2 |
| 6 Loans to financial auxiliaries | 445.7 | 474.8 | 410.3 | 356.1 | 417.0 | 402.0 | 473.3 | 445.0 | 457.7 | 459.2 |
| 7 Loans to insurance corporations and pension funds | 483.7 | 33.5 | 339.6 | 20.0 | 209.9 | 543.3 | 131.1 | 46.1 | 6.3 | 0.2 |
| A Total (1+2+3+4+5+6+7) | 69,560.9 | 68,307.2 | 69,698.6 | 69,560.9 | 73,336.6 | 73,636.1 | 72,177.3 | 73,476.5 | 74,166.3 | 74,278.0 |
| KUNA LOANS INDEXED TO FOREIGN CURRENCY | | | | | | | | | | |
| 1 Loans to central government and social security funds | 2,391.2 | 2,766.1 | 3,224.6 | 4,230.5 | 7,038.7 | 7,045.4 | 7,823.6 | 5,858.9 | 5,954.3 | 5,965.6 |
| 1.1 Loans to central government | 2,391.2 | 2,766.1 | 3,224.6 | 4,230.5 | 7,038.7 | 7,045.4 | 7,823.6 | 5,858.9 | 5,954.3 | 5,965.6 |
| 1.2 Loans to social security funds | - | - | - | - | - | - | - | - | - | - |
| 2 Loans to local government | 2,200.4 | 2,106.7 | 2,226.4 | 2,406.2 | 2,275.8 | 2,177.1 | 2,371.5 | 2,307.9 | 2,283.2 | 2,280.2 |
| 3 Loans to non-financial corporations | 58,486.3 | 61,028.0 | 61,118.1 | 62,792.0 | 59,500.6 | 58,171.4 | 56,316.8 | 56,600.3 | 56,644.3 | 56,312.4 |
| 4 Loans to households | 97,044.4 | 99,165.5 | 100,549.2 | 100,195.2 | 100,047.5 | 98,515.7 | 98,790.6 | 98,272.2 | 97,928.5 | 96,704.9 |
| 5 Loans to other financial intermediaries | 816.2 | 748.1 | 775.6 | 861.6 | 839.6 | 813.6 | 785.1 | 688.1 | 685.5 | 657.2 |
| 6 Loans to financial auxiliaries | 159.0 | 259.6 | 261.2 | 252.8 | 214.4 | 234.2 | 188.0 | 159.4 | 159.1 | 167.7 |
| 7 Loans to insurance corporations and pension funds | 3.4 | - | - | 3.2 | 3.1 | 3.0 | 3.0 | 2.9 | 2.9 | 4.0 |
| B Total (1+2+3+4+5+6+7) | 161,100.9 | 166,074.0 | 168,155.2 | 170,741.4 | 169,919.7 | 166,960.4 | 166,278.7 | 163,889.7 | 163,657.8 | 162,092.1 |
| TOTAL (A+B) | 230,661.8 | 234,381.2 | 237,853.8 | 240,302.3 | 243,256.4 | 240,596.4 | 238,455.9 | 237,366.3 | 237,824.0 | 236,370.1 |

Table D5a Distribution of credit institutions' kuna loans by domestic institutional sectors • The table provides a detailed analysis of the Loans in kuna item in Table D5, showing

separately loans not indexed to foreign currency and loans indexed to foreign currency.

Table D5b Distribution of credit institutions' loans by domestic institutional sectors and original maturity
end of period, in million HRK

| | 2010 | 2011 | | | 2012 | | | 2013 | | |
|---------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Dec. | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Loans to central government and social security funds | 24,022.1 | 29,421.7 | 28,500.6 | 29,362.2 | 32,354.4 | 32,016.8 | 34,373.6 | 34,889.3 | 35,118.4 | 34,732.1 |
| 1.1 Loans to central government | 24,021.1 | 29,420.1 | 28,498.4 | 29,360.0 | 32,353.7 | 32,016.1 | 34,372.1 | 34,887.4 | 35,116.5 | 34,730.3 |
| Up to 1 year | 1,647.9 | 5,349.0 | 1,298.1 | 1,358.9 | 3,273.5 | 3,113.7 | 2,938.6 | 2,370.9 | 2,299.9 | 2,229.8 |
| Over 1 and up to 5 years | 5,763.5 | 7,033.3 | 8,837.2 | 8,952.7 | 9,429.9 | 9,704.9 | 10,243.2 | 12,440.9 | 12,476.5 | 12,260.1 |
| Over 5 years | 16,609.7 | 17,037.9 | 18,363.1 | 19,048.5 | 19,650.3 | 19,197.5 | 21,190.2 | 20,075.6 | 20,340.1 | 20,240.5 |
| 1.2 Loans to social security funds | 1.0 | 1.6 | 2.2 | 2.2 | 0.7 | 0.7 | 1.6 | 1.9 | 1.9 | 1.8 |
| Up to 1 year | 1.0 | 1.6 | 2.2 | 2.2 | 0.7 | 0.7 | 1.6 | 1.9 | 1.9 | 1.8 |
| Over 1 and up to 5 years | - | - | - | - | - | - | - | - | - | - |
| Over 5 years | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2 Loans to local government | 3,097.2 | 3,025.9 | 3,258.1 | 3,360.4 | 3,259.0 | 3,141.5 | 3,346.5 | 3,395.7 | 3,374.4 | 3,259.3 |
| Up to 1 year | 195.4 | 258.2 | 366.5 | 323.0 | 258.7 | 252.5 | 261.1 | 318.1 | 324.6 | 339.0 |
| Over 1 and up to 5 years | 554.2 | 502.0 | 477.2 | 470.8 | 691.3 | 639.4 | 793.9 | 733.5 | 732.4 | 614.7 |
| Over 5 years | 2,347.6 | 2,265.7 | 2,414.3 | 2,566.6 | 2,309.0 | 2,249.7 | 2,291.5 | 2,344.2 | 2,317.4 | 2,305.6 |
| 3 Loans to non-financial corporations | 112,249.2 | 114,973.8 | 117,404.0 | 122,040.9 | 117,258.3 | 114,699.4 | 108,311.9 | 109,411.3 | 111,228.4 | 111,517.5 |
| Up to 1 year | 27,053.9 | 27,898.0 | 27,632.5 | 28,517.1 | 27,168.3 | 25,858.5 | 23,389.1 | 23,832.9 | 24,627.1 | 24,733.8 |
| Over 1 and up to 5 years | 36,481.4 | 36,294.5 | 37,009.9 | 35,766.2 | 32,246.2 | 31,626.8 | 28,075.3 | 27,822.3 | 28,830.4 | 28,708.4 |
| Over 5 years | 48,713.9 | 50,781.3 | 52,761.7 | 57,757.5 | 57,843.8 | 57,214.1 | 56,847.5 | 57,756.1 | 57,771.0 | 58,075.3 |
| 4 Loans to households | 130,127.2 | 130,639.0 | 131,735.4 | 131,444.9 | 130,894.2 | 129,133.9 | 129,636.2 | 129,396.6 | 129,435.9 | 128,429.5 |
| Up to 1 year | 12,092.7 | 12,361.7 | 12,155.7 | 12,138.1 | 12,756.8 | 12,585.0 | 12,483.0 | 12,305.1 | 12,442.8 | 12,414.2 |
| Over 1 and up to 5 years | 10,977.9 | 10,494.6 | 10,627.3 | 10,274.8 | 9,919.4 | 9,620.6 | 9,471.9 | 9,519.4 | 9,541.1 | 9,613.1 |
| Over 5 years | 107,056.7 | 107,782.8 | 108,952.5 | 109,032.0 | 108,218.0 | 106,928.3 | 107,681.3 | 107,572.1 | 107,452.0 | 106,402.2 |
| 5 Loans to other financial intermediaries | 3,922.9 | 3,809.4 | 4,022.2 | 4,235.8 | 7,363.1 | 7,360.7 | 7,728.6 | 7,677.9 | 8,039.5 | 7,738.8 |
| Up to 1 year | 1,190.7 | 1,048.4 | 1,166.2 | 1,456.3 | 1,230.5 | 1,278.2 | 1,477.0 | 1,379.5 | 1,755.7 | 1,460.1 |
| Over 1 and up to 5 years | 2,220.8 | 2,221.6 | 2,332.0 | 2,265.2 | 5,143.2 | 5,102.3 | 5,293.6 | 5,248.9 | 5,212.6 | 5,202.3 |
| Over 5 years | 511.4 | 539.4 | 524.0 | 514.2 | 989.3 | 980.2 | 958.0 | 1,049.5 | 1,071.1 | 1,076.5 |
| 6 Loans to financial auxiliaries | 622.2 | 773.3 | 711.7 | 657.7 | 670.8 | 674.9 | 699.2 | 674.7 | 685.5 | 666.6 |
| Up to 1 year | 474.9 | 590.5 | 523.5 | 456.2 | 469.4 | 450.8 | 526.3 | 503.5 | 515.4 | 498.4 |
| Over 1 and up to 5 years | 123.2 | 93.4 | 84.0 | 111.2 | 114.0 | 121.4 | 98.4 | 96.2 | 94.5 | 92.3 |
| Over 5 years | 24.1 | 89.5 | 104.2 | 90.3 | 87.4 | 102.7 | 74.5 | 75.0 | 75.7 | 76.0 |
| 7 Loans to insurance corporations and pension funds | 487.1 | 33.5 | 339.6 | 23.2 | 213.0 | 546.3 | 134.1 | 49.0 | 9.2 | 4.2 |
| Up to 1 year | 483.7 | 33.5 | 339.6 | 20.0 | 209.9 | 543.3 | 131.1 | 46.1 | 6.3 | 0.2 |
| Over 1 and up to 5 years | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | 0.0 | 0.0 | - |
| Over 5 years | 3.4 | 0.0 | 0.0 | 3.2 | 3.1 | 3.0 | 3.0 | 2.9 | 2.9 | 4.0 |
| Total (1+2+3+4+5+6+7) | 274,527.9 | 282,676.7 | 285,971.6 | 291,125.0 | 292,012.8 | 287,573.4 | 284,230.0 | 285,494.6 | 287,891.3 | 286,348.1 |
| Up to 1 year | 43,140.3 | 47,540.8 | 43,484.2 | 44,271.9 | 45,367.9 | 44,082.6 | 41,207.7 | 40,758.0 | 41,973.7 | 41,677.2 |
| Over 1 and up to 5 years | 56,120.9 | 56,639.4 | 59,367.5 | 57,841.0 | 57,544.0 | 56,815.3 | 53,976.2 | 55,861.3 | 56,887.4 | 56,490.8 |
| Over 5 years | 175,266.7 | 178,496.5 | 183,119.9 | 189,012.2 | 189,100.9 | 186,675.5 | 189,046.1 | 188,875.3 | 189,030.3 | 188,180.1 |

Table D5b Distribution of credit institutions' loans by domestic institutional sectors and original maturity • The table provides a detailed analysis of the Loans in kuna and Loans in f/c items in Table D5, showing separately loans by domestic

institutional sectors and original maturity, with the latter divided into maturity of up to one year, over one and up to five years and over five years.

Table D5c Distribution of credit institutions' loans to households by purpose and currency composition
end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Consumer loans | 159.9 | 135.9 | 126.7 | 121.3 | 110.2 | 106.7 | 102.3 | 92.9 | 90.0 | 86.7 |
| 1.1 Kuna loans not indexed to f/c | 128.2 | 110.4 | 103.8 | 101.3 | 95.5 | 94.3 | 91.3 | 83.6 | 81.3 | 78.5 |
| 1.2 Kuna loans indexed to f/c | 31.7 | 25.5 | 22.8 | 20.0 | 14.8 | 12.4 | 11.0 | 9.3 | 8.7 | 8.2 |
| o/w: Indexed to EUR | 28.5 | 23.3 | 21.1 | 18.7 | 14.1 | 12.0 | 10.6 | 9.0 | 8.5 | 8.0 |
| o/w: Indexed to CHF | 3.1 | 2.2 | 1.7 | 1.3 | 0.6 | 0.4 | 0.3 | 0.3 | 0.2 | 0.2 |
| 1.3 Foreign currency loans | - | - | - | - | - | - | - | - | - | - |
| 2 Housing loans | 60,968.5 | 61,987.5 | 62,779.2 | 63,029.2 | 62,935.9 | 62,185.2 | 62,673.6 | 62,470.0 | 62,272.3 | 61,454.6 |
| 2.1 Kuna loans not indexed to f/c | 4,747.7 | 4,585.2 | 4,523.0 | 4,607.0 | 4,626.7 | 4,590.1 | 4,544.4 | 4,490.3 | 4,477.6 | 4,471.8 |
| 2.2 Kuna loans indexed to f/c | 56,207.7 | 57,389.2 | 58,243.5 | 58,409.7 | 58,297.3 | 57,583.6 | 58,117.9 | 57,968.7 | 57,783.9 | 56,972.4 |
| o/w: Indexed to EUR | 30,730.6 | 31,858.4 | 33,284.2 | 33,763.7 | 34,318.2 | 34,371.4 | 34,989.3 | 35,285.7 | 35,412.1 | 35,256.3 |
| o/w: Indexed to CHF | 25,441.7 | 25,496.9 | 24,920.8 | 24,604.9 | 23,934.8 | 23,169.6 | 23,086.0 | 22,640.7 | 22,331.0 | 21,674.3 |
| 2.3 Foreign currency loans | 13.2 | 13.1 | 12.7 | 12.5 | 11.9 | 11.4 | 11.3 | 11.0 | 10.8 | 10.5 |
| 3 Mortgage loans | 3,513.0 | 3,479.9 | 3,478.5 | 3,261.3 | 3,171.1 | 3,075.3 | 3,073.7 | 3,021.3 | 3,009.9 | 2,971.5 |
| 3.1 Kuna loans not indexed to f/c | 234.8 | 207.1 | 200.1 | 131.3 | 125.3 | 120.1 | 117.3 | 112.6 | 111.4 | 111.6 |
| 3.2 Kuna loans indexed to f/c | 3,263.0 | 3,271.7 | 3,277.3 | 3,129.0 | 3,044.8 | 2,952.6 | 2,953.8 | 2,906.2 | 2,896.1 | 2,857.6 |
| o/w: Indexed to EUR | 2,649.0 | 2,654.3 | 2,690.1 | 2,524.9 | 2,482.7 | 2,412.4 | 2,422.3 | 2,386.1 | 2,385.2 | 2,361.7 |
| 3.3 Foreign currency loans | 15.2 | 1.1 | 1.1 | 1.1 | 1.0 | 2.6 | 2.5 | 2.5 | 2.4 | 2.3 |
| 4 Car loans | 6,236.8 | 5,365.2 | 4,914.6 | 4,539.5 | 3,833.7 | 3,479.3 | 3,175.0 | 2,848.6 | 2,750.9 | 2,644.7 |
| 4.1 Kuna loans not indexed to f/c | 1,458.6 | 1,395.3 | 1,378.8 | 1,385.0 | 1,316.5 | 1,268.5 | 1,200.7 | 1,130.0 | 1,112.4 | 1,096.6 |
| 4.2 Kuna loans indexed to f/c | 4,772.2 | 3,965.1 | 3,531.6 | 3,150.7 | 2,514.5 | 2,208.6 | 1,972.5 | 1,717.1 | 1,637.2 | 1,547.0 |
| o/w: Indexed to EUR | 1,600.2 | 1,500.1 | 1,467.6 | 1,402.3 | 1,290.6 | 1,221.1 | 1,169.6 | 1,082.2 | 1,057.9 | 1,027.5 |
| o/w: Indexed to CHF | 3,171.7 | 2,464.8 | 2,063.9 | 1,748.3 | 1,223.8 | 987.4 | 802.8 | 634.9 | 579.3 | 519.5 |
| 4.3 Foreign currency loans | 6.1 | 4.9 | 4.3 | 3.7 | 2.7 | 2.3 | 1.8 | 1.5 | 1.3 | 1.2 |
| 5 Credit card loans | 4,386.8 | 4,250.3 | 4,152.6 | 4,109.3 | 3,995.8 | 3,897.9 | 3,941.2 | 3,860.9 | 3,851.0 | 3,906.6 |
| 5.1 Kuna loans not indexed to f/c | 4,382.9 | 4,246.2 | 4,148.7 | 4,105.4 | 3,991.9 | 3,894.2 | 3,937.8 | 3,858.2 | 3,848.4 | 3,903.9 |
| 5.2 Kuna loans indexed to f/c | 1.8 | 1.7 | 1.7 | 1.7 | 1.6 | 1.5 | 1.4 | 0.5 | 0.5 | 0.5 |
| o/w: Indexed to EUR | 1.8 | 1.7 | 1.7 | 1.7 | 1.6 | 1.5 | 1.4 | 0.5 | 0.5 | 0.5 |
| 5.3 Foreign currency loans | 2.2 | 2.4 | 2.2 | 2.3 | 2.3 | 2.2 | 2.0 | 2.2 | 2.1 | 2.2 |
| 6 Overdrafts on transaction accounts | 8,069.1 | 8,228.1 | 8,218.2 | 8,196.0 | 8,708.8 | 8,656.7 | 8,612.0 | 8,490.5 | 8,605.5 | 8,544.5 |
| 6.1 Kuna loans not indexed to f/c | 8,068.8 | 8,227.8 | 8,217.8 | 8,195.6 | 8,708.4 | 8,656.2 | 8,611.5 | 8,490.1 | 8,605.0 | 8,544.0 |
| 6.2 Kuna loans indexed to f/c | - | - | 0.0 | 0.0 | - | 0.1 | - | - | - | - |
| o/w: Indexed to EUR | - | - | 0.0 | 0.0 | - | 0.1 | - | - | - | - |
| 6.3 Foreign currency loans | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.5 | 0.5 | 0.5 |
| 7 Any-purpose cash loans | 33,686.1 | 35,201.5 | 36,021.2 | 36,284.5 | 36,132.7 | 35,922.0 | 36,436.3 | 36,945.3 | 37,156.6 | 37,157.5 |
| 7.1 Kuna loans not indexed to f/c | 10,485.2 | 10,324.9 | 10,229.8 | 10,350.8 | 9,494.6 | 9,501.8 | 9,931.9 | 10,460.9 | 10,726.7 | 10,940.9 |
| 7.2 Kuna loans indexed to f/c | 23,133.2 | 24,873.3 | 25,788.5 | 25,930.9 | 26,635.7 | 26,418.1 | 26,504.4 | 26,483.2 | 26,428.7 | 26,215.5 |
| o/w: Indexed to EUR | 22,371.5 | 24,239.6 | 25,220.0 | 25,408.7 | 26,196.5 | 26,032.5 | 26,148.2 | 26,139.7 | 26,096.2 | 25,896.9 |
| 7.3 Foreign currency loans | 67.7 | 3.3 | 3.0 | 2.7 | 2.4 | 2.1 | - | 1.3 | 1.2 | 1.1 |
| 8 Other loans | 13,107.0 | 11,990.6 | 12,044.4 | 11,903.7 | 12,006.0 | 11,810.8 | 11,622.0 | 11,667.1 | 11,699.7 | 11,663.3 |
| 8.1 Kuna loans not indexed to f/c | 3,231.7 | 2,023.0 | 2,048.9 | 2,045.4 | 2,152.8 | 2,183.2 | 2,148.2 | 2,218.3 | 2,256.4 | 2,284.9 |
| 8.2 Kuna loans indexed to f/c | 9,634.9 | 9,639.0 | 9,683.8 | 9,553.2 | 9,538.9 | 9,338.9 | 9,229.6 | 9,187.2 | 9,173.4 | 9,103.7 |
| o/w: Indexed to EUR | 8,833.0 | 8,861.4 | 8,853.5 | 8,756.8 | 8,712.3 | 8,553.1 | 8,465.9 | 8,443.2 | 8,443.8 | 8,397.2 |
| 8.3 Foreign currency loans | 240.4 | 328.5 | 311.7 | 305.2 | 314.3 | 288.7 | 244.2 | 261.6 | 269.9 | 274.7 |
| Total (1+2+3+4+5+6+7+8) | 130,127.2 | 130,639.0 | 131,735.4 | 131,444.9 | 130,894.2 | 129,133.9 | 129,636.2 | 129,396.6 | 129,435.9 | 128,429.5 |

Table D5c Distribution of credit institutions' loans to households by purpose and currency composition • The table provides a detailed analysis of kuna and f/c loans to households in Table D5 by purpose, showing separately loans not indexed to f/c,

loans indexed to f/c and foreign currency loans. Within loans indexed to f/c, loans indexed to the euro and loans indexed to the Swiss franc are reported separately under the "o/w" items.

Table D5d Distribution of credit institutions' working capital and investment loans to non-financial corporations by currency composition end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Working capital loans | 39,298.6 | 42,265.8 | 43,414.9 | 45,654.3 | 41,960.6 | 40,494.2 | 39,729.0 | 40,689.6 | 42,133.3 | 42,419.2 |
| 1.1 Kuna loans not indexed to f/c | 13,278.0 | 14,043.3 | 15,469.9 | 15,502.6 | 15,451.3 | 15,378.4 | 14,789.8 | 15,330.5 | 15,573.2 | 15,606.7 |
| 1.2 Kuna loans indexed to f/c | 18,857.8 | 20,544.0 | 19,947.9 | 21,240.8 | 18,872.2 | 18,138.0 | 18,166.1 | 18,610.2 | 18,912.6 | 19,107.8 |
| o/w: Indexed to EUR | 18,246.4 | 19,996.9 | 19,465.6 | 20,739.0 | 18,437.6 | 17,715.8 | 17,868.5 | 18,317.3 | 18,622.6 | 18,824.9 |
| o/w: Indexed to CHF | 509.5 | 463.4 | 405.3 | 383.8 | 359.3 | 343.9 | 270.6 | 265.5 | 262.9 | 255.8 |
| 1.3 Foreign currency loans | 7,162.8 | 7,678.5 | 7,997.1 | 8,910.9 | 7,637.2 | 6,977.8 | 6,773.1 | 6,748.9 | 7,647.5 | 7,704.7 |
| o/w: In EUR | 6,035.8 | 6,587.8 | 6,896.1 | 7,485.4 | 6,963.2 | 6,431.4 | 6,241.3 | 6,225.1 | 7,076.8 | 7,133.6 |
| o/w: In USD | 1,010.0 | 978.8 | 996.6 | 1,266.9 | 547.7 | 422.5 | 415.1 | 426.0 | 477.7 | 480.3 |
| 2 Investment loans | 38,043.2 | 40,150.6 | 40,654.2 | 41,071.4 | 38,789.5 | 38,640.4 | 36,659.8 | 36,776.0 | 36,753.0 | 36,401.3 |
| 2.1 Kuna loans not indexed to f/c | 6,576.7 | 6,488.2 | 6,426.5 | 6,282.1 | 5,386.6 | 5,667.2 | 5,593.1 | 5,820.3 | 5,803.7 | 5,864.1 |
| 2.2 Kuna loans indexed to f/c | 26,267.6 | 27,686.5 | 28,129.8 | 28,566.9 | 27,755.4 | 27,791.3 | 26,405.3 | 26,271.8 | 26,017.0 | 25,670.3 |
| o/w: Indexed to EUR | 23,841.5 | 25,576.5 | 26,183.6 | 26,734.8 | 26,096.6 | 26,251.3 | 24,997.5 | 24,934.9 | 24,708.7 | 24,408.7 |
| o/w: Indexed to CHF | 2,378.2 | 2,069.0 | 1,904.1 | 1,788.9 | 1,619.0 | 1,503.0 | 1,372.7 | 1,302.9 | 1,275.9 | 1,229.7 |
| 2.3 Foreign currency loans | 5,199.0 | 5,975.8 | 6,097.9 | 6,222.5 | 5,647.5 | 5,181.9 | 4,661.4 | 4,683.9 | 4,932.3 | 4,866.8 |
| o/w: In EUR | 4,807.0 | 5,113.2 | 5,214.8 | 5,447.6 | 4,902.0 | 4,817.7 | 4,430.2 | 4,514.9 | 4,767.9 | 4,708.0 |
| o/w: In USD | 31.3 | 449.7 | 492.0 | 406.2 | 387.3 | 16.5 | 14.8 | 17.6 | 17.0 | 16.9 |
| Total (1+2) | 77,341.8 | 82,416.4 | 84,069.1 | 86,725.7 | 80,750.2 | 79,134.5 | 76,388.8 | 77,465.6 | 78,886.3 | 78,820.5 |

Table D5d Distribution of credit institutions' working capital and investment loans to non-financial corporations by currency composition • The table provides a detailed analysis of kuna and f/c loans to non-financial corporations in Table D5 by purpose,

showing separately loans not indexed to f/c, loans indexed to f/c and foreign currency loans. Within loans indexed to f/c, loans indexed to the euro and loans indexed to the Swiss franc are reported separately under the "o/w" items.

Table D6 Demand deposits with credit institutions end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|--------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Local government | 2,689.4 | 2,441.1 | 1,377.7 | 2,231.1 | 2,179.4 | 2,210.4 | 1,704.2 | 1,707.9 | 1,575.8 |
| 2 Non-financial corporations | 19,599.3 | 16,901.8 | 14,895.0 | 14,154.3 | 15,757.6 | 15,328.2 | 15,180.5 | 15,506.0 | 16,584.3 |
| 3 Households | 17,896.7 | 17,620.1 | 14,218.6 | 15,289.1 | 15,874.2 | 15,994.3 | 16,292.2 | 16,225.0 | 16,504.8 |
| 4 Other banking institutions | 481.1 | 293.6 | 517.1 | .... | .... | .... | .... | .... | .... |
| 5 Non-banking financial institutions | 1,205.2 | 921.1 | 893.4 | .... | .... | .... | .... | .... | .... |
| 6 Other financial intermediaries | .... | .... | .... | 670.3 | 652.5 | 834.1 | 747.1 | 630.5 | 574.0 |
| 7 Financial auxiliaries | .... | .... | .... | 399.5 | 283.8 | 512.2 | 316.4 | 340.3 | 350.8 |
| 8 Insurance corporations and pension funds | .... | .... | .... | 189.6 | 317.3 | 362.7 | 633.3 | 461.5 | 685.0 |
| 9 Less: Checks of other banks and checks in collection | -0.9 | -0.7 | -0.3 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total (1+2+3+4+5+6+7+8+9) | 41,870.8 | 38,177.0 | 31,901.5 | 32,933.9 | 35,064.8 | 35,241.9 | 34,873.6 | 34,871.3 | 36,274.7 |

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

Up to November 2010, demand deposits were the sum of balances in transaction accounts of other domestic sectors, other banking institutions and non-banking financial institutions, minus currency in the payment system (i.e. checks in credit institutions' vaults and checks in collection). From December 2010

on, demand deposits are the sum of balances in transaction accounts of other domestic sectors, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds, minus currency in the payment system (i.e. checks in credit institutions' vaults and checks in collection). Credit institutions' obligations arising from kuna payment instruments issued are included in the household sector.

Table D7 Kuna deposits with credit institutions
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|----------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Savings deposits | 3,086.2 | 2,770.3 | 2,523.1 | 2,665.0 | 2,651.7 | 2,535.6 | 2,682.5 | 2,719.9 | 2,685.0 |
| 1.1 Local government | 2.5 | 0.0 | 0.0 | 0.2 | 21.2 | 18.9 | 1.2 | 0.7 | 6.0 |
| 1.2 Non-financial corporations | 154.7 | 108.8 | 203.7 | 303.1 | 427.3 | 417.7 | 625.5 | 701.4 | 655.8 |
| 1.3 Households | 2,929.0 | 2,657.8 | 2,268.9 | 2,329.0 | 2,162.4 | 2,055.1 | 2,004.7 | 1,968.7 | 1,961.3 |
| 1.4 Other banking institutions | .... | 0.0 | 5.0 | .... | .... | .... | .... | .... | .... |
| 1.5 Non-banking financial institutions | .... | 3.7 | 45.5 | .... | .... | .... | .... | .... | .... |
| 1.6 Other financial intermediaries | .... | .... | .... | 9.7 | 30.0 | 30.1 | 33.7 | 34.7 | 48.0 |
| 1.7 Financial auxiliaries | .... | .... | .... | 12.4 | 7.8 | 8.3 | 11.4 | 8.4 | 9.3 |
| 1.8 Insurance corporations and pension funds | .... | .... | .... | 10.6 | 3.1 | 5.4 | 6.0 | 6.0 | 4.5 |
| 2 Time and notice deposits | 56,714.5 | 53,470.4 | 42,351.2 | 36,220.3 | 39,907.2 | 38,054.4 | 39,097.5 | 38,239.2 | 38,304.4 |
| 2.1 Local government | 549.5 | 726.0 | 498.8 | 435.1 | 384.9 | 331.8 | 828.3 | 799.6 | 753.7 |
| o/w: Indexed to f/c | 262.2 | 346.6 | 244.9 | 152.0 | 96.4 | 84.0 | 85.9 | 80.7 | 84.2 |
| 2.2 Non-financial corporations | 18,414.8 | 16,291.1 | 11,615.9 | 8,781.5 | 10,648.7 | 7,072.3 | 6,692.9 | 6,453.0 | 6,665.8 |
| o/w: Indexed to f/c | .... | .... | .... | 1,032.9 | 897.2 | 815.1 | 698.7 | 669.3 | 672.0 |
| 2.3 Households | 26,516.9 | 29,019.2 | 22,622.4 | 22,666.8 | 24,916.3 | 26,956.1 | 27,622.5 | 27,653.3 | 27,685.3 |
| o/w: Indexed to f/c | 11,524.7 | 9,574.3 | 7,442.5 | 7,006.7 | 7,035.4 | 6,993.7 | 6,834.7 | 6,803.2 | 6,748.0 |
| 2.4 Other banking institutions | 6,504.4 | 2,413.1 | 3,006.0 | .... | .... | .... | .... | .... | .... |
| o/w: Indexed to f/c | .... | 7.3 | 36.8 | .... | .... | .... | .... | .... | .... |
| 2.5 Non-banking financial institutions | 4,728.9 | 5,021.1 | 4,608.1 | .... | .... | .... | .... | .... | .... |
| o/w: Indexed to f/c | 1,206.7 | 669.7 | 670.1 | .... | .... | .... | .... | .... | .... |
| 2.6 Other financial intermediaries | .... | .... | .... | 972.0 | 741.6 | 898.6 | 984.8 | 845.0 | 867.6 |
| o/w: Indexed to f/c | .... | .... | .... | 179.0 | 161.7 | 144.2 | 161.3 | 146.6 | 143.2 |
| 2.7 Financial auxiliaries | .... | .... | .... | 1,015.2 | 779.4 | 563.6 | 698.2 | 595.4 | 558.4 |
| o/w: Indexed to f/c | .... | .... | .... | 9.5 | 0.3 | 5.3 | 7.1 | 11.1 | 10.1 |
| 2.8 Insurance corporations and pension funds | .... | .... | .... | 2,349.7 | 2,436.3 | 2,231.9 | 2,270.7 | 1,893.0 | 1,773.7 |
| o/w: Indexed to f/c | .... | .... | .... | 395.4 | 239.4 | 270.1 | 212.5 | 207.5 | 161.4 |
| Total (1+2) | 59,800.7 | 56,240.7 | 44,874.3 | 38,885.2 | 42,558.9 | 40,590.0 | 41,780.0 | 40,959.1 | 40,989.4 |

Table D7 Kuna deposits with credit institutions • Up to November 2010, the table shows kuna savings and time deposits by other domestic sectors, other banking institutions and non-banking financial institutions. From December 2010 on, the table shows kuna savings and time deposits by other domestic

sectors, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

Within time and notice deposits, deposits indexed to f/c are reported separately for each sector under the "o/w" item.

Table D8 Foreign currency deposits with credit institutions
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|----------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Savings deposits | 22,845.1 | 21,293.5 | 20,787.5 | 22,708.2 | 22,712.9 | 24,072.7 | 22,613.2 | 22,863.7 | 24,208.3 |
| 1.1 Local government | 27.5 | 22.1 | 25.5 | 20.8 | 21.5 | 52.9 | 31.7 | 40.1 | 37.2 |
| 1.2 Non-financial corporations | 5,543.6 | 5,163.1 | 5,059.4 | 5,634.6 | 5,417.3 | 6,498.4 | 4,910.7 | 5,426.8 | 6,201.7 |
| 1.3 Households | 16,720.8 | 15,682.8 | 15,148.7 | 16,305.6 | 16,794.8 | 16,417.9 | 16,333.5 | 16,476.3 | 16,666.3 |
| 1.4 Other banking institutions | 251.7 | 121.6 | 151.1 | .... | .... | .... | .... | .... | .... |
| 1.5 Non-banking financial institutions | 301.5 | 303.9 | 402.9 | .... | .... | .... | .... | .... | .... |
| 1.6 Other financial intermediaries | .... | .... | .... | 508.1 | 232.5 | 556.5 | 436.6 | 559.3 | 645.7 |
| 1.7 Financial auxiliaries | .... | .... | .... | 201.6 | 39.7 | 52.0 | 66.1 | 95.1 | 74.5 |
| 1.8 Insurance corporations and pension funds | .... | .... | .... | 37.5 | 207.1 | 495.1 | 834.6 | 266.2 | 582.9 |
| 2 Time deposits | 80,311.0 | 96,297.3 | 114,721.6 | 124,612.3 | 121,773.9 | 128,576.5 | 130,117.8 | 128,455.2 | 126,788.4 |
| 2.1 Local government | 2.1 | 2.3 | 2.5 | 3.3 | 2.5 | 5.7 | 16.8 | 13.4 | 5.7 |
| 2.2 Non-financial corporations | 10,391.9 | 11,448.4 | 13,542.5 | 15,085.1 | 10,108.2 | 10,451.0 | 11,147.0 | 10,216.1 | 9,928.8 |
| 2.3 Households | 66,465.7 | 80,419.6 | 95,598.0 | 104,477.4 | 108,674.3 | 114,246.5 | 115,687.2 | 115,221.3 | 114,099.8 |
| 2.4 Other banking institutions | 1,104.5 | 940.0 | 729.5 | .... | .... | .... | .... | .... | .... |
| 2.5 Non-banking financial institutions | 2,346.8 | 3,487.0 | 4,849.1 | .... | .... | .... | .... | .... | .... |
| 2.6 Other financial intermediaries | .... | .... | .... | 3,408.0 | 2,047.5 | 1,534.0 | 1,895.4 | 1,816.9 | 1,764.8 |
| 2.7 Financial auxiliaries | .... | .... | .... | 396.7 | 41.1 | 493.9 | 220.7 | 203.1 | 212.8 |
| 2.8 Insurance corporations and pension funds | .... | .... | .... | 1,241.8 | 900.2 | 1,845.5 | 1,150.7 | 984.5 | 776.6 |
| Total (1+2) | 103,156.1 | 117,590.8 | 135,509.1 | 147,320.5 | 144,486.8 | 152,649.2 | 152,731.1 | 151,318.9 | 150,996.7 |

Table D8a Currency composition of time deposits of households and non-financial corporations
end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|-------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Kuna deposits not indexed to foreign currency | 23,408.6 | 24,056.9 | 26,975.2 | 27,632.4 | 26,782.1 | 28,103.6 | 26,219.7 | 26,782.0 | 26,633.9 | 26,931.1 |
| 1.1 Deposits of households | 15,660.1 | 16,452.6 | 16,854.5 | 17,880.9 | 18,900.9 | 19,406.0 | 19,962.5 | 20,787.8 | 20,850.1 | 20,937.3 |
| 1.2 Deposits of non-financial corporations | 7,748.5 | 7,604.3 | 10,120.8 | 9,751.6 | 7,881.2 | 8,697.6 | 6,257.2 | 5,994.2 | 5,783.7 | 5,993.8 |
| 2 Kuna deposits indexed to foreign currency | 8,039.6 | 7,819.2 | 7,968.6 | 7,932.5 | 7,718.1 | 7,596.2 | 7,808.8 | 7,533.4 | 7,472.4 | 7,420.0 |
| 2.1 Deposits of households | 7,006.7 | 6,888.9 | 6,933.8 | 7,035.4 | 6,856.1 | 6,776.4 | 6,993.7 | 6,834.7 | 6,803.2 | 6,748.0 |
| 2.1.1 Indexed to EUR | 6,807.2 | 6,701.5 | 6,744.8 | 6,851.2 | 6,681.8 | 6,603.7 | 6,828.1 | 6,675.9 | 6,654.4 | 6,588.6 |
| 2.1.2 Indexed to USD | 64.4 | 52.0 | 63.2 | 61.3 | 55.8 | 59.9 | 55.4 | 49.6 | 41.5 | 48.6 |
| 2.1.3 Indexed to other currencies | 135.1 | 135.4 | 125.9 | 122.9 | 118.5 | 112.9 | 110.1 | 109.1 | 107.3 | 110.8 |
| 2.2 Deposits of non-financial corporations | 1,032.9 | 930.3 | 1,034.7 | 897.2 | 861.9 | 819.8 | 815.1 | 698.7 | 669.3 | 672.0 |
| 2.2.1 Indexed to EUR | 1,022.2 | 924.4 | 1,028.8 | 890.2 | 860.2 | 817.3 | 812.6 | 696.4 | 667.1 | 670.8 |
| 2.2.2 Indexed to USD | 9.9 | 5.1 | 5.3 | 6.2 | 1.1 | 1.8 | 1.8 | 1.8 | 1.7 | 0.7 |
| 2.2.3 Indexed to other currencies | 0.8 | 0.8 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 |
| 3 Foreign currency deposits | 119,562.5 | 114,771.6 | 120,614.7 | 118,782.5 | 119,419.3 | 121,448.8 | 124,697.4 | 126,834.3 | 125,437.4 | 124,028.6 |
| 3.1 Deposits of households | 104,477.4 | 104,964.3 | 108,611.4 | 108,674.3 | 110,644.7 | 111,666.8 | 114,246.5 | 115,687.2 | 115,221.3 | 114,099.8 |
| 3.1.1 In EUR | 97,163.6 | 97,693.2 | 100,724.1 | 98,753.6 | 99,719.9 | 100,665.1 | 103,102.6 | 104,146.2 | 103,922.5 | 102,848.1 |
| 3.1.2 In USD | 5,316.9 | 5,134.3 | 5,623.3 | 6,447.6 | 6,925.6 | 6,917.3 | 6,967.3 | 7,327.7 | 7,196.2 | 7,258.9 |
| 3.1.3 In other currencies | 1,996.9 | 2,136.9 | 2,264.0 | 3,473.1 | 3,999.2 | 4,084.4 | 4,176.6 | 4,213.4 | 4,102.5 | 3,992.8 |
| 3.2 Deposits of non-financial corporations | 15,085.1 | 9,807.3 | 12,003.3 | 10,108.2 | 8,774.6 | 9,782.0 | 10,451.0 | 11,147.0 | 10,216.1 | 9,928.8 |
| 3.2.1 In EUR | 13,534.8 | 8,156.5 | 10,203.2 | 8,618.0 | 7,595.9 | 8,620.2 | 9,182.9 | 9,645.6 | 8,875.2 | 8,520.8 |
| 3.2.2 In USD | 1,429.0 | 1,608.0 | 1,692.8 | 1,333.3 | 989.7 | 1,003.3 | 1,082.6 | 1,318.1 | 1,143.4 | 1,210.8 |
| 3.2.3 In other currencies | 121.3 | 42.8 | 107.3 | 157.0 | 189.0 | 158.4 | 185.5 | 183.4 | 197.5 | 197.2 |
| Total (1+2+3) | 151,010.7 | 146,647.8 | 155,558.5 | 154,347.5 | 153,919.4 | 157,148.6 | 158,725.9 | 161,149.6 | 159,543.6 | 158,379.6 |

Table D8b Maturity composition of time deposits by sectors
end of period, in million HRK

| | 2010 Dec. | 2011 | | | 2012 | | | 2013 | | |
|--------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Jun. | Sep. | Dec. | Jun. | Sep. | Dec. | Mar. | Apr. | May |
| 1 Local government | 438.4 | 811.3 | 905.5 | 387.4 | 844.3 | 899.9 | 337.5 | 845.1 | 813.0 | 759.4 |
| Up to 1 year | 286.2 | 655.3 | 760.4 | 249.8 | 737.3 | 804.8 | 242.8 | 754.8 | 725.2 | 670.4 |
| Over 1 and up to 2 years | 28.9 | 41.1 | 31.7 | 35.3 | 24.6 | 13.2 | 16.5 | 14.4 | 13.0 | 15.0 |
| Over 2 years | 123.3 | 114.9 | 113.4 | 102.3 | 82.4 | 82.0 | 78.3 | 75.9 | 74.7 | 74.0 |
| 2 Non-financial corporations | 23,866.5 | 18,341.9 | 23,158.8 | 20,756.9 | 17,517.7 | 19,299.4 | 17,523.3 | 17,839.9 | 16,669.1 | 16,594.6 |
| Up to 1 year | 19,044.0 | 12,748.8 | 17,131.5 | 15,229.5 | 12,130.6 | 14,118.8 | 12,805.4 | 12,753.7 | 11,583.5 | 11,353.4 |
| Over 1 and up to 2 years | 3,467.1 | 3,854.3 | 4,319.3 | 3,993.7 | 3,741.5 | 3,772.5 | 3,327.6 | 3,692.3 | 3,666.8 | 3,589.2 |
| Over 2 years | 1,355.5 | 1,738.9 | 1,707.9 | 1,533.7 | 1,645.6 | 1,408.0 | 1,390.4 | 1,393.9 | 1,418.8 | 1,652.0 |
| 3 Households | 127,144.1 | 128,305.8 | 132,399.7 | 133,590.6 | 136,401.7 | 137,849.2 | 141,202.6 | 143,309.7 | 142,874.6 | 141,785.1 |
| Up to 1 year | 77,921.3 | 76,447.5 | 77,690.4 | 77,230.0 | 79,573.4 | 80,356.7 | 81,913.0 | 81,709.5 | 80,697.4 | 79,281.1 |
| Over 1 and up to 2 years | 23,228.2 | 25,291.5 | 27,087.1 | 27,752.7 | 28,225.1 | 28,183.4 | 28,108.2 | 29,738.8 | 30,003.0 | 30,267.5 |
| Over 2 years | 25,994.6 | 26,566.8 | 27,622.1 | 28,607.9 | 28,603.2 | 29,309.0 | 31,181.4 | 31,861.4 | 32,174.1 | 32,236.5 |
| 4 Other financial intermediaries | 4,380.0 | 2,952.6 | 3,090.2 | 2,789.1 | 3,276.8 | 3,026.4 | 2,432.6 | 2,880.2 | 2,661.8 | 2,632.3 |
| Up to 1 year | 3,518.0 | 2,826.4 | 2,948.7 | 2,630.4 | 3,129.3 | 2,902.4 | 2,298.6 | 2,610.3 | 2,421.5 | 2,373.5 |
| Over 1 and up to 2 years | 852.7 | 114.6 | 127.0 | 136.8 | 134.9 | 112.5 | 131.3 | 243.4 | 236.9 | 240.6 |
| Over 2 years | 9.3 | 11.6 | 14.6 | 21.9 | 12.6 | 11.6 | 2.7 | 26.6 | 3.3 | 18.2 |
| 5 Financial auxiliaries | 1,412.0 | 982.7 | 1,117.4 | 820.5 | 927.4 | 999.2 | 1,057.5 | 919.0 | 798.5 | 771.2 |
| Up to 1 year | 1,361.8 | 884.3 | 1,013.8 | 759.1 | 791.9 | 860.5 | 850.2 | 730.6 | 609.8 | 580.7 |
| Over 1 and up to 2 years | 3.7 | 7.5 | 17.5 | 15.7 | 90.1 | 93.6 | 162.2 | 143.4 | 143.8 | 145.6 |
| Over 2 years | 46.5 | 90.8 | 86.1 | 45.6 | 45.5 | 45.1 | 45.0 | 44.9 | 44.9 | 44.9 |
| 6 Insurance corporations and pension funds | 3,591.6 | 3,518.1 | 3,049.1 | 3,336.6 | 3,605.3 | 4,192.9 | 4,077.4 | 3,421.4 | 2,877.5 | 2,550.4 |
| Up to 1 year | 2,189.8 | 2,180.2 | 1,808.9 | 2,082.3 | 2,288.4 | 2,993.7 | 2,840.9 | 2,102.9 | 1,541.2 | 1,203.9 |
| Over 1 and up to 2 years | 676.1 | 660.9 | 635.1 | 528.0 | 666.6 | 605.7 | 644.2 | 731.8 | 748.9 | 711.2 |
| Over 2 years | 725.7 | 677.0 | 605.1 | 726.4 | 650.2 | 593.5 | 592.4 | 586.7 | 587.4 | 635.3 |
| Total time deposits (1+2+3+4+5+6) | 160,832.6 | 154,912.4 | 163,720.8 | 161,681.1 | 162,573.1 | 166,267.1 | 166,630.9 | 169,215.3 | 166,694.4 | 165,092.9 |
| Up to 1 year | 104,321.1 | 95,742.5 | 101,353.8 | 98,181.1 | 98,650.9 | 102,036.9 | 100,950.9 | 100,661.7 | 97,578.7 | 95,463.0 |
| Over 1 and up to 2 years | 28,256.7 | 29,969.9 | 32,217.8 | 32,462.2 | 32,882.8 | 32,781.0 | 32,389.9 | 34,564.1 | 34,812.5 | 34,969.0 |
| Over 2 years | 28,254.9 | 29,200.1 | 30,149.2 | 31,037.8 | 31,039.4 | 31,449.2 | 33,290.1 | 33,989.5 | 34,303.3 | 34,660.9 |

Table D8 Foreign currency deposits with credit institutions • Up to November 2010, the table shows foreign currency savings and time deposits by other domestic sectors, other banking institutions and non-banking financial institutions. From December 2010 on, the table shows foreign currency savings and time deposits by other domestic sectors, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

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 D8a Currency composition of time deposits of

households and non-financial corporations • The table provides a detailed analysis of the time deposits of households and non-financial corporations items in tables D7 and D8, showing separately kuna deposits not indexed to foreign currency, kuna deposits indexed to foreign currency and foreign currency deposits. Within deposits indexed to foreign currency and foreign currency deposits, separately reported are deposits indexed to/denominated in the euro, the US dollar and other currencies.

Table D8b Maturity composition of time deposits by sectors • The table provides a detailed analysis of the Time deposits item in Table D8, showing separately time deposits by sectors, with the division according to original maturity of up to one year, over one and up to five years and over five years.

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

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|----------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Money market instruments (net) | 0.8 | 0.8 | 0.8 | - | - | - | - | - | - |
| 2 Bonds (net) | 632.0 | 619.5 | 775.3 | 940.1 | 1,692.7 | 1,592.3 | 1,654.9 | 1,649.7 | 1,629.1 |
| 3 Other domestic borrowing | 11,603.9 | 14,444.4 | 16,090.6 | 16,291.2 | 15,057.7 | 16,176.4 | 15,105.4 | 15,246.1 | 15,176.9 |
| 3.1 Local government | - | - | - | - | - | - | - | - | - |
| 3.2 Non-financial corporations | 152.9 | 3.5 | 4.6 | 0.0 | 0.0 | 786.5 | 248.0 | 248.0 | 248.0 |
| 3.3 Other banking institutions | 11,294.2 | 14,242.7 | 16,045.5 | .... | .... | .... | .... | .... | .... |
| 3.4 Non-banking financial institutions | 156.8 | 198.1 | 40.5 | .... | .... | .... | .... | .... | .... |
| 3.5 Other financial intermediaries | .... | .... | .... | 16,291.2 | 15,018.4 | 15,350.7 | 14,818.9 | 14,941.7 | 14,871.9 |
| 3.6 Financial auxiliaries | .... | .... | .... | - | 13.2 | 39.2 | 38.4 | 56.4 | 56.9 |
| 3.7 Insurance corporations and pension funds | .... | .... | .... | - | 26.1 | - | - | - | - |
| Total (1+2+3) | 12,236.8 | 15,064.7 | 16,866.7 | 17,231.3 | 16,750.4 | 17,768.7 | 16,760.3 | 16,895.9 | 16,806.0 |

Table D9 Bonds and money market instruments • The table shows credit institutions' liabilities for securities issued (net) and loans received from other domestic sectors and, up to November 2010, other banking institutions and non-banking financial institutions and, from December 2010, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

Up to November 2010, money market instruments (net) comprised credit institutions' net liabilities for CNB bills, bills of exchange (issued and accepted) and other securities issued.

From December 2010 on, money market instruments (net) comprise net liabilities for issued commercial bills and non-transferable instruments (debt securities).

Bonds (net) comprise credit institutions' 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 Foreign liabilities of credit institutions
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|-------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Foreign liabilities in f/c | 48,476.0 | 54,741.5 | 60,061.3 | 58,755.8 | 67,871.8 | 57,806.1 | 56,045.8 | 55,962.0 | 56,233.4 |
| 1.1 Liabilities to foreign financial institutions | 41,497.7 | 47,893.1 | 51,716.9 | 48,835.7 | 58,012.0 | 47,451.4 | 45,540.2 | 45,506.3 | 45,843.5 |
| Subordinated and hybrid instruments | 420.6 | 1,599.8 | 2,015.3 | 2,094.6 | 2,283.2 | 2,237.7 | 2,277.1 | 2,277.1 | 2,256.0 |
| Demand deposits | 258.8 | 176.6 | 221.0 | 203.4 | 180.4 | 179.1 | 228.6 | 219.6 | 202.0 |
| Time and notice deposits | 10,562.9 | 14,016.4 | 21,945.8 | 20,225.8 | 27,444.5 | 17,377.5 | 16,689.9 | 16,474.0 | 17,215.1 |
| Loans and advances | 26,967.0 | 28,823.2 | 27,534.7 | 26,311.8 | 28,103.9 | 27,657.1 | 26,344.7 | 26,535.6 | 26,170.5 |
| Bonds | 3,288.4 | 3,277.1 | - | - | - | - | - | - | - |
| 1.2 Liabilities to foreign non-financial institutions | 6,978.2 | 6,848.4 | 8,344.4 | 9,920.1 | 9,859.8 | 10,354.7 | 10,505.6 | 10,455.7 | 10,389.9 |
| Subordinated and hybrid instruments | - | - | - | 11.1 | 11.3 | 9.3 | 9.4 | 9.4 | 9.3 |
| Savings and time deposits | 6,729.9 | 6,719.0 | 8,336.3 | 9,905.0 | 9,846.0 | 10,193.3 | 10,343.9 | 10,293.7 | 10,228.8 |
| Savings deposits | 1,537.2 | 1,374.5 | 1,267.8 | 1,421.3 | 1,398.5 | 1,606.5 | 1,580.0 | 1,609.0 | 1,652.3 |
| Time and notice deposits | 5,192.7 | 5,344.6 | 7,068.6 | 8,483.6 | 8,447.5 | 8,586.8 | 8,763.9 | 8,684.8 | 8,576.5 |
| Loans and advances | 248.3 | 129.3 | 8.0 | 4.1 | 2.5 | 152.1 | 152.3 | 152.6 | 151.7 |
| Bonds | .... | .... | .... | - | - | - | - | - | - |
| 2 Foreign liabilities in kuna | 16,716.6 | 20,635.9 | 20,390.2 | 23,343.5 | 22,476.5 | 15,869.0 | 16,362.2 | 18,407.0 | 18,138.7 |
| 2.1 Liabilities to foreign financial institutions | 16,119.1 | 20,127.7 | 20,014.5 | 22,965.9 | 21,973.5 | 15,289.0 | 15,761.1 | 17,858.3 | 17,569.8 |
| o/w: Indexed to f/c | .... | .... | .... | 2,234.8 | 2,069.6 | 1,097.3 | 1,079.0 | 1,075.9 | 1,052.9 |
| Subordinated and hybrid instruments | 25.7 | 66.6 | 820.7 | 970.9 | 1,037.2 | 1,043.4 | 1,024.6 | 1,021.4 | 999.0 |
| Demand deposits | 519.0 | 898.1 | 359.1 | 696.5 | 655.3 | 724.4 | 1,045.6 | 2,313.9 | 2,450.7 |
| Time and notice deposits | 11,423.7 | 15,014.2 | 14,654.3 | 15,963.5 | 16,449.5 | 11,398.4 | 11,598.5 | 12,430.6 | 12,023.3 |
| Loans and advances | 4,150.8 | 4,148.8 | 4,180.4 | 5,258.6 | 3,831.5 | 2,091.7 | 2,092.3 | 2,092.4 | 2,091.9 |
| Bonds | .... | .... | .... | 76.5 | - | 30.9 | 0.0 | 0.0 | 5.0 |
| 2.2 Liabilities to foreign non-financial institutions | 597.5 | 508.2 | 375.7 | 377.6 | 503.0 | 580.0 | 601.1 | 548.7 | 568.9 |
| o/w: Indexed to f/c | .... | .... | .... | 29.8 | 23.9 | 23.1 | 23.4 | 23.4 | 23.3 |
| Subordinated and hybrid instruments | 3.7 | 5.5 | 8.5 | 8.5 | 13.7 | 14.9 | 15.0 | 15.0 | 15.1 |
| Demand deposits | 253.2 | 257.0 | 222.8 | 221.7 | 327.7 | 364.8 | 389.7 | 334.5 | 349.3 |
| Time and notice deposits | 340.6 | 245.7 | 144.4 | 147.0 | 161.6 | 200.4 | 196.4 | 199.1 | 204.5 |
| Loans and advances | - | - | - | 0.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Bonds | .... | .... | .... | - | - | - | - | - | - |
| Total (1+2) | 65,192.5 | 75,377.4 | 80,451.5 | 82,099.3 | 90,348.3 | 73,675.1 | 72,408.0 | 74,369.0 | 74,372.1 |

Table D10 Foreign liabilities of credit institutions • The table shows credit institutions' 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.

Foreign liabilities of credit institutions comprise foreign currency liabilities and foreign kuna liabilities.

Within foreign kuna and foreign currency liabilities, liabilities to foreign financial institutions are reported separately from liabilities to foreign non-financial institutions (total and by

financial instruments). Items Demand deposits and Savings deposits comprise transaction accounts and savings deposits.

As from CNB Bulletin No. 190, data on item Loans have been revised to exclude data related to subordinated and hybrid instruments. Item "o/w: Subordinated and hybrid instruments", which was up to CNB Bulletin No. 190 reported under Loans and advances, has been reclassified accordingly. It is now reported as a separate item and includes all instruments on the liability side having the features of a subordinated or hybrid instrument.

Table D11 Deposits of the central government and social security funds with credit institutions
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 In kuna | | 1,322.7 | 954.4 | 1,898.6 | 2,485.5 | 2,459.1 | 2,414.8 | 2,382.1 | 2,520.4 |
| 1.1 Central government deposits | 666.4 | 429.5 | 356.6 | 1,887.1 | 2,473.3 | 2,447.3 | 2,405.1 | 2,372.3 | 2,510.7 |
| Demand deposits | 454.9 | 176.7 | 189.3 | 1,369.9 | 1,732.2 | 1,790.4 | 1,464.6 | 1,434.9 | 1,753.3 |
| Savings deposits | 1.2 | 1.1 | 0.6 | 0.4 | 0.4 | 20.3 | 32.2 | 22.0 | 20.1 |
| Time and notice deposits | 209.3 | 251.6 | 166.7 | 501.8 | 732.4 | 630.6 | 902.3 | 909.4 | 731.4 |
| Loans and advances | 1.0 | – | – | 15.0 | 8.3 | 6.0 | 6.0 | 6.0 | 6.0 |
| 1.2 Deposits of social security funds | 581.1 | 893.1 | 597.8 | 11.5 | 12.2 | 11.8 | 9.7 | 9.9 | 9.7 |
| Demand deposits | 330.1 | 639.8 | 387.5 | 0.3 | 0.6 | 0.0 | 0.1 | 0.2 | 0.1 |
| Savings deposits | 2.4 | 0.0 | 0.3 | – | – | – | – | – | – |
| Time and notice deposits | 248.6 | 253.3 | 210.0 | 11.2 | 11.6 | 11.8 | 9.7 | 9.7 | 9.6 |
| Loans and advances | – | – | – | – | – | – | – | – | – |
| 2 In f/c | 933.0 | 1,353.2 | 1,352.8 | 1,464.0 | 1,593.6 | 1,451.0 | 1,304.0 | 1,358.2 | 1,350.3 |
| 2.1 Central government deposits | 759.4 | 1,122.5 | 1,088.3 | 1,439.6 | 1,562.3 | 1,418.0 | 1,265.0 | 1,316.1 | 1,334.3 |
| Savings deposits | 527.4 | 666.8 | 716.8 | 1,127.1 | 740.6 | 1,192.7 | 767.1 | 887.2 | 941.8 |
| Time and notice deposits | 49.7 | 330.0 | 309.4 | 312.3 | 821.5 | 225.4 | 497.9 | 428.8 | 392.5 |
| Refinanced loans and advances | 182.3 | 125.7 | 62.2 | 0.2 | 0.2 | – | – | – | – |
| 2.2 Deposits of social security funds | 173.5 | 230.7 | 264.5 | 24.3 | 31.3 | 33.0 | 39.0 | 42.1 | 16.0 |
| Savings deposits | 85.6 | 75.8 | 100.2 | 24.3 | 31.3 | 33.0 | 39.0 | 42.1 | 16.0 |
| Time and notice deposits | 87.9 | 154.9 | 164.3 | – | – | – | – | – | – |
| Loans and advances | – | – | – | – | – | – | – | – | – |
| Total (1+2) | 2,180.5 | 2,675.8 | 2,307.2 | 3,362.6 | 4,079.1 | 3,910.1 | 3,718.8 | 3,740.3 | 3,870.7 |

Table D11 Deposits of the central government and social security funds with credit institutions • The table reports total credit institutions' kuna and foreign currency liabilities to the central government and social security funds, with the exception of restricted (kuna and foreign currency) deposits by the central government and social security funds with credit institutions.

Kuna and foreign currency deposits by the central government and social security funds are shown separately. Kuna deposits comprise demand deposits, savings deposits, time and notice deposits, and loans received from the central government and social security funds. Foreign currency deposits comprise savings deposits, time deposits and notice deposits.

Table D12 Restricted and blocked deposits with credit institutions
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 Restricted deposits | 2,252.3 | 3,038.4 | 2,548.4 | 2,374.9 | 3,183.9 | 2,413.9 | 3,096.1 | 2,982.6 | 2,610.3 |
| 1.1 In kuna | 1,322.8 | 1,478.8 | 1,366.0 | 1,262.6 | 1,576.8 | 1,429.0 | 1,491.6 | 1,510.9 | 1,505.3 |
| 1.2 In f/c | 929.5 | 1,559.6 | 1,182.5 | 1,112.4 | 1,607.1 | 984.9 | 1,604.5 | 1,471.7 | 1,105.0 |
| 2 Blocked f/c deposits of households | – | – | – | – | – | – | – | – | – |
| Total (1+2) | 2,252.3 | 3,038.4 | 2,548.4 | 2,374.9 | 3,183.9 | 2,413.9 | 3,096.1 | 2,982.6 | 2,610.3 |

Table D12 Restricted and blocked deposits with credit institutions • 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.

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 ^a | Credit rates | | | | | |
|----------|-----------|-------------------|----------------------------|---------------------------------|-------------------------|----------------------------------------------|---------------------------------|------------------------------------------------------------|-------------------------|
| | | | | On Lombard credits ^b | On intervention credits | On intra-day refinance facility ^b | On short-term liquidity credits | On inaccurately calculated statutory reserves ^b | On arrears ^c |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 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 ^c | – | – | 8.50 ^c | 15.00 | 15.00 |
| 2006 | December | 4.50 | 3.50 | 7.50 | – | – | 8.50 | 15.00 | 15.00 |
| 2007 | December | 9.00 ^d | 4.06 | 7.50 | – | – | 8.50 | 15.00 | 15.00 |
| 2008 | December | 9.00 | 6.00 | 9.00 | – | – | 10.00 | 15.00 | 14.00 |
| 2009 | December | 9.00 | – | 9.00 | – | – | 10.00 | 15.00 | 14.00 |
| 2010 | December | 9.00 | – | 9.00 | – | – | 10.00 | 15.00 | 14.00 |
| 2011 | December | 7.00 | – | 6.25 | – | – | 7.25 | 15.00 | 12.00 |
| 2012 | June | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 ^f | 12.00 |
| | July | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| | August | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| | September | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| | October | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| | November | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| | December | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| | 2013 | January | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| February | | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| March | | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| April | | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |
| May | | 7.00 | – | 6.25 | – | – | 7.25 | 14.50 | 12.00 |

^a Weighted averages of weighted repo rates achieved at regular reverse repo auctions of the CNB in the reporting month. ^b Breaks in the series of data are explained in notes on methodology. ^c Since 14 December 2005. ^d Since 31 December 2007. ^e Since 28 November 2011. ^f Since 20 June 2012.

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 ^a | | | | 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 |
| 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 | December | 0.75 | – | – | – | – | – | – | – | – | – | – | 0.50 |
| 2011 | December | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| 2012 | June | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | July | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | August | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | September | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | October | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | November | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | December | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| 2013 | January | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | February | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | March | – | – | – | – | – | – | – | – | – | – | – | 0.25 |
| | April | – | – | – | – | – | – | – | – | – | – | – | 0.00 ^b |
| | May | – | – | – | – | – | – | – | – | – | – | – | 0.00 |

^a Breaks in the series of data are explained in notes on methodology. ^b Since 24 April 2013.

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. From March 2011 on, the CNB pays no remuneration on the reserve requirement funds (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,

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 |
| 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 | December | 13.00 | 38,990.6 | 32,374.8 | 6,615.8 | - | 22,662.4 | 4,736.7 | 0.52 | - |
| 2011 | December | 14.00 | 44,443.2 | 36,936.6 | 7,506.7 | - | 25,654.6 | 5,437.9 | - | - |
| 2012 | June | 13.50 | 42,651.5 | 35,413.9 | 7,237.6 | - | 24,737.7 | 5,307.3 | - | - |
| | July | 13.50 | 42,815.5 | 35,563.0 | 7,252.5 | - | 24,874.6 | 5,315.9 | - | - |
| | August | 13.50 | 42,602.1 | 35,437.9 | 7,164.2 | - | 24,803.4 | 5,216.8 | - | - |
| | September | 13.50 | 42,677.0 | 35,504.3 | 7,172.7 | - | 24,853.0 | 5,196.9 | - | - |
| | October | 13.50 | 42,648.7 | 35,477.6 | 7,171.0 | - | 24,834.3 | 5,171.0 | - | - |
| | November | 13.50 | 42,439.9 | 35,280.1 | 7,159.8 | - | 24,696.1 | 5,144.6 | - | - |
| | December | 13.50 | 42,272.1 | 35,107.8 | 7,164.3 | - | 24,575.4 | 5,120.7 | - | - |
| 2013 | January | 13.50 | 41,981.1 | 34,821.5 | 7,159.5 | - | 24,375.1 | 5,093.0 | - | - |
| | February | 13.50 | 41,781.7 | 34,647.9 | 7,133.7 | - | 24,253.5 | 5,068.9 | - | - |
| | March | 13.50 | 41,623.5 | 34,515.2 | 7,108.3 | - | 24,160.6 | 5,051.4 | - | - |
| | April | 13.50 | 41,607.5 | 34,524.1 | 7,083.4 | - | 24,166.8 | 5,027.8 | - | - |
| | May | 13.50 | 41,773.0 | 34,685.5 | 7,087.6 | - | 24,279.8 | 5,040.5 | - | - |

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 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. From March 2011 on, the CNB pays no remuneration on the reserve requirement funds.

Column 11 shows the weighted average remuneration rate on allocated funds in foreign currency, including the marginal reserve

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 |
| 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 | December | 407.1 | 30,511.9 | 0.42 | – | – | – | 5,705.9 |
| 2011 | December | 333.0 | 15,693.8 | 0.32 | 97.3 | – | – | 8,157.7 |
| 2012 | June | 414.2 | 7,736.4 | 0.41 | – | – | – | 8,207.9 |
| | July | 334.0 | 6,392.5 | 0.33 | – | – | – | 8,757.5 |
| | August | 363.6 | 7,834.5 | 0.35 | – | – | – | 8,534.1 |
| | September | 525.3 | 8,169.8 | 0.51 | – | – | – | 7,574.7 |
| | October | 576.6 | 6,816.0 | 0.56 | – | – | – | 7,423.8 |
| | November | 652.7 | 5,388.1 | 0.64 | – | – | – | 7,545.4 |
| | December | 612.4 | 5,113.4 | 0.61 | – | – | – | 8,010.0 |
| 2013 | January | 520.3 | 4,803.0 | 0.53 | – | – | – | 8,357.8 |
| | February | 378.9 | 4,455.3 | 0.39 | – | – | – | 8,768.3 |
| | March | 418.5 | 4,164.2 | 0.43 | – | – | – | 10,013.4 |
| | April | 2,260.6 | 3,894.7 | 2.30 | 18.6 | – | – | 10,719.1 |
| | May | 5,211.5 | 3,963.0 | 5.24 | 17.4 | – | – | 11,404.0 |

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 • 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 | |
| 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 | December | 1.28 | 1.70 | 9.90 | 10.05 | 6.98 | 12.64 | 13.17 | 4.66 | 8.38 | 6.45 | 11.29 | |
| 2011 | December | 0.61 | 1.73 | 9.36 | 9.49 | 7.48 | 11.18 | 11.58 | 4.21 | 8.15 | 6.76 | 9.21 | |
| 2012 | June | 0.47 | 1.58 | 9.32 | 9.44 | 7.17 | 11.17 | 11.53 | 4.12 | 7.63 | 5.01 | 9.95 | |
| | July | 1.10 | 1.49 | 9.23 | 9.35 | 6.92 | 11.15 | 11.52 | 3.94 | 7.95 | 5.98 | 9.84 | |
| | August | 1.76 | 2.32 | 9.57 | 9.80 | 7.10 | 11.18 | 11.53 | 3.96 | 7.71 | 6.08 | 9.81 | |
| | September | 2.24 | 2.42 | 9.58 | 9.76 | 7.28 | 11.18 | 11.53 | 3.85 | 7.93 | 5.82 | 9.71 | |
| | October | 0.61 | 0.87 | 9.18 | 9.32 | 6.65 | 11.16 | 11.53 | 3.88 | 7.91 | 5.72 | 9.45 | |
| | November | 0.45 | 0.45 | 9.55 | 9.69 | 7.13 | 11.18 | 11.53 | 3.99 | 8.21 | 5.14 | 9.69 | |
| | December | 0.46 | 0.50 | 9.26 | 9.45 | 7.15 | 11.20 | 11.56 | 4.68 | 7.70 | 5.43 | 9.75 | |
| 2013 | January | 0.38 | 0.90 | 9.08 | 9.18 | 6.35 | 11.09 | 11.42 | 3.83 | 7.92 | 4.87 | 9.63 | |
| | February | 0.32 | 0.85 | 9.19 | 9.34 | 6.53 | 11.23 | 11.55 | 3.77 | 7.65 | 4.94 | 9.58 | |
| | March | 0.37 | 1.16 | 9.21 | 9.36 | 6.58 | 11.18 | 11.55 | 4.33 | 7.91 | 4.79 | 9.42 | |
| | April | 0.41 | 0.85 | 9.18 | 9.27 | 6.27 | 11.20 | 11.55 | 3.99 | 8.33 | 4.71 | 9.47 | |
| | May | 0.31 | 1.16 | 9.26 | 9.32 | 6.29 | 11.19 | 11.55 | 4.09 | 8.55 | 5.09 | 9.49 | |
| Relative significance ^a | | - | - | 73.06 | 66.75 | 25.42 | 41.33 | 39.34 | 1.98 | 6.31 | 1.36 | 4.96 | |

^a 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 |
| 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 | 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 | December | 7.15 | 7.60 | 7.56 | 8.49 | 6.82 | 6.37 | 7.53 | 5.26 | 8.48 | 6.49 | 6.27 | 6.87 |
| 2012 | June | 7.04 | 7.32 | 7.26 | 8.35 | 6.92 | 6.12 | 7.60 | 5.25 | 8.65 | 5.53 | 5.05 | 6.38 |
| | July | 7.02 | 6.90 | 6.85 | 7.64 | 7.09 | 6.40 | 7.52 | 5.34 | 8.68 | 6.05 | 6.19 | 5.66 |
| | August | 7.14 | 7.08 | 7.05 | 7.77 | 7.17 | 6.41 | 7.60 | 5.33 | 8.74 | 5.81 | 5.75 | 6.06 |
| | September | 7.08 | 7.27 | 7.24 | 7.69 | 7.00 | 6.13 | 7.67 | 5.33 | 8.70 | 6.11 | 6.08 | 6.24 |
| | October | 6.76 | 6.44 | 6.38 | 7.27 | 6.95 | 5.90 | 7.69 | 5.43 | 8.67 | 5.14 | 4.92 | 6.18 |
| | November | 7.02 | 6.91 | 6.88 | 7.52 | 7.08 | 6.37 | 7.69 | 5.37 | 8.67 | 5.71 | 5.57 | 6.01 |
| | December | 6.54 | 6.52 | 6.47 | 7.42 | 6.55 | 5.76 | 7.61 | 5.37 | 8.64 | 5.08 | 4.69 | 5.83 |
| 2013 | January | 6.67 | 7.03 | 6.99 | 7.64 | 6.49 | 5.77 | 7.19 | 5.27 | 8.20 | 5.51 | 5.43 | 5.60 |
| | February | 6.86 | 6.67 | 6.64 | 7.16 | 6.95 | 6.04 | 7.57 | 5.32 | 8.42 | 5.53 | 5.53 | 5.54 |
| | March | 6.91 | 6.75 | 6.74 | 6.84 | 6.98 | 5.88 | 7.76 | 5.31 | 8.57 | 5.22 | 5.30 | 5.07 |
| | April | 6.75 | 6.36 | 6.31 | 7.22 | 6.95 | 6.23 | 7.42 | 5.26 | 8.36 | 4.73 | 4.32 | 5.26 |
| | May | 6.74 | 6.52 | 6.45 | 7.86 | 6.84 | 6.02 | 7.42 | 5.30 | 8.24 | 4.50 | 4.29 | 4.90 |
| Relative significance^a | | 16.57 | 5.35 | 5.08 | 0.27 | 11.22 | 4.59 | 6.63 | 1.85 | 4.78 | 10.37 | 6.76 | 3.62 |

^a 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 |
| 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 | December | 1.61 | 0.34 | 1.93 | 1.85 | 3.66 | 1.41 | 4.26 | 4.76 | 3.03 |
| 2011 | December | 1.88 | 0.36 | 2.46 | 2.33 | 3.55 | 1.88 | 2.98 | 4.58 | 2.78 |
| 2012 | June | 1.80 | 0.34 | 1.85 | 1.97 | 3.43 | 1.45 | 1.35 | 4.58 | 0.98 |
| | July | 1.85 | 0.35 | 2.12 | 1.95 | 3.48 | 1.42 | 2.70 | 4.71 | 2.43 |
| | August | 1.92 | 0.33 | 2.31 | 2.10 | 3.51 | 1.79 | 3.25 | 4.75 | 3.05 |
| | September | 1.87 | 0.34 | 2.27 | 2.31 | 3.55 | 1.93 | 2.13 | 4.77 | 1.68 |
| | October | 1.83 | 0.35 | 1.74 | 1.83 | 3.52 | 1.22 | 1.48 | 4.55 | 1.10 |
| | November | 1.80 | 0.34 | 2.17 | 2.07 | 3.43 | 1.43 | 4.04 | 4.32 | 2.89 |
| | December | 1.76 | 0.34 | 2.09 | 1.95 | 3.37 | 1.37 | 4.36 | 4.33 | 4.46 |
| 2013 | January | 1.76 | 0.35 | 1.87 | 1.73 | 3.34 | 1.07 | 4.19 | 4.34 | 3.46 |
| | February | 1.70 | 0.33 | 1.81 | 1.64 | 3.15 | 0.86 | 3.95 | 4.09 | 3.46 |
| | March | 1.64 | 0.33 | 1.65 | 1.45 | 3.14 | 0.83 | 3.72 | 4.19 | 2.92 |
| | April | 1.60 | 0.32 | 1.74 | 1.58 | 3.05 | 0.88 | 3.94 | 4.11 | 2.89 |
| | May | 1.52 | 0.32 | 1.19 | 1.09 | 3.02 | 0.61 | 3.84 | 3.98 | 2.65 |
| Relative significance ^a | | 57.27 | 39.83 | 14.41 | 13.89 | 2.79 | 11.10 | 0.52 | 0.47 | 0.05 |

^a 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 |
| 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 | December | 2.91 | 2.75 | 3.46 | 3.09 | 0.19 | 0.21 | 0.14 | 0.18 | 0.07 |
| 2011 | December | 2.86 | 2.75 | 3.62 | 2.90 | 0.19 | 0.21 | 0.14 | 0.13 | 0.08 |
| 2012 | June | 2.31 | 3.02 | 3.17 | 2.88 | 0.19 | 0.21 | 0.11 | 0.14 | 0.04 |
| | July | 3.05 | 3.24 | 2.99 | 2.91 | 0.18 | 0.21 | 0.11 | 0.13 | 0.06 |
| | August | 2.97 | 3.01 | 2.92 | 2.91 | 0.17 | 0.21 | 0.11 | 0.06 | 0.04 |
| | September | 2.19 | 2.44 | 3.28 | 2.87 | 0.17 | 0.21 | 0.11 | 0.07 | 0.05 |
| | October | 2.26 | 2.67 | 2.52 | 2.92 | 0.17 | 0.22 | 0.11 | 0.06 | 0.06 |
| | November | 2.31 | 2.67 | 3.16 | 2.91 | 0.17 | 0.22 | 0.11 | 0.06 | 0.05 |
| | December | 2.38 | 3.42 | 2.10 | 2.84 | 0.16 | 0.22 | 0.11 | 0.05 | 0.04 |
| 2013 | January | 1.88 | 2.18 | 3.42 | 2.79 | 0.17 | 0.22 | 0.11 | 0.05 | 0.05 |
| | February | 2.54 | 2.25 | 2.85 | 2.71 | 0.16 | 0.22 | 0.11 | 0.05 | 0.04 |
| | March | 2.06 | 2.38 | 2.87 | 2.64 | 0.17 | 0.22 | 0.11 | 0.06 | 0.03 |
| | April | 2.04 | 2.94 | 2.14 | 2.49 | 0.17 | 0.21 | 0.11 | 0.07 | 0.03 |
| | May | 2.33 ^b | 2.28 | 2.16 | 2.44 | 0.16 | 0.21 | 0.11 | 0.06 | 0.04 |
| Relative significance ^a | | 0.11 | 0.08 | 0.02 | 42.62 | 24.61 | 15.74 | 2.39 | 5.85 | 0.64 |

^a 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). ^b Of the total amount of deposits to which this interest rate refers, 47.03% 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 in the calculation.

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 |
| 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 | December | 2.69 | 2.15 | 3.13 | 2.45 | 1.63 | 0.76 | 5.36 | 4.28 | 3.20 | 6.91 | 3.80 |
| 2011 | December | 2.76 | 2.56 | 2.87 | 2.45 | 2.37 | 0.86 | 3.84 | 3.92 | 3.27 | 3.54 | 1.70 |
| 2012 | June | 2.72 | 2.55 | 2.79 | 2.31 | 2.55 | 0.99 | 3.79 | 3.79 | 3.53 | 4.23 | 3.80 |
| | July | 2.80 | 2.62 | 2.90 | 2.35 | 2.43 | 1.33 | 3.79 | 3.81 | 3.43 | 3.92 | 3.78 |
| | August | 2.68 | 2.46 | 2.98 | 2.35 | 1.79 | 1.09 | 3.86 | 3.87 | 3.72 | 4.41 | 0.81 |
| | September | 2.51 | 2.29 | 2.89 | 2.31 | 1.40 | 0.67 | 3.82 | 3.86 | 3.25 | 4.18 | 3.20 |
| | October | 2.64 | 2.44 | 2.95 | 2.32 | 1.55 | 0.86 | 3.74 | 3.79 | 3.23 | 3.49 | 0.17 |
| | November | 3.19 | 2.27 | 2.80 | 2.26 | 1.43 | 0.63 | 5.28 | 3.76 | 3.36 | 6.93 | 2.38 |
| | December | 2.59 | 2.34 | 2.70 | 2.24 | 1.92 | 0.48 | 3.64 | 3.67 | 3.16 | 4.11 | 3.20 |
| 2013 | January | 2.82 | 2.33 | 2.67 | 2.22 | 1.81 | 0.59 | 4.21 | 3.64 | 3.26 | 6.66 | 2.40 |
| | February | 2.55 | 2.18 | 2.51 | 2.08 | 1.65 | 0.93 | 3.66 | 3.65 | 3.04 | 4.99 | 0.55 |
| | March | 2.74 | 1.98 | 2.50 | 2.05 | 1.39 | 0.33 | 4.34 | 3.60 | 3.13 | 5.95 | 1.58 |
| | April | 2.28 | 1.94 | 2.34 | 1.96 | 1.36 | 0.34 | 3.40 | 3.41 | 3.03 | 3.80 | - |
| | May | 2.25 | 1.90 | 2.35 | 2.00 | 1.28 | 0.38 | 3.34 | 3.33 | 3.04 | 4.05 | 1.68 |
| Relative significance^a | | 18.01 | 13.63 | 8.40 | 0.74 | 3.22 | 1.28 | 4.38 | 3.92 | 0.26 | 0.18 | 0.01 |

^a 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).

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

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 Dec. | 2013 | | |
|-------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|
| | | | | | | | Mar. | Apr. | May |
| A Purchase of foreign exchange | | | | | | | | | |
| 1 Legal persons | 26,365.0 | 33,058.3 | 19,939.9 | 21,453.6 | 20,628.9 | 1,812.6 | 1,143.2 | 1,180.1 | 1,278.5 |
| 2 Natural persons | 6,151.3 | 4,755.3 | 4,920.3 | 4,878.0 | 5,264.9 | 347.1 | 379.8 | 431.6 | 471.0 |
| 2.1 Residents | 3,184.0 | 4,252.9 | 4,389.6 | 4,251.3 | 4,867.9 | 340.6 | 371.4 | 416.9 | 452.9 |
| 2.2 Non-residents | 326.3 | 502.4 | 530.7 | 626.7 | 397.0 | 6.5 | 8.4 | 14.7 | 18.1 |
| 3 Domestic banks | 20,141.3 | 20,017.6 | 10,964.5 | 11,171.3 | 10,406.6 | 1,002.3 | 485.1 | 954.4 | 1,202.6 |
| 4 Foreign banks | 5,194.1 | 7,342.5 | 5,681.9 | 5,548.6 | 5,226.3 | 758.5 | 378.1 | 448.4 | 407.2 |
| 5 Croatian National Bank | 0.0 | 420.6 | 1,899.4 | 350.1 | 596.7 | – | – | 214.9 | – |
| Total (1+2+3+4) | 57,851.7 | 65,594.2 | 43,405.9 | 43,401.6 | 42,123.5 | 3,920.5 | 2,386.3 | 3,229.4 | 3,359.3 |
| B Sale of foreign exchange | | | | | | | | | |
| 1 Legal persons | 28,564.1 | 35,448.8 | 21,707.2 | 21,930.5 | 20,809.2 | 1,823.0 | 1,627.0 | 1,692.9 | 1,618.9 |
| 2 Natural persons | 3,712.5 | 4,366.4 | 3,205.5 | 1,815.9 | 1,760.2 | 118.8 | 87.1 | 151.2 | 149.5 |
| 2.1 Residents | 2,071.3 | 4,335.2 | 3,186.0 | 1,800.5 | 1,743.3 | 118.5 | 86.7 | 151.0 | 149.3 |
| 2.2 Non-residents | 40.0 | 31.2 | 19.5 | 15.4 | 16.9 | 0.3 | 0.4 | 0.2 | 0.2 |
| 3 Domestic banks | 20,141.3 | 20,017.6 | 10,964.5 | 11,171.3 | 10,406.6 | 1,002.3 | 485.1 | 954.4 | 1,202.6 |
| 4 Foreign banks | 4,072.6 | 6,615.7 | 5,281.5 | 5,455.0 | 5,730.2 | 892.2 | 408.5 | 538.9 | 487.4 |
| 5 Croatian National Bank | 839.0 | 409.1 | 2,224.2 | 363.7 | – | – | – | – | – |
| Total (1+2+3+4) | 57,329.5 | 66,857.5 | 43,382.7 | 40,736.5 | 38,706.2 | 3,836.3 | 2,607.7 | 3,337.4 | 3,458.3 |
| C Net purchase (A-B) | | | | | | | | | |
| 1 Legal persons | –2,199.1 | –2,390.5 | –1,767.3 | –476.9 | –180.3 | –10.3 | –483.8 | –512.8 | –340.4 |
| 2 Natural persons | 2,438.9 | 388.9 | 1,714.8 | 3,062.1 | 3,504.7 | 228.3 | 292.7 | 280.4 | 321.5 |
| 2.1 Residents | 1,112.7 | –82.2 | 1,203.6 | 2,450.8 | 3,124.6 | 222.1 | 284.7 | 265.9 | 303.6 |
| 2.2 Non-residents | 286.3 | 471.1 | 511.2 | 611.2 | 380.1 | 6.2 | 8.0 | 14.5 | 17.9 |
| 3 Foreign banks | 1,121.4 | 726.8 | 400.4 | 93.6 | –503.9 | –133.7 | –30.4 | –90.5 | –80.2 |
| 4 Croatian National Bank | –839.0 | 11.5 | –324.8 | –13.6 | 596.7 | – | – | 214.9 | – |
| Total (1+2+3) | 522.2 | –1,263.3 | 23.2 | 2,665.2 | 3,417.2 | 84.2 | –221.4 | –108.0 | –99.1 |
| Memo items: Other Croatian National Bank transactions | | | | | | | | | |
| Purchase of foreign exchange | 5.1 | 265.4 | 664.6 | 238.5 | 968.2 | 0.2 | 130.4 | 450.3 | 0.7 |
| Sale of foreign exchange | 176.7 | 83.7 | 98.3 | 233.1 | 0.0 | 0.0 | 37.0 | – | – |

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^{a,b}

in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|----------------------------------------|-----------------|-----------------|-----------------|----------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | |
| A CURRENT ACCOUNT (1+6) | -3,150.6 | -4,254.6 | -2,282.7 | -461.8 | -387.3 | -25.7 | -1,680.6 | -305.2 | 2,653.2 | -693.2 | -1,424.5 |
| 1 Goods, services, and income (2+5) | -4,193.6 | -5,325.1 | -3,287.0 | -1,522.7 | -1,521.9 | -1,147.5 | -1,946.4 | -611.6 | 2,388.1 | -977.6 | -1,687.3 |
| 1.1 Credit | 19,614.5 | 21,237.2 | 17,114.4 | 18,610.6 | 19,755.7 | 20,106.6 | 3,321.5 | 4,951.3 | 7,864.2 | 3,969.6 | 3,204.3 |
| 1.2 Debit | -23,808.0 | -26,562.2 | -20,401.5 | -20,133.2 | -21,277.6 | -21,254.1 | -5,267.9 | -5,562.9 | -5,476.1 | -4,947.2 | -4,891.6 |
| 2 Goods and services (3+4) | -3,103.3 | -3,778.8 | -1,516.7 | 30.0 | 41.8 | 382.2 | -1,432.7 | -155.3 | 2,806.6 | -836.3 | -1,328.1 |
| 2.1 Credit | 18,271.3 | 19,843.3 | 16,314.7 | 17,714.8 | 18,767.5 | 19,127.8 | 3,086.5 | 4,665.8 | 7,563.0 | 3,812.5 | 2,923.0 |
| 2.2 Debit | -21,374.6 | -23,622.0 | -17,831.4 | -17,684.8 | -18,725.6 | -18,745.6 | -4,519.2 | -4,821.1 | -4,756.5 | -4,648.8 | -4,251.1 |
| 3 Goods | -9,469.9 | -10,632.4 | -7,207.0 | -5,745.5 | -6,148.5 | -6,042.4 | -1,593.2 | -1,706.0 | -1,473.6 | -1,269.7 | -1,525.2 |
| 3.1 Credit | 9,156.6 | 9,752.7 | 7,674.5 | 9,063.6 | 9,773.7 | 9,811.1 | 2,289.0 | 2,370.1 | 2,525.3 | 2,626.6 | 2,110.5 |
| 3.2 Debit | -18,626.5 | -20,385.1 | -14,881.5 | -14,809.1 | -15,922.2 | -15,853.5 | -3,882.2 | -4,076.1 | -3,998.9 | -3,896.3 | -3,635.7 |
| 4 Services | 6,366.6 | 6,853.7 | 5,690.3 | 5,775.5 | 6,190.3 | 6,424.6 | 160.5 | 1,550.7 | 4,280.1 | 433.3 | 197.0 |
| 4.1 Credit | 9,114.7 | 10,090.6 | 8,640.2 | 8,651.2 | 8,993.8 | 9,316.7 | 797.5 | 2,295.7 | 5,037.7 | 1,185.8 | 812.5 |
| 4.2 Debit | -2,748.1 | -3,236.9 | -2,949.9 | -2,875.7 | -2,803.5 | -2,892.1 | -637.0 | -745.0 | -757.6 | -752.5 | -615.4 |
| 5 Income | -1,090.2 | -1,546.3 | -1,770.4 | -1,552.7 | -1,563.7 | -1,529.7 | -513.6 | -456.3 | -418.5 | -141.3 | -359.2 |
| 5.1 Credit | 1,343.2 | 1,393.9 | 799.7 | 895.8 | 988.2 | 978.8 | 235.1 | 285.5 | 301.1 | 157.2 | 281.3 |
| 5.2 Debit | -2,433.5 | -2,940.2 | -2,570.0 | -2,448.5 | -2,551.9 | -2,508.6 | -748.7 | -741.8 | -719.6 | -298.4 | -640.4 |
| 6 Current transfers | 1,043.0 | 1,070.5 | 1,004.4 | 1,060.9 | 1,134.6 | 1,121.8 | 265.8 | 306.5 | 265.1 | 284.4 | 262.8 |
| 6.1 Credit | 1,576.1 | 1,684.4 | 1,575.9 | 1,657.5 | 1,657.9 | 1,679.4 | 403.3 | 431.4 | 416.3 | 428.4 | 400.9 |
| 6.2 Debit | -533.1 | -613.9 | -571.5 | -596.6 | -523.3 | -557.7 | -137.5 | -124.9 | -151.2 | -144.0 | -138.2 |
| B CAPITAL AND FINANCIAL ACCOUNT | 4,470.1 | 5,729.7 | 3,511.4 | 1,297.6 | 1,480.8 | 532.5 | 1,386.1 | 262.8 | -1,464.1 | 347.7 | 987.0 |
| B1 Capital account | 28.4 | 21.9 | 61.4 | 57.5 | 32.7 | 30.7 | 1.6 | 5.4 | -0.5 | 24.2 | -5.0 |
| B2 Financial account, excl. reserves | 5,163.3 | 5,377.4 | 4,346.5 | 1,323.9 | 1,848.6 | 547.6 | 1,607.2 | 366.1 | -1,647.9 | 222.2 | 953.4 |
| 1 Direct investment | 3,467.7 | 3,275.7 | 1,516.3 | 431.5 | 1,082.2 | 1,165.5 | 299.2 | 289.8 | 172.5 | 404.1 | 478.8 |
| 1.1 Abroad | -215.5 | -970.2 | -887.3 | 113.7 | -18.6 | 112.3 | 219.0 | -19.2 | -44.3 | -43.2 | 14.7 |
| 1.2 In Croatia | 3,683.2 | 4,245.9 | 2,403.6 | 317.8 | 1,100.8 | 1,053.1 | 80.1 | 309.0 | 216.7 | 447.3 | 464.0 |
| 2 Portfolio investment | 335.9 | -840.6 | 420.9 | 461.8 | 586.8 | 1,711.6 | 404.4 | 847.0 | -260.8 | 721.0 | -34.0 |
| 2.1 Assets | -421.6 | -380.8 | -558.1 | -383.4 | 492.4 | -309.9 | 245.6 | -219.1 | -210.1 | -126.3 | 77.8 |
| 2.2 Liabilities | 757.5 | -459.8 | 979.1 | 845.2 | 94.5 | 2,021.5 | 158.8 | 1,066.1 | -50.8 | 847.3 | -111.8 |
| 3 Financial derivatives | 0.0 | 0.0 | 0.0 | -252.7 | -52.4 | 97.9 | -10.1 | 42.1 | 40.8 | 25.0 | -2.9 |
| 4 Other investment | 1,359.8 | 2,942.3 | 2,409.3 | 683.4 | 232.0 | -2,427.3 | 913.7 | -812.8 | -1,600.3 | -927.9 | 511.6 |
| 4.1 Assets | -1,662.6 | -1,659.8 | 781.4 | 607.3 | 358.0 | 526.4 | 696.3 | -208.3 | -739.4 | 777.9 | 436.5 |
| 4.2 Liabilities | 3,022.5 | 4,602.1 | 1,627.9 | 76.1 | -126.0 | -2,953.7 | 217.4 | -604.5 | -861.0 | -1,705.8 | 75.1 |
| B3 Reserve assets | -721.6 | 330.4 | -896.4 | -83.8 | -400.6 | -45.8 | -222.6 | -108.8 | 184.3 | 101.3 | 38.6 |
| C NET ERRORS AND OMISSIONS | -1,319.5 | -1,475.1 | -1,228.8 | -835.8 | -1,093.5 | -506.8 | 294.4 | 42.4 | -1,189.0 | 345.4 | 437.5 |

^a 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. ^b 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).

^c 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

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|------------------------------------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 ^a |
| Goods | -9,469.9 | -10,632.4 | -7,207.0 | -5,745.5 | -6,148.5 | -6,042.4 | -1,593.2 | -1,706.0 | -1,473.6 | -1,269.7 | -1,525.2 |
| 1 Credit | 9,156.6 | 9,752.7 | 7,674.5 | 9,063.6 | 9,773.7 | 9,811.1 | 2,289.0 | 2,370.1 | 2,525.3 | 2,626.6 | 2,110.5 |
| 1.1 Exports (f.o.b.) in trade statistics | 9,001.6 | 9,585.1 | 7,529.4 | 8,905.2 | 9,582.2 | 9,628.7 | 2,254.4 | 2,325.2 | 2,472.5 | 2,576.5 | 2,073.3 |
| 1.2 Adjustments for coverage | 155.0 | 167.5 | 145.1 | 158.3 | 191.5 | 182.5 | 34.6 | 44.9 | 52.9 | 50.1 | 37.2 |
| 2 Debit | -18,626.5 | -20,385.1 | -14,881.5 | -14,809.1 | -15,922.2 | -15,853.5 | -3,882.2 | -4,076.1 | -3,998.9 | -3,896.3 | -3,635.7 |
| 2.1 Imports (c.i.f.) in trade statistics | -18,826.6 | -20,817.1 | -15,220.1 | -15,137.0 | -16,281.1 | -16,214.4 | -3,980.7 | -4,165.1 | -4,094.0 | -3,974.5 | -3,730.0 |
| 2.2 Adjustments for coverage | -370.4 | -421.4 | -331.1 | -376.0 | -359.0 | -372.0 | -81.4 | -99.2 | -90.0 | -101.4 | -74.3 |
| 2.3 Adjustments for classification | 570.4 | 853.5 | 669.7 | 703.9 | 718.0 | 732.9 | 179.9 | 188.3 | 185.0 | 179.6 | 168.6 |
| Services | 6,366.6 | 6,853.7 | 5,690.3 | 5,775.5 | 6,190.3 | 6,424.6 | 160.5 | 1,550.7 | 4,280.1 | 433.3 | 197.0 |
| 1 Transportation | 641.3 | 404.3 | 287.6 | 299.3 | 278.8 | 253.8 | 37.5 | 63.5 | 107.0 | 45.8 | 25.4 |
| 1.1 Credit | 1,165.4 | 1,209.4 | 938.2 | 973.0 | 967.6 | 941.9 | 196.4 | 240.8 | 290.1 | 214.6 | 173.3 |
| 1.2 Debit | -524.0 | -805.1 | -650.7 | -673.7 | -688.8 | -688.1 | -158.9 | -177.3 | -183.1 | -168.8 | -147.9 |
| 2 Travel | 6,035.2 | 6,694.0 | 5,655.8 | 5,600.8 | 5,984.5 | 6,136.7 | 140.1 | 1,486.1 | 4,116.4 | 394.0 | 168.0 |
| 2.1 Credit | 6,752.6 | 7,459.4 | 6,379.7 | 6,230.0 | 6,616.9 | 6,858.7 | 289.7 | 1,690.2 | 4,320.3 | 558.4 | 306.9 |
| 2.1.1 Business | 389.2 | 386.4 | 255.7 | 236.3 | 210.1 | 233.2 | 28.2 | 86.2 | 66.0 | 52.8 | 39.4 |
| 2.1.2 Personal | 6,363.4 | 7,073.1 | 6,124.0 | 5,993.6 | 6,406.9 | 6,625.5 | 261.5 | 1,604.0 | 4,254.3 | 505.6 | 267.5 |
| 2.2 Debit | -717.3 | -765.5 | -724.0 | -629.2 | -632.4 | -722.0 | -149.6 | -204.1 | -203.9 | -164.4 | -139.0 |
| 2.2.1 Business | -266.9 | -261.3 | -240.8 | -180.6 | -184.3 | -224.6 | -42.6 | -69.9 | -55.6 | -56.4 | -42.8 |
| 2.2.2 Personal | -450.4 | -504.2 | -483.1 | -448.6 | -448.1 | -497.4 | -107.0 | -134.1 | -148.4 | -107.9 | -96.1 |
| 3 Other services | -310.0 | -244.6 | -253.0 | -124.6 | -73.0 | 34.2 | -17.2 | 1.0 | 56.8 | -6.5 | 3.7 |
| 3.1 Credit | 1,196.8 | 1,421.8 | 1,322.2 | 1,448.3 | 1,409.3 | 1,516.1 | 311.3 | 364.7 | 427.3 | 412.8 | 332.3 |
| 3.2 Debit | -1,506.7 | -1,666.4 | -1,575.2 | -1,572.8 | -1,482.3 | -1,482.0 | -328.5 | -363.6 | -370.5 | -419.4 | -328.6 |

^a 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 calculation 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 freight transportation are not adopted from that research. They are compiled by using ITRS data. As of January 2011, due to the abolishment of the ITRS, the item of revenues on the basis of road freight transportation has been compiled on the basis of the econometric model which uses the volume of trade as the dependent variable. Expenditures on the basis of road freight transportation equal transportation and insurance costs related to imports of goods which belong to non-residents and which are estimated by adjusting the value of imports at c.i.f. parity to the value of imports f.o.b.

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

| | 2007 | 2008 ^a | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|-------------------------------|-----------------|-------------------|-----------------|-----------------|-----------------|-----------------|---------------|---------------|---------------|---------------|-----------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 ^a |
| Income | -1,090.2 | -1,546.3 | -1,770.4 | -1,552.7 | -1,563.7 | -1,529.7 | -513.6 | -456.3 | -418.5 | -141.3 | -359.2 |
| 1 Compensation of employees | 494.2 | 564.1 | 586.5 | 620.8 | 669.5 | 759.4 | 182.7 | 193.9 | 191.6 | 191.3 | 195.3 |
| 1.1 Credit | 527.8 | 599.7 | 624.2 | 657.1 | 708.0 | 793.6 | 190.4 | 200.6 | 202.5 | 200.0 | 202.0 |
| 1.2 Debit | -33.6 | -35.5 | -37.6 | -36.3 | -38.5 | -34.2 | -7.8 | -6.8 | -10.9 | -8.7 | -6.8 |
| 2 Direct investment income | -920.6 | -1,135.5 | -1,143.5 | -1,085.7 | -1,023.0 | -1,032.3 | -372.8 | -323.5 | -308.8 | -27.1 | -271.2 |
| 2.1 Credit | 174.5 | 194.6 | -62.2 | 87.9 | 63.4 | -46.2 | -13.3 | 28.1 | 39.8 | -100.8 | 29.9 |
| o/w: Reinvested earnings | 123.3 | 118.6 | -114.6 | 8.8 | -5.4 | -105.9 | -23.0 | 6.4 | 25.1 | -114.4 | 23.4 |
| 2.2 Debit | -1,095.1 | -1,330.0 | -1,081.2 | -1,173.6 | -1,086.5 | -986.1 | -359.5 | -351.6 | -348.5 | 73.6 | -301.1 |
| o/w: Reinvested earnings | -483.3 | -508.5 | -286.6 | -481.7 | -304.7 | -182.9 | -186.3 | 121.6 | -257.5 | 139.3 | -116.2 |
| 3 Portfolio investment income | -176.5 | -158.0 | -173.4 | -304.1 | -340.3 | -453.7 | -94.6 | -112.2 | -113.1 | -133.7 | -137.1 |
| 3.1 Credit | 89.9 | 82.3 | 73.5 | 41.0 | 48.7 | 36.2 | 7.7 | 9.7 | 10.4 | 8.4 | 8.6 |
| 3.2 Debit | -266.4 | -240.3 | -246.9 | -345.1 | -389.0 | -489.9 | -102.3 | -121.9 | -123.5 | -142.1 | -145.7 |
| 4 Other investment income | -487.3 | -817.0 | -1,040.1 | -783.7 | -869.9 | -803.2 | -228.9 | -214.4 | -188.2 | -171.7 | -146.1 |
| 4.1 Credit | 551.0 | 517.4 | 164.3 | 109.7 | 168.0 | 195.3 | 50.2 | 47.1 | 48.4 | 49.5 | 40.8 |
| 4.2 Debit | -1,038.4 | -1,334.3 | -1,204.3 | -893.4 | -1,037.9 | -998.5 | -279.1 | -261.5 | -236.7 | -221.2 | -186.9 |
| Current transfers | 1,043.0 | 1,070.5 | 1,004.4 | 1,060.9 | 1,134.6 | 1,121.8 | 265.8 | 306.5 | 265.1 | 284.4 | 262.8 |
| 1 General government | -16.7 | -20.0 | -61.9 | -66.9 | -81.1 | -102.5 | -24.5 | -22.7 | -32.0 | -23.2 | -37.1 |
| 1.1 Credit | 260.2 | 342.6 | 277.1 | 277.5 | 224.8 | 209.1 | 48.3 | 47.2 | 52.3 | 61.3 | 46.9 |
| 1.2 Debit | -276.8 | -362.7 | -339.0 | -344.4 | -305.9 | -311.6 | -72.8 | -69.9 | -84.3 | -84.6 | -83.9 |
| 2 Other sectors | 1,059.6 | 1,090.5 | 1,066.3 | 1,127.8 | 1,215.7 | 1,224.3 | 290.3 | 329.2 | 297.1 | 307.7 | 299.8 |
| 2.1 Credit | 1,316.0 | 1,341.7 | 1,298.8 | 1,379.9 | 1,433.1 | 1,470.3 | 355.1 | 384.2 | 364.0 | 367.1 | 354.1 |
| 2.2 Debit | -256.3 | -251.2 | -232.5 | -252.2 | -217.4 | -246.1 | -64.8 | -55.0 | -66.9 | -59.4 | -54.2 |

^a Preliminary data.

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 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 services and communication and construction services, which have been determined by the CNB special statistical research since 2001, the values of all other services were adopted from the ITRS until the end of 2010, when the reporting by transaction types was abolished. As of 2011, the uniform statistical survey is used for estimating the position of Other services, which encompasses 30 different types of services, the classification of which is prescribed by the IMF's Balance of Payments Manual, 6th edition. That survey also includes communication services, as a result of which a special survey on communication services was abolished, while insurance and construction services continued to be monitored through separate surveys.

Transactions in the income account are classified into four

main groups. Compensation of employees item was compiled on the basis of the ITRS until the end of 2010, when the reporting by transaction types was abolished. As of 2011, this position on the revenues side is estimated by a model based on the aggregate data of banks on inflows of resident natural persons from non-residents. On the expenditures side, the existing surveys on services are used, containing a part which relates to compensation of employees paid to non-residents. 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 survey, whereas data on debt portfolio investment income have been compiled since 1999, based on statistics on foreign credit relations, which also encompasses 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

Table H4 Balance of payments – direct and portfolio investments^{a,b}

in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|--------------------------------------------|----------------|----------------|----------------|--------------|----------------|----------------|--------------|--------------|---------------|--------------|-----------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 ^c |
| Direct investment | 3,467.7 | 3,275.7 | 1,516.3 | 431.5 | 1,082.2 | 1,165.5 | 299.2 | 289.8 | 172.5 | 404.1 | 478.8 |
| 1 Abroad | -215.5 | -970.2 | -887.3 | 113.7 | -18.6 | 112.3 | 219.0 | -19.2 | -44.3 | -43.2 | 14.7 |
| 1.1 Equity capital and reinvested earnings | -269.8 | -1,075.9 | -895.7 | 252.2 | -185.7 | -41.2 | 8.5 | -61.2 | -37.0 | 48.6 | -24.2 |
| 1.1.1 Claims | -272.9 | -1,075.9 | -1,010.3 | 236.0 | -207.8 | -178.6 | -14.5 | -61.2 | -37.0 | -65.9 | -24.2 |
| 1.1.2 Liabilities | 3.1 | 0.0 | 114.6 | 16.2 | 22.1 | 137.4 | 23.0 | 0.0 | 0.0 | 114.4 | 0.0 |
| 1.2 Other capital | 54.3 | 105.7 | 8.4 | -138.5 | 167.1 | 153.5 | 210.5 | 42.0 | -7.3 | -91.8 | 38.9 |
| 1.1.1 Claims | 20.4 | 106.8 | -30.0 | -369.1 | 352.7 | 172.0 | 200.4 | 43.9 | -0.8 | -71.6 | 40.5 |
| 1.2.2 Liabilities | 33.9 | -1.1 | 38.4 | 230.6 | -185.6 | -18.5 | 10.1 | -1.9 | -6.5 | -20.2 | -1.6 |
| 2 In Croatia | 3,683.2 | 4,245.9 | 2,403.6 | 317.8 | 1,100.8 | 1,053.1 | 80.1 | 309.0 | 216.7 | 447.3 | 464.0 |
| 2.1 Equity capital and reinvested earnings | 2,700.0 | 2,737.1 | 947.9 | 876.0 | 2,279.9 | 1,052.3 | 289.3 | 65.6 | 307.9 | 389.6 | 192.5 |
| 2.1.1 Claims | 0.0 | -6.9 | -100.0 | -71.5 | -24.0 | -260.9 | 0.0 | -121.6 | 0.0 | -139.3 | 0.0 |
| 2.1.2 Liabilities | 2,700.0 | 2,744.0 | 1,047.9 | 947.5 | 2,303.9 | 1,313.3 | 289.3 | 187.2 | 307.9 | 528.8 | 192.5 |
| 2.2 Other capital | 983.2 | 1,508.8 | 1,455.7 | -558.2 | -1,179.1 | 0.8 | -209.2 | 243.4 | -91.2 | 57.7 | 271.5 |
| 2.2.1 Claims | -4.5 | -26.6 | -29.1 | -21.2 | -0.8 | -24.7 | 0.1 | -7.2 | 0.1 | -17.7 | 4.7 |
| 2.2.2 Liabilities | 987.6 | 1,535.3 | 1,484.8 | -537.0 | -1,178.3 | 25.5 | -209.3 | 250.6 | -91.3 | 75.4 | 266.8 |
| Portfolio investment | 335.9 | -840.6 | 420.9 | 461.8 | 586.8 | 1,711.6 | 404.4 | 847.0 | -260.8 | 721.0 | -34.0 |
| 1 Assets | -421.6 | -380.8 | -558.1 | -383.4 | 492.4 | -309.9 | 245.6 | -219.1 | -210.1 | -126.3 | 77.8 |
| 1.1 Equity securities | -842.6 | 148.9 | -111.4 | -489.4 | -116.2 | -121.8 | 64.7 | -72.4 | -51.6 | -62.6 | -43.7 |
| 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 | 0.0 |
| 1.1.1 Banks | 0.0 | 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 | -842.6 | 148.9 | -111.4 | -489.4 | -116.2 | -121.8 | 64.7 | -72.4 | -51.6 | -62.6 | -43.7 |
| 1.2 Debt securities | 421.0 | -529.7 | -446.7 | 105.9 | 608.6 | -188.1 | 180.8 | -146.7 | -158.5 | -63.7 | 121.5 |
| 1.2.1 Bonds | 315.6 | -431.4 | -86.2 | 263.9 | 340.4 | -295.6 | 171.2 | -211.6 | -134.9 | -120.3 | 48.8 |
| 1.2.1.1 General government | 0.1 | 0.0 | 0.0 | -1.5 | 0.0 | -0.7 | 0.0 | 0.0 | -0.7 | 0.0 | 0.0 |
| 1.2.1.2 Banks | 267.8 | -226.5 | -52.5 | 167.3 | 338.2 | -270.5 | 187.8 | -222.6 | -131.5 | -104.2 | 16.7 |
| 1.2.1.3 Other sectors | 47.7 | -204.9 | -33.7 | 98.1 | 2.1 | -24.4 | -16.6 | 11.0 | -2.8 | -16.0 | 32.1 |
| 1.2.2 Money market instruments | 105.4 | -98.3 | -360.5 | -157.9 | 268.2 | 107.6 | 9.7 | 64.9 | -23.5 | 56.5 | 72.7 |
| 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 | 0.0 |
| 1.2.2.2 Banks | 109.7 | -100.9 | -341.4 | -124.3 | 304.8 | 25.0 | 10.6 | 27.7 | -43.5 | 30.2 | 102.4 |
| 1.2.2.3 Other sectors | -4.3 | 2.5 | -19.0 | -33.6 | -36.6 | 82.6 | -0.9 | 37.2 | 20.0 | 26.3 | -29.7 |
| 2 Liabilities | 757.5 | -459.8 | 979.1 | 845.2 | 94.5 | 2,021.5 | 158.8 | 1,066.1 | -50.8 | 847.3 | -111.8 |
| 2.1 Equity securities | 315.9 | -85.1 | 16.4 | 167.9 | 16.5 | -109.4 | 8.0 | -1.1 | -24.0 | -92.3 | 8.0 |
| 2.1.1 Banks | 0.0 | 0.0 | 0.0 | -0.2 | -1.4 | -1.8 | -0.7 | 0.6 | -0.9 | -0.9 | 0.0 |
| 2.1.2 Other sectors | 315.9 | -85.1 | 16.4 | 168.1 | 17.9 | -107.6 | 8.7 | -1.7 | -23.1 | -91.4 | 8.0 |
| 2.2 Debt securities | 441.6 | -374.7 | 962.7 | 677.3 | 78.0 | 2,130.9 | 150.8 | 1,067.2 | -26.8 | 939.7 | -119.9 |
| 2.2.1 Bonds | 519.1 | -360.4 | 817.3 | 380.8 | 390.0 | 2,171.6 | 34.0 | 1,075.9 | 53.2 | 1,008.5 | -171.2 |
| 2.2.1.1 General government | 83.0 | -275.5 | 862.9 | 389.1 | 627.3 | 1,229.7 | -4.4 | 814.4 | 312.2 | 107.5 | -182.1 |
| 2.2.1.2 Banks | 0.1 | -4.7 | -447.2 | -0.2 | -7.0 | 7.0 | -0.9 | 0.0 | -0.3 | 8.2 | -6.5 |
| 2.2.1.3 Other sectors | 436.0 | -80.1 | 401.7 | -8.1 | -230.3 | 934.8 | 39.3 | 261.5 | -258.7 | 892.8 | 17.3 |
| 2.2.2 Money market instruments | -77.5 | -14.3 | 145.3 | 296.5 | -312.0 | -40.7 | 116.8 | -8.7 | -80.0 | -68.8 | 51.4 |
| 2.2.2.1 General government | -77.5 | -14.4 | 145.4 | 296.5 | -312.1 | -40.7 | 116.9 | -8.8 | -80.0 | -68.9 | 51.4 |
| 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 | 0.0 |
| 2.2.2.3 Other sectors | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | -0.1 | 0.0 | 0.0 | 0.1 | 0.0 |

^a 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. ^b 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), August 2009 (EUR 666.5m) and December 2010 (EUR 618.6m, investment withdrawal). ^c Preliminary data.

statistics. The methodology for compiling the statistics on debt investment income was 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 government sector and other sectors. The ITRS was used as the main data source on current transfers for both sectors until the end of 2010, when the reporting by transaction types was abolished. As of 2011, transfers of the government sector are recorded on

Table H5 Balance of payments – other investment^a
in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|-------------------------------|-----------------|-----------------|----------------|--------------|---------------|-----------------|--------------|---------------|-----------------|-----------------|-----------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 ^b |
| Other investment (net) | 1,359.8 | 2,942.3 | 2,409.3 | 683.4 | 232.0 | -2,427.3 | 913.7 | -812.8 | -1,600.3 | -927.9 | 511.6 |
| 1 Assets | -1,662.6 | -1,659.8 | 781.4 | 607.3 | 358.0 | 526.4 | 696.3 | -208.3 | -739.4 | 777.9 | 436.5 |
| 1.1 Trade credits | -107.4 | -125.0 | 145.0 | 213.8 | -22.2 | 253.9 | -6.4 | -48.9 | 215.8 | 93.4 | -100.6 |
| 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 | 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 | 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 | 0.0 |
| 1.1.2 Other sectors | -107.4 | -125.0 | 145.0 | 213.8 | -22.2 | 253.9 | -6.4 | -48.9 | 215.8 | 93.4 | -100.6 |
| 1.1.2.1 Long-term | -63.5 | 26.7 | 58.0 | 22.2 | 2.9 | 0.2 | 1.2 | 0.8 | 0.1 | -1.8 | 0.8 |
| 1.1.2.2 Short-term | -43.9 | -151.7 | 87.0 | 191.6 | -25.2 | 253.7 | -7.6 | -49.6 | 215.7 | 95.2 | -101.3 |
| 1.2 Loans | -4.5 | -107.5 | 41.5 | -105.2 | 42.6 | -66.8 | -17.2 | -20.4 | -3.2 | -25.9 | 59.0 |
| 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 | 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 | 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 | 0.0 |
| 1.2.2 Banks | -32.6 | -66.7 | 20.5 | -85.5 | 51.0 | -36.8 | -7.5 | -19.9 | -2.9 | -6.5 | 100.3 |
| 1.2.2.1 Long-term | -25.4 | -26.8 | -28.7 | -63.3 | 10.4 | 52.9 | 1.1 | -5.7 | -27.6 | 85.1 | 4.0 |
| 1.2.2.2 Short-term | -7.3 | -39.9 | 49.2 | -22.2 | 40.6 | -89.7 | -8.6 | -14.2 | 24.7 | -91.6 | 96.3 |
| 1.2.3 Other sectors | 28.1 | -40.8 | 21.0 | -19.7 | -8.4 | -29.9 | -9.7 | -0.5 | -0.3 | -19.4 | -41.3 |
| 1.2.3.1 Long-term | 28.1 | -37.6 | 20.9 | 17.4 | -34.6 | -9.9 | -1.6 | -2.3 | 3.6 | -9.6 | -42.4 |
| 1.2.3.2 Short-term | 0.0 | -3.2 | 0.1 | -37.1 | 26.1 | -20.1 | -8.1 | 1.8 | -3.9 | -9.9 | 1.1 |
| 1.3 Currency and deposits | -1,550.8 | -1,427.2 | 594.9 | 498.6 | 337.6 | 339.2 | 719.8 | -139.1 | -951.9 | 710.4 | 478.0 |
| 1.3.1 General government | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -2.1 | 0.0 | -0.6 | -0.9 | -0.6 | -0.6 |
| 1.3.2 Banks | -1,317.1 | -136.4 | 423.7 | 417.0 | 522.0 | 421.0 | 698.6 | -63.8 | -910.5 | 696.7 | 477.5 |
| 1.3.3 Other sectors | -233.6 | -1,290.9 | 171.1 | 81.7 | -184.4 | -79.7 | 21.2 | -74.6 | -40.5 | 14.3 | 1.2 |
| 1.4 Other assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2 Liabilities | 3,022.5 | 4,602.1 | 1,627.9 | 76.1 | -126.0 | -2,953.7 | 217.4 | -604.5 | -861.0 | -1,705.8 | 75.1 |
| 2.1 Trade credits | 323.1 | 21.3 | -142.1 | 60.2 | -525.7 | 423.7 | 78.8 | 92.2 | 150.0 | 102.8 | 38.6 |
| 2.1.1 General government | -0.6 | -0.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.1.1.1 Long-term | -0.6 | -0.5 | 0.0 | 0.0 | 0.0 | 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 | 0.0 |
| 2.1.2 Other sectors | 323.7 | 21.8 | -142.1 | 60.2 | -525.7 | 423.7 | 78.8 | 92.2 | 150.0 | 102.8 | 38.6 |
| 2.1.2.1 Long-term | 165.0 | 34.9 | -58.0 | -25.4 | -147.6 | -53.8 | -13.6 | -4.3 | -12.7 | -23.3 | 10.2 |
| 2.1.2.2 Short-term | 158.7 | -13.1 | -84.1 | 85.6 | -378.1 | 477.6 | 92.4 | 96.5 | 162.7 | 126.0 | 28.4 |
| 2.2 Loans | 2,890.3 | 3,703.9 | 593.0 | 33.9 | -511.3 | -1,410.4 | -34.4 | -427.5 | -367.9 | -580.7 | 49.1 |
| 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 | 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 | 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 | 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 | 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 | 0.0 |
| 2.2.2 General government | 161.0 | 96.7 | -21.3 | 127.3 | 84.6 | -59.0 | -4.3 | -46.7 | -18.9 | 10.9 | 204.3 |
| 2.2.2.1 Long-term | 161.0 | 65.0 | 10.4 | 127.3 | 84.6 | -54.4 | -4.3 | -46.5 | -14.4 | 10.8 | 204.3 |
| 2.2.2.1.1 Drawings | 523.5 | 330.1 | 309.3 | 370.1 | 348.4 | 178.7 | 28.6 | 31.5 | 28.3 | 90.5 | 233.3 |
| 2.2.2.1.2 Repayments | -362.5 | -265.2 | -298.9 | -242.9 | -263.8 | -233.1 | -32.8 | -78.0 | -42.7 | -79.7 | -29.1 |
| 2.2.2.2 Short-term | 0.0 | 31.7 | -31.7 | 0.0 | 0.0 | -4.6 | 0.0 | -0.2 | -4.5 | 0.2 | 0.0 |
| 2.2.3 Banks | -1,065.0 | 115.2 | -162.2 | -192.7 | -50.5 | -290.1 | -61.6 | -226.7 | 0.3 | -2.1 | -183.9 |
| 2.2.3.1 Long-term | -630.8 | -276.1 | 162.4 | -322.9 | 369.9 | -281.2 | -54.8 | -150.6 | -10.5 | -65.2 | -165.1 |
| 2.2.3.1.1 Drawings | 1,216.2 | 609.4 | 1,219.2 | 849.3 | 453.3 | -170.6 | -25.2 | -123.3 | 17.7 | -39.8 | -145.4 |
| 2.2.3.1.2 Repayments | -1,847.0 | -885.4 | -1,056.8 | -1,172.2 | -83.4 | -110.6 | -29.6 | -27.4 | -28.2 | -25.4 | -19.7 |
| 2.2.3.2 Short-term | -434.2 | 391.3 | -324.6 | 130.2 | -420.4 | -9.0 | -6.8 | -76.0 | 10.7 | 63.1 | -18.8 |
| 2.2.4 Other sectors | 3,794.4 | 3,492.0 | 776.6 | 99.3 | -545.4 | -1,061.3 | 31.5 | -154.1 | -349.3 | -589.4 | 28.7 |
| 2.2.4.1 Long-term | 3,184.9 | 3,175.7 | 500.3 | -91.9 | -920.4 | -1,501.2 | -124.3 | -303.6 | -357.1 | -716.3 | -63.3 |
| 2.2.4.1.1 Drawings | 5,960.8 | 6,700.9 | 4,401.2 | 4,336.2 | 2,871.3 | 3,314.3 | 792.3 | 886.6 | 824.5 | 811.0 | 822.8 |
| 2.2.4.1.2 Repayments | -2,775.9 | -3,525.2 | -3,900.9 | -4,428.2 | -3,791.6 | -4,815.5 | -916.5 | -1,190.1 | -1,181.5 | -1,527.3 | -886.1 |
| 2.2.4.2 Short-term | 609.5 | 316.2 | 276.2 | 191.2 | 374.9 | 439.9 | 155.8 | 149.5 | 7.8 | 126.8 | 92.1 |

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|---------------------------|--------|-------|---------|-------|-------|----------|-------|--------|--------|----------|-----------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 ^b |
| 2.3 Currency and deposits | -193.6 | 875.7 | 1,175.0 | -19.0 | 910.5 | -1,967.4 | 173.1 | -269.4 | -643.1 | -1,228.0 | -12.7 |
| 2.3.1 General government | -0.1 | -0.1 | -1.2 | 0.0 | -1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.3.2 Banks | -193.6 | 867.1 | 1,197.2 | -19.0 | 911.5 | -1,967.3 | 173.2 | -269.4 | -643.1 | -1,228.0 | -12.7 |
| 2.3.3 Other sectors | 0.1 | 8.7 | -21.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.4 Other liabilities | 2.7 | 1.3 | 2.0 | 1.1 | 0.6 | 0.4 | -0.1 | 0.2 | 0.0 | 0.2 | 0.1 |

^a 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. ^b Preliminary data.

the basis of the data of the Ministry of Finance and the Croatian Pension Insurance Administration in the case of pensions paid out to non-residents. In addition to taxes and excise duties, pensions, gifts 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. As of 2011, the position of workers' remittances and gifts and donations for other sectors is estimated through a model based on aggregate data of banks on inflows of resident natural persons from abroad and outflows of resident natural persons abroad. Pensions from abroad are estimated on the basis of the available data of the Croatian Pension Insurance Administration. Furthermore, other sector transfers are supplemented by the data from the survey on trade in international services, containing a special part for possible transfers from and to foreign countries. Current transfers of the government sector also include data on exports and imports of goods without a payment obligation, provided by the CBS. In the 1995–1998 period, current transfers of other sectors also encompassed an estimate 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.

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 1995–1996 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 had 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 equity 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 the existing research. Data for the 2006–2009 period have also been revised. As a result, from 2006 on, the balance of payments includes data on debt securities issued by domestic issuers and traded by non-residents in the domestic market (portfolio investment, debt securities on the liabilities side). Since these are debt securities of domestic issuers traded by non-residents, the balance of this portfolio on a specific day reflects an increase in the external debt, notwithstanding the fact that securities are issued in the domestic market. It should be noted that this approach is already applied in relation to securities issued by our residents abroad and that the amount of debt generated in this manner is reduced by the amount repurchased by residents.

From the first quarter of 2010, the balance of payments includes the transactions arising from the concluded contracts which have features of financial derivatives. Reporting institutions are commercial banks and other financial institutions. In addition, the reporting population has been extended as of the fourth quarter of 2012 to include non-financial institutions which enter into these transactions mainly to hedge against changing market conditions.

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

Table H6 Balance of payments – summary^a

in million HRK

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | | | | 2013 |
|----------------------------------------|------------------|------------------|------------------|-----------------|-----------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | |
| A CURRENT ACCOUNT (1+6) | -23,248.4 | -30,873.9 | -16,896.5 | -3,600.2 | -2,928.1 | -301.1 | -12,727.8 | -2,308.5 | 19,965.2 | -5,230.0 | -10,852.2 |
| 1 Goods, services, and income (2+5) | -30,899.4 | -38,602.8 | -24,268.9 | -11,299.7 | -11,363.7 | -8,734.9 | -14,735.9 | -4,614.1 | 17,984.7 | -7,369.6 | -12,873.0 |
| 1.1 Credit | 143,744.4 | 153,279.5 | 125,529.9 | 135,383.3 | 146,742.0 | 150,838.7 | 25,019.3 | 37,195.7 | 58,843.3 | 29,780.5 | 24,257.0 |
| 1.2 Debit | -174,643.8 | -191,882.3 | -149,798.7 | -146,683.0 | -158,105.7 | -159,573.6 | -39,755.2 | -41,809.8 | -40,858.6 | -37,150.0 | -37,130.0 |
| 2 Goods and services (3+4) | -22,878.0 | -27,399.1 | -11,254.7 | 11.4 | 318.1 | 2,822.4 | -10,834.6 | -1,162.3 | 21,102.9 | -6,283.6 | -10,148.5 |
| 2.1 Credit | 133,893.3 | 143,213.9 | 119,656.7 | 128,866.6 | 139,475.6 | 143,573.4 | 23,265.2 | 35,069.1 | 56,617.4 | 28,621.7 | 22,126.9 |
| 2.2 Debit | -156,771.3 | -170,612.9 | -130,911.3 | -128,855.3 | -139,157.5 | -140,751.0 | -34,099.9 | -36,231.4 | -35,514.5 | -34,905.3 | -32,275.4 |
| 3 Goods | -69,481.9 | -76,817.4 | -52,927.0 | -41,861.3 | -45,712.0 | -45,442.6 | -12,046.1 | -12,837.4 | -11,011.2 | -9,548.0 | -11,564.3 |
| 3.1 Credit | 67,161.6 | 70,414.9 | 56,336.3 | 66,044.6 | 72,653.1 | 73,737.5 | 17,288.3 | 17,830.9 | 18,864.4 | 19,753.8 | 15,993.3 |
| 3.2 Debit | -136,643.4 | -147,232.3 | -109,263.3 | -107,905.9 | -118,365.1 | -119,180.1 | -29,334.4 | -30,668.3 | -29,875.6 | -29,301.8 | -27,557.6 |
| 4 Services | 46,603.9 | 49,418.3 | 41,672.3 | 41,872.7 | 46,030.1 | 48,265.0 | 1,211.5 | 11,675.1 | 32,114.0 | 3,264.4 | 1,415.8 |
| 4.1 Credit | 66,731.8 | 72,798.9 | 63,320.4 | 62,822.1 | 66,822.5 | 69,835.9 | 5,976.9 | 17,238.2 | 37,752.9 | 8,867.8 | 6,133.6 |
| 4.2 Debit | -20,127.8 | -23,380.6 | -21,648.1 | -20,949.4 | -20,792.4 | -21,570.9 | -4,765.5 | -5,563.1 | -5,638.9 | -5,603.5 | -4,717.8 |
| 5 Income | -8,021.4 | -11,203.7 | -13,014.2 | -11,311.1 | -11,681.8 | -11,557.2 | -3,901.3 | -3,451.8 | -3,118.1 | -1,086.0 | -2,724.5 |
| 5.1 Credit | 9,851.0 | 10,065.6 | 5,873.2 | 6,516.7 | 7,266.4 | 7,265.3 | 1,754.0 | 2,126.6 | 2,225.9 | 1,158.8 | 2,130.1 |
| 5.2 Debit | -17,872.5 | -21,269.3 | -18,887.4 | -17,827.7 | -18,948.2 | -18,822.5 | -5,655.3 | -5,578.4 | -5,344.1 | -2,244.8 | -4,854.6 |
| 6 Current transfers | 7,650.9 | 7,728.8 | 7,372.4 | 7,699.5 | 8,435.6 | 8,433.7 | 2,008.1 | 2,305.6 | 1,980.5 | 2,139.6 | 2,020.8 |
| 6.1 Credit | 11,562.1 | 12,159.5 | 11,565.3 | 12,055.2 | 12,327.9 | 12,624.8 | 3,047.3 | 3,245.4 | 3,109.4 | 3,222.6 | 3,038.6 |
| 6.2 Debit | -3,911.1 | -4,430.6 | -4,192.9 | -4,355.7 | -3,892.2 | -4,191.1 | -1,039.2 | -939.9 | -1,129.0 | -1,083.0 | -1,017.8 |
| B CAPITAL AND FINANCIAL ACCOUNT | 32,717.4 | 41,269.5 | 25,744.6 | 9,388.6 | 10,960.1 | 4,098.2 | 10,465.1 | 1,962.5 | -10,993.5 | 2,664.1 | 7,470.2 |
| B1 Capital account | 208.5 | 108.2 | 310.4 | 248.6 | 244.4 | 260.0 | 12.0 | 39.5 | -4.0 | 212.5 | -37.7 |
| B2 Financial account, excl. reserves | 37,823.9 | 38,853.1 | 31,945.4 | 9,602.0 | 13,638.3 | 4,171.7 | 12,152.2 | 2,696.0 | -12,365.3 | 1,688.8 | 7,215.2 |
| 1 Direct investment | 25,480.4 | 23,252.8 | 11,187.4 | 3,114.6 | 8,042.3 | 8,762.3 | 2,258.2 | 2,173.6 | 1,284.0 | 3,046.4 | 3,628.3 |
| 1.1 Abroad | -1,584.0 | -6,981.4 | -6,499.0 | 884.0 | -126.4 | 862.5 | 1,658.2 | -143.8 | -329.7 | -322.1 | 110.9 |
| 1.2 In Croatia | 27,064.4 | 30,234.2 | 17,686.4 | 2,230.5 | 8,168.7 | 7,899.7 | 600.0 | 2,317.5 | 1,613.8 | 3,368.5 | 3,517.4 |
| 2 Portfolio investment | 2,495.2 | -5,711.7 | 2,991.6 | 3,243.7 | 4,363.1 | 12,843.4 | 3,052.7 | 6,329.5 | -1,952.9 | 5,414.1 | -255.9 |
| 2.1 Assets | -3,107.9 | -2,678.2 | -4,042.4 | -2,811.5 | 3,685.9 | -2,308.3 | 1,852.5 | -1,639.3 | -1,569.4 | -952.1 | 592.0 |
| 2.2 Liabilities | 5,603.1 | -3,033.5 | 7,034.0 | 6,055.3 | 677.2 | 15,151.7 | 1,200.2 | 7,968.8 | -383.5 | 6,366.2 | -847.9 |
| 3 Financial derivatives | 0.0 | 0.0 | 0.0 | -1,838.9 | -384.8 | 734.1 | -76.0 | 317.0 | 304.8 | 188.2 | -22.1 |
| 4 Other investment | 9,848.4 | 21,312.0 | 17,766.4 | 5,082.6 | 1,617.7 | -18,168.0 | 6,917.3 | -6,124.2 | -12,001.3 | -6,959.9 | 3,864.8 |
| 4.1 Assets | -12,147.1 | -11,861.1 | 5,833.6 | 4,470.2 | 2,636.4 | 3,993.4 | 5,276.5 | -1,565.2 | -5,574.0 | 5,856.0 | 3,291.4 |
| 4.2 Liabilities | 21,995.5 | 33,173.1 | 11,932.7 | 612.4 | -1,018.7 | -22,161.4 | 1,640.8 | -4,559.0 | -6,427.3 | -12,815.9 | 573.4 |
| B3 Reserve assets (CNB) | -5,315.0 | 2,308.3 | -6,511.2 | -462.0 | -2,922.6 | -333.5 | -1,699.1 | -773.0 | 1,375.8 | 762.7 | 292.7 |
| C NET ERRORS AND OMISSIONS | -9,469.0 | -10,395.6 | -8,848.1 | -5,788.4 | -8,032.1 | -3,797.1 | 2,262.7 | 346.0 | -8,971.7 | 2,565.9 | 3,382.1 |

^a 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. ^b 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.

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 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.

The sector classification of the portfolio and other investment involves the sector classification of residents and is fully harmonised with the sector classification of the gross external debt by domestic sectors and the international investment position. As a result, the government sector includes the general government, which up to December 2010 comprised the Republic of Croatia, central government funds (including the State Agency for Deposit Insurance and Bank Rehabilitation, the Agency for Management of the Public Property, the Croatian Waters,

Table H7 International reserves and banks' foreign currency reserves^a
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 | |
| 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 | December | 10,660.3 | 356.7 | 0.2 | – | 10,303.4 | 3,274.9 | 7,028.5 | 3,828.9 |
| 2011 | December | 11,194.9 | 360.7 | 0.2 | – | 10,834.0 | 2,730.7 | 8,103.2 | 3,463.7 |
| 2012 | July | 11,607.2 | 373.1 | 0.2 | – | 11,233.9 | 1,588.5 | 9,645.4 | 3,264.7 |
| | August | 11,532.4 | 368.2 | 0.2 | – | 11,164.0 | 1,846.3 | 9,317.7 | 3,704.8 |
| | September | 11,383.9 | 363.5 | 0.2 | – | 11,020.3 | 2,192.7 | 8,827.6 | 3,631.7 |
| | October | 11,371.5 | 362.5 | 0.2 | – | 11,008.8 | 2,434.1 | 8,574.7 | 3,303.8 |
| | November | 11,301.6 | 360.1 | 0.2 | – | 10,941.3 | 2,416.4 | 8,524.9 | 3,155.2 |
| | December | 11,235.9 | 352.8 | 0.2 | – | 10,882.9 | 2,245.8 | 8,637.1 | 2,895.3 |
| 2013 | January | 11,080.3 | 346.6 | 0.2 | – | 10,733.6 | 1,994.0 | 8,739.6 | 2,330.7 |
| | February | 11,133.6 | 352.7 | 0.2 | – | 10,780.7 | 1,982.0 | 8,798.8 | 2,415.3 |
| | March | 11,276.6 | 357.1 | 0.2 | – | 10,919.3 | 1,808.2 | 9,111.1 | 2,473.6 |
| | April | 12,058.9 | 351.6 | 0.2 | – | 11,707.1 | 2,687.5 | 9,019.6 | 2,290.0 |
| | May | 12,049.4 | 354.3 | 0.2 | – | 11,695.0 | 2,698.6 | 8,996.4 | 2,350.1 |
| | June ^b | 12,020.6 | 352.6 | 0.2 | – | 11,667.8 | 2,739.5 | 8,928.3 | 2,718.1 |

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

the Croatian Roads and, up to 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. From December 2010 on, the government sector includes central government, social security funds and local government. The sector of the central bank includes the Croatian National Bank. The sector of credit institutions comprises credit institutions. Other domestic sectors comprise all financial institutions and intermediaries except credit institutions and the central bank (including the Croatian Bank for Reconstruction and Development), private and public corporations, non-profit institutions and households, including craftsmen.

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.

From the first quarter of 2013, data on transactions carried out by the International Reserves and Foreign Exchange Liquidity Department of the Croatian National Bank represent the data source for this position.

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.

Table H8 International reserves and foreign currency liquidity
end of period, in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------|----------|----------|----------|----------|----------|----------|----------|----------|
| | Dec. | Dec. | Dec. | Dec. | Dec. | Dec. | Mar. | Apr.* | May |
| I Official reserve assets and other f/c assets (approximate market value) | | | | | | | | | |
| A Official reserve assets | 9,307.4 | 9,120.9 | 10,375.8 | 10,660.3 | 11,194.9 | 11,235.9 | 11,276.6 | 12,058.9 | 12,049.4 |
| (1) Foreign currency reserves (in convertible f/c) | 8,911.0 | 8,625.0 | 9,243.3 | 8,794.8 | 10,694.0 | 10,445.8 | 10,895.9 | 10,892.2 | 10,849.0 |
| (a) Securities | 4,772.5 | 7,118.2 | 7,402.6 | 7,028.5 | 8,103.2 | 8,637.1 | 9,111.1 | 9,019.6 | 8,996.4 |
| o/w: Issuer headquartered in reporting country but located abroad | - | - | - | - | - | - | - | - | - |
| (b) Total currency and deposits with: | 4,138.4 | 1,506.7 | 1,840.8 | 1,766.3 | 2,590.7 | 1,808.7 | 1,784.8 | 1,872.6 | 1,852.7 |
| (i) Other national central banks, BIS and IMF | 190.7 | 1,397.3 | 1,698.9 | 1,576.4 | 2,468.7 | 1,808.1 | 1,784.4 | 1,872.1 | 1,852.0 |
| (ii) Banks headquartered in the reporting country | - | - | - | - | - | - | - | - | - |
| o/w: Located abroad | - | - | - | - | - | - | - | - | - |
| (iii) Banks headquartered outside the reporting country | 3,947.7 | 109.5 | 141.8 | 189.9 | 122.1 | 0.6 | 0.4 | 0.6 | 0.6 |
| o/w: Located in the reporting country | - | - | - | - | - | - | - | - | - |
| (2) IMF reserve position | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| (3) SDRs | 0.8 | 0.7 | 331.7 | 356.7 | 360.7 | 352.8 | 357.1 | 351.6 | 354.3 |
| (4) Gold | - | - | - | - | - | - | - | - | - |
| (5) Other reserve assets | 395.5 | 495.0 | 800.6 | 1,508.6 | 140.0 | 437.1 | 23.4 | 814.9 | 845.9 |
| – Reverse repo | 395.5 | 495.0 | 800.6 | 1,508.6 | 140.0 | 437.1 | 23.4 | 814.9 | 845.9 |
| B Other foreign currency assets (specify) | - | - | - | - | - | - | - | - | - |
| – Time deposits | - | - | - | - | - | - | - | - | - |
| C Total (A+B) | 9,307.4 | 9,120.9 | 10,375.8 | 10,660.3 | 11,194.9 | 11,235.9 | 11,276.6 | 12,058.9 | 12,049.4 |
| II Predetermined short-term net drains on f/c assets (nominal value) | | | | | | | | | |
| 1 F/c loans, securities, and deposits (total net drains up to one year) | -521.1 | -1,084.1 | -989.3 | -1,234.9 | -679.5 | -801.8 | -912.8 | -1,477.4 | -1,470.6 |
| (a) Croatian National Bank | -2.0 | -0.9 | - | - | - | - | - | - | - |
| Up to 1 month | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest | -2.0 | -0.9 | - | - | - | - | - | - | - |
| More than 1 and up to 3 months | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| More than 3 months and up to 1 year | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| (b) Central government (excl. central government funds) | -519.1 | -1,083.2 | -989.3 | -1,234.9 | -679.5 | -801.8 | -912.8 | -1,477.4 | -1,470.6 |
| Up to 1 month | | | | | | | | | |
| Principal | -47.6 | -50.8 | -39.9 | -16.4 | -140.2 | -170.5 | -181.6 | -131.6 | -123.9 |
| Interest | - | - | - | -8.1 | -6.5 | -6.5 | -7.7 | -6.4 | -1.3 |
| More than 1 and up to 3 months | | | | | | | | | |
| Principal | -133.2 | -616.8 | -625.3 | -882.2 | -112.5 | -50.1 | -83.5 | -174.8 | -145.8 |
| Interest | - | - | - | -15.1 | -20.5 | -22.7 | -15.3 | -9.6 | -2.0 |
| More than 3 months and up to 1 year | | | | | | | | | |
| Principal | -284.5 | -348.3 | -207.1 | -170.5 | -208.7 | -311.6 | -368.9 | -801.5 | -827.3 |
| Interest | -53.8 | -67.4 | -117.0 | -142.5 | -191.2 | -240.3 | -255.7 | -353.6 | -370.3 |
| 2 Aggregate short and long positions in forwards and futures in f/c vis-a-vis the domestic currency (including the forward leg of currency swaps) | - | - | - | - | - | - | - | - | - |
| (a) Short positions (-) | - | - | - | - | - | - | - | - | - |
| Up to 1 month | - | - | - | - | - | - | - | - | - |
| More than 1 and up to 3 months | - | - | - | - | - | - | - | - | - |
| More than 3 months and up to 1 year | - | - | - | - | - | - | - | - | - |
| (b) Long positions (+) | - | - | - | - | - | - | - | - | - |
| Up to 1 month | - | - | - | - | - | - | - | - | - |
| More than 1 and up to 3 months | - | - | - | - | - | - | - | - | - |
| More than 3 months and up to 1 year | - | - | - | - | - | - | - | - | - |
| 3 Other | - | - | - | - | - | - | - | - | - |
| – Outflows related to repos (-) | - | - | - | - | - | - | - | - | - |
| Up to 1 month | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| More than 1 and up to 3 months | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| 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) | -521.1 | -1,084.1 | -989.3 | -1,234.9 | -679.5 | -801.8 | -912.8 | -1,477.4 | -1,470.6 |

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | | | |
|-------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | Dec. | Dec. | Dec. | Dec. | Dec. | Dec. | Mar. | Apr.* | May |
| III Contingent short-term net drains on f/c assets (nominal value) | | | | | | | | | |
| 1 Contingent liabilities in foreign currency | -2,607.4 | -1,896.1 | -1,351.6 | -1,734.2 | -1,741.7 | -1,311.6 | -1,322.1 | -1,321.6 | -1,314.8 |
| (a) Collateral guarantees on debt falling due within 1 year | -662.1 | -803.2 | -661.5 | -1,087.9 | -1,005.2 | -636.4 | -653.9 | -662.0 | -646.1 |
| – Croatian National Bank | - | - | - | - | - | - | - | - | - |
| – Central government (excl. central government funds) | -662.1 | -803.2 | -661.5 | -1,087.9 | -1,005.2 | -636.4 | -653.9 | -662.0 | -646.1 |
| Up to 1 month | -54.3 | -91.8 | -30.3 | -0.2 | -8.0 | -26.6 | -28.9 | -54.9 | -85.9 |
| More than 1 and up to 3 months | -42.4 | -58.4 | -101.3 | -438.5 | -111.2 | -70.3 | -195.7 | -234.6 | -140.4 |
| More than 3 months and up to 1 year | -565.3 | -652.9 | -529.8 | -649.2 | -885.9 | -539.5 | -429.3 | -372.5 | -419.8 |
| (b) Other contingent liabilities | -1,945.3 | -1,092.9 | -690.1 | -646.3 | -736.5 | -675.2 | -668.1 | -659.6 | -668.7 |
| – Croatian National Bank | -1,945.3 | -1,092.9 | -690.1 | -646.3 | -736.5 | -675.2 | -668.1 | -659.6 | -668.7 |
| Up to 1 month | - | - | - | - | - | - | - | - | - |
| More than 1 and up to 3 months | -1,945.3 | -1,092.9 | -690.1 | -646.3 | -736.5 | -675.2 | -668.1 | -659.6 | -668.7 |
| 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) | -2,607.4 | -1,896.1 | -1,351.6 | -1,734.2 | -1,741.7 | -1,311.6 | -1,322.1 | -1,321.6 | -1,314.8 |
| IV Memo items | | | | | | | | | |
| (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 | - | - | -0.4 | - | - | -5.0 | - |
| – 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 | 389.7 | 478.6 | 766.5 | 1,458.5 | 136.9 | 551.3 | 23.7 | 735.1 | 795.1 |
| (e) Financial derivative assets (net, marked to market) | - | - | - | - | - | - | - | - | - |
| (f) Currency composition of official reserves assets | | | | | | | | | |
| – Currencies in SDR basket | 9,307.1 | 9,120.8 | 10,375.7 | 10,660.0 | 11,194.7 | 11,235.7 | 11,276.4 | 12,058.7 | 12,049.2 |
| – Currencies not in SDR basket | 0.3 | 0.1 | 0.1 | 0.3 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 |
| – By individual currencies | | | | | | | | | |
| USD | 1,357.2 | 2,064.6 | 2,461.8 | 2,451.0 | 2,333.0 | 2,140.4 | 2,086.1 | 2,136.8 | 2,169.5 |
| EUR | 7,944.2 | 7,054.9 | 7,581.5 | 7,851.8 | 8,500.6 | 8,742.1 | 8,832.8 | 9,569.9 | 9,525.1 |
| Other | 6.0 | 1.5 | 332.5 | 357.5 | 361.2 | 353.4 | 357.7 | 352.2 | 354.8 |

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 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

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

| Year | Month | EUR/HRK | ATS/HRK | FRF/HRK | 100 ITL/HRK | CHF/HRK | GBP/HRK | USD/HRK | DEM/HRK |
|------|-----------|----------|----------|----------|-------------|----------|-----------|----------|----------|
| 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 | |
| 2011 | | 7.434204 | | | | 6.035029 | 8.566138 | 5.343508 | |
| 2012 | | 7.517340 | | | | 6.237942 | 9.269634 | 5.850861 | |
| 2012 | July | 7.494496 | | | | 6.241017 | 9.489191 | 6.089386 | |
| | August | 7.486777 | | | | 6.234162 | 9.489612 | 6.042111 | |
| | September | 7.426569 | | | | 6.145893 | 9.310771 | 5.787501 | |
| | October | 7.500421 | | | | 6.200713 | 9.306267 | 5.783514 | |
| | November | 7.536449 | | | | 6.254353 | 9.378519 | 5.876333 | |
| | December | 7.529460 | | | | 6.228983 | 9.276943 | 5.747093 | |
| 2013 | January | 7.567746 | | | | 6.166394 | 9.115161 | 5.701444 | |
| | February | 7.582399 | | | | 6.161676 | 8.790390 | 5.664825 | |
| | March | 7.585782 | | | | 6.185597 | 8.819467 | 5.846774 | |
| | April | 7.602485 | | | | 6.234325 | 8.937617 | 5.845017 | |
| | May | 7.568123 | | | | 6.104171 | 8.924146 | 5.828459 | |
| | June | 7.500346 | | | | 6.084023 | 8.801832 | 5.687173 | |

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 | EUR/HRK | ATS/HRK | FRF/HRK | 100 ITL/HRK | CHF/HRK | GBP/HRK | USD/HRK | DEM/HRK |
|------|-----------|----------|----------|----------|-------------|----------|-----------|----------|----------|
| 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 | |
| 2011 | | 7.530420 | | | | 6.194817 | 8.986181 | 5.819940 | |
| 2012 | | 7.545624 | | | | 6.245343 | 9.219971 | 5.726794 | |
| 2012 | July | 7.518303 | | | | 6.262643 | 9.614198 | 6.124391 | |
| | August | 7.478883 | | | | 6.229807 | 9.433505 | 5.958320 | |
| | September | 7.449746 | | | | 6.158851 | 9.339032 | 5.757145 | |
| | October | 7.533132 | | | | 6.234488 | 9.347477 | 5.816192 | |
| | November | 7.550662 | | | | 6.270793 | 9.316054 | 5.814016 | |
| | December | 7.545624 | | | | 6.245343 | 9.219971 | 5.726794 | |
| 2013 | January | 7.581946 | | | | 6.102661 | 8.824425 | 5.594294 | |
| | February | 7.585661 | | | | 6.223877 | 8.771578 | 5.795890 | |
| | March | 7.586727 | | | | 6.234470 | 8.996475 | 5.918807 | |
| | April | 7.600678 | | | | 6.186958 | 9.026933 | 5.811805 | |
| | May | 7.556230 | | | | 6.039186 | 8.821188 | 5.861177 | |
| | June | 7.451344 | | | | 6.035432 | 8.702808 | 5.706344 | |

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 ^a ; deflator |
|------|-----------|---------------------------------------------|----------------------------------------------------|---------------------------------|------------------------------------------------------------------|
| | | | Consumer price index | Industrial producer price index | Unit labour costs in the total economy |
| 1999 | December | 107.42 | 110.59 | 110.39 | |
| 2000 | December | 107.39 | 108.02 | 104.06 | 110.87 |
| 2001 | December | 104.41 | 104.92 | 103.60 | 109.05 |
| 2002 | December | 102.98 | 103.92 | 101.41 | 106.18 |
| 2003 | December | 103.17 | 104.36 | 101.96 | 105.64 |
| 2004 | December | 101.23 | 102.10 | 99.70 | 102.33 |
| 2005 | December | 100.26 | 99.63 | 100.98 | 99.71 |
| 2006 | December | 98.76 | 98.03 | 101.07 | 93.47 |
| 2007 | December | 97.20 | 94.18 | 98.63 | 88.56 |
| 2008 | December | 96.12 | 92.10 | 94.78 | 85.07 |
| 2009 | December | 96.36 | 91.84 | 91.99 | 85.48 |
| 2010 | December | 100.14 | 95.58 | 94.98 | 89.76 |
| 2011 | December | 101.50 | 97.54 | 94.98 | 91.14 |
| 2012 | July | 102.86 | 97.10 | 92.48 | |
| | August | 102.97 | 97.06 | 91.88 | |
| | September | 101.59 | 95.14 | 89.93 | 94.95 |
| | October | 102.38 | 95.62 | 90.45 | |
| | November | 102.85 | 96.10 | 91.73 | |
| | December | 102.34 | 96.06 | 91.10 | 95.71 |
| 2013 | January | 102.18 | 95.06 | 91.50 | |
| | February | 101.94 | 94.98 | 91.17 | |
| | March | 102.25 | 95.83 | 90.97 | 94.30 ^b |
| | April | 102.37 | 95.58 | 90.81 | |
| | May | 101.78 | 95.12 ^b | 90.72 ^b | |
| | June | 100.71 | | | |

^a The values shown are quarterly data. ^b 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). Industrial producer price indices, consumer price indices and the harmonised consumer price indices for EU member states and unit labour cost indices in the total economy 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.

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | | |
|----------------------------------|---------------------|-----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Dec. ^{b,*} | Dec. ^{c,d,*} | Dec. ^{e,*} | Dec.* | Dec.* | Dec.* | Jan.* | Feb.* | Mar.* | Apr. |
| Long-term | 13,241.1 | 18,890.6 | 19,591.3 | 19,299.8 | 18,687.4 | 17,710.5 | 17,686.1 | 17,795.3 | 17,574.5 | 17,359.1 |
| Debt securities | 1,293.4 | 1,251.6 | 1,665.8 | 1,581.6 | 1,382.8 | 2,299.6 | 2,286.7 | 2,320.4 | 2,334.5 | 2,321.5 |
| Credits | 11,657.9 | 17,306.2 | 17,632.9 | 17,429.8 | 17,173.2 | 15,298.0 | 15,288.5 | 15,351.7 | 15,121.4 | 14,919.1 |
| Currency and deposits | 0.0 | 10.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Trade credits | 289.8 | 322.2 | 292.6 | 288.4 | 131.4 | 113.0 | 110.9 | 123.2 | 118.6 | 118.6 |
| 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 | 3,932.8 | 5,835.9 | 7,821.2 | 8,197.8 | 6,927.7 | 7,225.3 | 7,220.0 | 7,214.0 | 7,456.9 | 7,588.9 |
| Short-term | 540.4 | 1,415.7 | 446.8 | 923.8 | 1,324.2 | 863.4 | 768.2 | 770.6 | 830.1 | 677.3 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 216.8 | 1,314.0 | 343.2 | 765.2 | 1,068.3 | 575.4 | 538.6 | 523.1 | 534.6 | 355.1 |
| 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 | 323.6 | 101.6 | 103.6 | 158.6 | 255.9 | 288.1 | 229.6 | 247.5 | 295.5 | 322.2 |
| Principal arrears | 293.9 | 85.8 | 73.5 | 124.5 | 207.5 | 235.7 | 179.2 | 192.1 | 240.5 | 258.2 |
| Interest arrears | 29.7 | 15.8 | 30.1 | 34.2 | 48.4 | 52.4 | 50.3 | 55.5 | 55.0 | 64.0 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 3,392.5 | 4,420.2 | 7,374.4 | 7,274.0 | 5,603.6 | 6,361.8 | 6,451.9 | 6,443.4 | 6,626.8 | 6,911.6 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 3,374.5 | 4,414.7 | 7,373.4 | 7,271.0 | 5,600.0 | 6,353.2 | 6,443.3 | 6,434.8 | 6,618.3 | 6,903.2 |
| Trade credits | 18.0 | 5.5 | 1.0 | 3.0 | 3.6 | 8.7 | 8.6 | 8.6 | 8.5 | 8.5 |
| Other debt liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total (1+2+3+4+5) | 33,720.8 | 40,590.0 | 45,244.3 | 46,501.7 | 45,875.5 | 44,835.7 | 44,324.0 | 44,777.2 | 44,980.2 | 45,800.9 |
| o/w: Round tripping ^a | - | 825.6 | 1,499.0 | - | - | - | - | - | - | - |

^a 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. ^b The relevant comparable data as at 31 December 2007, reported in the Statistical Survey at the CNB website, should be used for the calculation of the external debt growth rate in 2008. ^c From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample, and the comparable balance as at 31 December 2007 has been calculated by applying the same methodology. ^d The relevant comparable data as at 31 December 2008, reported in the Statistical Survey at the CNB website, should be used for the calculation of the external debt growth rate in 2009. ^e 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. Note: As from CNB Bulletin No. 194, the entire data series on gross external debt has been revised in order to comply with the sectoral classification of institutional units from ESA 1995, and from December 2010 it also includes the change in the data source for credit institutions and the change in the method of valuation of debt securities upon which financial derivatives are based.

Table H12 Gross external debt by domestic sectors • Gross external debt is defined as the external debt liabilities of residents on the basis of debt securities issued in the foreign markets (at nominal 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) and, from December 2005 on, non-resident investment in debt securities issued in the domestic market. External debt is shown by domestic sectors, i.e. by debtor sectors. Item Government shows the external debt of the general government, which up to December 2010 comprised the Republic of Croatia, central government funds (including the State Agency for Deposit Insurance and Bank Rehabilitation, the Agency for Management of the Public Property, the Croatian Waters, the Croatian Roads and, up to 31 December 2007, the Croatian Motorways; from this date on, the Croatian Motorways is shown within the subsector public non-financial corporations under item Other sectors), and local government. From December 2010 on, item General government includes central government, social security funds and local government. Item Croatian

National Bank shows the debt of the central bank. Item credit institutions shows the debt of credit institutions. Item Other sectors shows the debt of all financial institutions and intermediaries except credit institutions and the central bank (including the Croatian Bank for Reconstruction and Development), private and public non-financial corporations, non-profit institutions serving households, including employers and self-employed persons. Item Direct investment shows borrower – lender transactions of other sectors that are interrelated by ownership. 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 Credit institutions) 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 future principal payments, accrued interest and principal and interest arrears. 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^a
in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | | |
|------------------------------------------|---------------------|-----------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|
| | Dec. ^{b,*} | Dec. ^{c,d,*} | Dec. ^{e,*} | Dec. [*] | Dec. [*] | Dec. [*] | Jan. [*] | Feb. [*] | Mar. [*] | Apr. |
| 1 Public sector | 9,986.7 | 10,852.7 | 12,820.6 | 14,368.1 | 14,218.2 | 14,773.8 | 14,566.5 | 14,852.0 | 15,123.8 | 15,557.1 |
| Short-term | 116.2 | 209.2 | 429.9 | 651.1 | 337.3 | 159.0 | 210.3 | 212.8 | 263.4 | 278.0 |
| Debt securities | 43.7 | 24.6 | 170.3 | 468.3 | 157.9 | 117.2 | 166.9 | 168.5 | 168.8 | 165.0 |
| Credits | 35.4 | 164.1 | 215.6 | 108.6 | 103.7 | 0.9 | 0.9 | 0.9 | 53.0 | 71.9 |
| Currency and deposits | 2.3 | 2.3 | 1.1 | 1.2 | 0.1 | 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 | 34.7 | 18.2 | 42.9 | 73.1 | 75.7 | 40.9 | 42.5 | 43.4 | 41.5 | 41.1 |
| Principal arrears | 29.9 | 17.1 | 39.4 | 69.3 | 71.6 | 38.3 | 39.9 | 40.8 | 39.0 | 38.5 |
| Interest arrears | 4.8 | 1.1 | 3.6 | 3.8 | 4.1 | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 9,868.8 | 10,641.8 | 12,207.3 | 13,350.1 | 13,664.2 | 14,612.0 | 14,353.4 | 14,636.5 | 14,857.7 | 15,276.3 |
| Debt securities | 4,543.3 | 4,294.8 | 5,326.8 | 5,579.7 | 6,022.0 | 7,253.5 | 7,056.1 | 7,248.4 | 7,210.8 | 7,958.5 |
| Credits | 5,120.3 | 6,068.5 | 6,608.2 | 7,499.0 | 7,527.4 | 7,261.1 | 7,202.0 | 7,280.3 | 7,543.9 | 7,214.8 |
| Currency and deposits | 0.0 | 10.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Trade credits | 205.2 | 267.9 | 272.3 | 271.4 | 114.8 | 97.4 | 95.4 | 107.7 | 103.0 | 103.0 |
| 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 | 1.8 | 1.7 | 183.4 | 366.8 | 216.7 | 2.8 | 2.8 | 2.7 | 2.7 | 2.7 |
| 2 Publicly guaranteed private sector | 139.9 | 80.3 | 9.2 | 0.5 | 0.0 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 |
| Short-term | 11.3 | 7.1 | 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 | 11.3 | 7.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Principal arrears | 9.4 | 7.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Interest arrears | 1.9 | 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 | 128.6 | 73.2 | 9.2 | 0.5 | 0.0 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 128.6 | 73.2 | 9.2 | 0.5 | 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 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 |
| 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 |
| 3 Non-publicly guaranteed private sector | 23,594.3 | 29,657.1 | 32,414.6 | 32,133.1 | 31,657.3 | 30,058.9 | 29,754.7 | 29,922.2 | 29,853.5 | 30,240.9 |
| Short-term | 3,763.3 | 4,564.9 | 4,180.2 | 4,592.7 | 5,134.2 | 3,922.6 | 4,012.2 | 4,080.6 | 4,111.4 | 4,350.8 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Credits | 1,356.4 | 1,641.6 | 1,268.9 | 1,357.4 | 837.0 | 1,014.3 | 1,108.4 | 1,033.2 | 1,042.6 | 1,010.7 |
| Currency and deposits | 1,648.8 | 2,670.3 | 2,283.9 | 2,200.9 | 3,291.3 | 1,470.0 | 1,525.3 | 1,627.6 | 1,648.7 | 1,894.1 |
| Trade credits | 31.1 | 39.5 | 28.2 | 30.9 | 34.2 | 178.1 | 156.6 | 174.7 | 162.6 | 158.7 |
| Other debt liabilities | 727.0 | 213.5 | 599.2 | 1,003.5 | 971.6 | 1,260.0 | 1,221.9 | 1,245.0 | 1,257.3 | 1,287.0 |
| Principal arrears | 645.4 | 150.2 | 484.4 | 831.7 | 797.4 | 1,067.9 | 1,034.3 | 1,054.7 | 1,061.6 | 1,100.9 |
| Interest arrears | 81.7 | 63.3 | 114.9 | 171.8 | 174.2 | 192.1 | 187.6 | 190.3 | 195.8 | 186.1 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 15,899.9 | 19,258.0 | 20,596.6 | 19,709.4 | 19,812.1 | 18,913.8 | 18,525.2 | 18,630.4 | 18,287.9 | 18,303.9 |
| Debt securities | 628.8 | 585.5 | 324.4 | 332.2 | 432.5 | 1,302.0 | 1,288.5 | 1,299.9 | 1,306.5 | 1,300.0 |
| Credits | 12,691.4 | 16,162.4 | 16,209.2 | 15,096.1 | 15,263.6 | 13,668.7 | 13,470.6 | 13,537.3 | 13,241.5 | 13,292.7 |
| Currency and deposits | 2,493.9 | 2,455.0 | 4,042.7 | 4,256.9 | 4,069.4 | 3,930.5 | 3,753.5 | 3,780.5 | 3,727.2 | 3,698.5 |
| Trade credits | 85.8 | 55.0 | 20.3 | 24.3 | 46.6 | 12.6 | 12.6 | 12.6 | 12.6 | 12.6 |
| 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 | 3,931.1 | 5,834.2 | 7,637.9 | 7,831.0 | 6,711.0 | 7,222.5 | 7,217.3 | 7,211.3 | 7,454.2 | 7,586.2 |
| Total (1+2+3) | 33,720.8 | 40,590.0 | 45,244.3 | 46,501.7 | 45,875.5 | 44,835.7 | 44,324.0 | 44,777.2 | 44,980.2 | 45,800.9 |
| o/w: Round tripping ^a | - | 825.6 | 1,499.0 | - | - | - | - | - | - | - |

^a 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 Direct investment. ^b The relevant comparable data as at 31 December 2007, reported in the Statistical Survey at the CNB website, should be used for the calculation of the external debt growth rate in 2008. ^c From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample, and the comparable balance as at 31 December 2007 has been calculated by applying the same methodology. ^d The relevant comparable data as at 31 December 2008, reported in the Statistical Survey at the CNB website, should be used for the calculation of the external debt growth rate in 2009. ^e 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.

Note: As from CNB Bulletin No. 194, the entire data series on gross external debt has been revised in order to comply with the sectoral classification of institutional units from ESA 1995, and from December 2010 it also includes the change in the data source for credit institutions and the change in the method of valuation of debt securities upon which financial derivatives are based.

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 (which up to December 2010 comprised the Republic of Croatia, central government funds and local government and which from December 2010 on includes central government, social security funds and local government), the central bank, public non-financial corporations,

financial corporations and the CBRD. 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 H14 Gross external debt by domestic sectors and projected future payments in million EUR

| | Gross external debt 30/4/2013 | Immediate | Projected future principal payments | | | | | | | | | | | | |
|--------------------------|-------------------------------|-----------|-------------------------------------|------------------------------------|-------|-------|-------|---------|---------|---------|---------|---------|-------|---------|---------|
| | | | Q2/13 | | Q3/13 | Q4/13 | Q1/14 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | Other |
| | | | Total ^a | o/w: Accrued interest ^a | | | | | | | | | | | |
| 1 General government | 9,445.7 | 0.8 | 181.7 | 93.2 | 189.9 | 96.8 | 120.4 | 468.4 | 801.7 | 1,052.0 | 411.9 | 1,312.8 | 466.6 | 1,213.4 | 3,718.1 |
| Short-term | 166.7 | 0.8 | 59.9 | 1.9 | 23.8 | 36.9 | 40.0 | 120.7 | 45.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Debt securities | 165.0 | 0.0 | 59.9 | 1.9 | 22.9 | 36.9 | 40.0 | 119.8 | 45.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 0.9 | 0.0 | 0.0 | 0.0 | 0.9 | 0.0 | 0.0 | 0.9 | 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 | 0.8 | 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 |
| Principal arrears | 0.7 | 0.7 | 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 | 9,279.0 | 0.0 | 121.8 | 91.3 | 166.0 | 59.9 | 80.5 | 347.7 | 756.5 | 1,052.0 | 411.9 | 1,312.8 | 466.6 | 1,213.4 | 3,718.1 |
| Debt securities | 6,934.1 | 0.0 | 83.2 | 83.2 | 113.1 | 0.0 | 53.9 | 196.3 | 515.4 | 697.7 | 8.3 | 1,141.9 | 371.8 | 1,130.0 | 2,872.6 |
| Credits | 2,345.0 | 0.0 | 38.6 | 8.1 | 52.9 | 59.9 | 26.6 | 151.4 | 241.1 | 354.3 | 403.6 | 170.9 | 94.8 | 83.5 | 845.5 |
| 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 | 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 |
| Short-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 |
| Debt securities | 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 |
| 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 |
| Debt securities | 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 Credit institutions | 9,401.6 | 11.6 | 2,072.6 | 46.9 | 622.1 | 721.9 | 850.3 | 3,416.6 | 2,035.1 | 723.5 | 1,136.6 | 1,260.3 | 255.3 | 54.9 | 507.8 |
| Short-term | 2,456.6 | 11.6 | 1,789.3 | 13.2 | 344.8 | 158.8 | 114.1 | 2,292.9 | 152.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Debt securities | 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 | 550.8 | 0.0 | 426.8 | 3.2 | 62.5 | 24.0 | 28.1 | 513.4 | 37.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Currency and deposits | 1,894.1 | 0.0 | 1,362.5 | 10.0 | 282.2 | 134.8 | 86.0 | 1,779.5 | 114.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other debt liabilities | 11.6 | 11.6 | 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 | 7.2 | 7.2 | 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 | 4.4 | 4.4 | 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 |
| 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 | 6,945.0 | 0.0 | 283.3 | 33.7 | 277.3 | 563.1 | 736.3 | 1,123.7 | 1,883.1 | 723.5 | 1,136.6 | 1,260.3 | 255.3 | 54.9 | 507.8 |

| | Gross external debt 30/4/2013 | Imme- diate | Projected future principal payments | | | | | | | | | | | | |
|-----------------------------------------|-------------------------------|----------------|-------------------------------------|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | Q2/13 | | Q3/13 | Q4/13 | Q1/14 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | Other |
| | | | Total ^a | o/w: Accrued interest ^a | | | | | | | | | | | |
| Debt securities | 3.0 | 0.0 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 2.9 | 0.0 | 0.0 | 0.0 |
| Credits | 3,243.4 | 0.0 | 151.3 | 11.3 | 87.7 | 181.0 | 215.6 | 420.0 | 860.7 | 312.9 | 577.4 | 656.4 | 128.4 | 22.9 | 264.8 |
| Currency and deposits | 3,698.5 | 0.0 | 131.9 | 22.3 | 189.6 | 382.1 | 520.7 | 703.7 | 1,022.4 | 410.5 | 559.2 | 601.0 | 126.8 | 32.0 | 243.0 |
| 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 |
| 4 Other sectors | 19,364.6 | 1,315.7 | 1,374.6 | 421.0 | 730.0 | 1,606.4 | 912.8 | 3,711.0 | 2,769.5 | 1,751.7 | 1,974.9 | 2,074.6 | 954.4 | 949.9 | 3,862.9 |
| Short-term | 2,005.5 | 1,315.7 | 192.0 | 7.8 | 39.5 | 330.5 | 127.6 | 561.9 | 127.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Debt securities | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 530.9 | 0.0 | 192.0 | 7.8 | 39.4 | 171.6 | 127.6 | 403.0 | 127.9 | 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 | 158.7 | 0.0 | 0.0 | 0.0 | 0.0 | 158.7 | 0.0 | 158.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other debt liabilities | 1,315.7 | 1,315.7 | 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 | 1,131.4 | 1,131.4 | 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 | 184.3 | 184.3 | 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 | 17,359.1 | 0.0 | 1,182.6 | 413.2 | 690.5 | 1,276.0 | 785.2 | 3,149.1 | 2,641.6 | 1,751.7 | 1,974.9 | 2,074.6 | 954.4 | 949.9 | 3,862.9 |
| Debt securities | 2,321.5 | 0.0 | 64.3 | 63.7 | 25.1 | 13.5 | 0.0 | 102.8 | 26.3 | 27.3 | 494.7 | 869.5 | 0.0 | 262.6 | 538.3 |
| Credits | 14,919.1 | 0.0 | 1,094.8 | 349.2 | 640.8 | 1,239.4 | 763.7 | 2,975.0 | 2,572.6 | 1,723.1 | 1,479.0 | 1,203.9 | 953.5 | 687.4 | 3,324.6 |
| 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 | 118.6 | 0.0 | 23.5 | 0.3 | 24.6 | 23.1 | 21.5 | 71.3 | 42.6 | 1.2 | 1.2 | 1.2 | 1.0 | 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 |
| 5 Direct investment | 7,588.9 | 322.2 | 987.5 | 319.2 | 292.5 | 967.9 | 296.5 | 2,248.0 | 1,654.7 | 728.9 | 549.8 | 460.7 | 234.9 | 221.0 | 1,168.8 |
| Short-term | 677.3 | 322.2 | 246.7 | 1.6 | 44.9 | 46.3 | 13.7 | 337.8 | 17.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Debt securities | 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 | 355.1 | 0.0 | 246.7 | 1.6 | 44.9 | 46.3 | 13.7 | 337.8 | 17.3 | 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 | 322.2 | 322.2 | 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 | 258.2 | 258.2 | 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 | 64.0 | 64.0 | 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 | 6,911.6 | 0.0 | 740.9 | 317.6 | 247.7 | 921.7 | 282.8 | 1,910.2 | 1,637.5 | 728.9 | 549.8 | 460.7 | 234.9 | 221.0 | 1,168.8 |
| Debt securities | 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 | 6,903.2 | 0.0 | 740.7 | 317.5 | 247.6 | 920.8 | 282.7 | 1,909.1 | 1,637.1 | 728.8 | 549.7 | 454.7 | 234.8 | 220.8 | 1,168.2 |
| Trade credits | 8.5 | 0.0 | 0.2 | 0.1 | 0.1 | 0.9 | 0.1 | 1.1 | 0.4 | 0.1 | 0.1 | 5.9 | 0.1 | 0.1 | 0.6 |
| 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 |
| Total (1+2+3+4+5) | 45,800.9 | 1,650.3 | 4,616.4 | 880.3 | 1,834.5 | 3,393.1 | 2,180.0 | 9,844.0 | 7,261.1 | 4,256.0 | 4,073.2 | 5,108.4 | 1,911.2 | 2,439.2 | 9,257.5 |
| Supplement: Projected interest payments | | | 80.7 | | 169.3 | 341.3 | 257.0 | 591.4 | 1,170.9 | 1,021.9 | 896.1 | 734.1 | 550.9 | 471.1 | 1,421.4 |

^a 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 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. The structure of sectors, original maturity and instruments shown in this table follows the structure presented in Table 12. Future interest payments of credit institutions are estimated on the basis of the available monetary statistics data

on the schedule of interest payments. Future interest payments of other sectors are estimated on the basis of the submitted schedule of payments and 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

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | | |
|--------------------------------------------------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | Dec. ^{a,*} | Dec. ^{b,c,*} | Dec. ^{d,*} | Dec. ^{e,*} | Dec. ^{f,*} | Dec. ^{g,*} | Jan. [*] | Feb. [*] | Mar. [*] | Apr. [*] |
| 1 Other sectors | 14,719.3 | 19,815.9 | 20,938.0 | 20,913.4 | 20,173.0 | 19,675.9 | 19,628.4 | 19,789.0 | 19,622.2 | 19,364.6 |
| Short-term | 1,478.2 | 925.3 | 1,346.7 | 1,613.5 | 1,485.5 | 1,965.3 | 1,942.3 | 1,993.7 | 2,047.6 | 2,005.5 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Credits | 681.0 | 652.9 | 677.7 | 519.1 | 415.7 | 498.6 | 533.3 | 542.9 | 598.8 | 530.9 |
| 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 | 31.1 | 39.5 | 28.2 | 30.9 | 34.2 | 178.1 | 156.6 | 174.7 | 162.6 | 158.7 |
| Other debt liabilities | 766.0 | 232.9 | 640.9 | 1,063.5 | 1,035.5 | 1,288.5 | 1,252.3 | 1,276.0 | 1,286.1 | 1,315.7 |
| Principal arrears | 683.4 | 170.4 | 523.6 | 892.8 | 861.8 | 1,098.4 | 1,066.5 | 1,087.6 | 1,092.4 | 1,131.4 |
| Interest arrears | 82.6 | 62.5 | 117.2 | 170.7 | 173.7 | 190.1 | 185.9 | 188.5 | 193.8 | 184.3 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 13,241.1 | 18,890.6 | 19,591.3 | 19,299.8 | 18,687.4 | 17,710.5 | 17,686.1 | 17,795.3 | 17,574.5 | 17,359.1 |
| Debt securities | 1,293.4 | 1,251.6 | 1,665.8 | 1,581.6 | 1,382.8 | 2,299.6 | 2,286.7 | 2,320.4 | 2,334.5 | 2,321.5 |
| Credits | 11,657.9 | 17,306.1 | 17,632.9 | 17,429.8 | 17,173.2 | 15,298.0 | 15,288.5 | 15,351.7 | 15,121.4 | 14,919.1 |
| Currency and deposits | 0.0 | 10.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Trade credits | 289.8 | 322.2 | 292.6 | 288.4 | 131.4 | 113.0 | 110.9 | 123.2 | 118.6 | 118.6 |
| Other debt liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1.1 Financial institutions (excl. credit institutions and central banks) | 3,922.0 | 4,949.7 | 5,396.1 | 4,628.5 | 4,066.9 | 3,784.6 | 3,780.1 | 3,788.4 | 3,610.8 | 3,553.7 |
| Short-term | 201.6 | 155.4 | 436.3 | 109.1 | 217.3 | 305.3 | 300.6 | 312.6 | 308.5 | 337.9 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 184.5 | 144.5 | 431.8 | 94.1 | 209.8 | 274.5 | 269.7 | 281.6 | 277.6 | 300.0 |
| 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 | 17.1 | 10.9 | 4.5 | 15.0 | 7.5 | 30.9 | 30.9 | 31.0 | 30.9 | 37.9 |
| Principal arrears | 2.9 | 4.2 | 1.3 | 11.6 | 3.4 | 26.6 | 26.5 | 26.6 | 26.6 | 33.6 |
| Interest arrears | 14.2 | 6.7 | 3.2 | 3.4 | 4.1 | 4.3 | 4.4 | 4.4 | 4.3 | 4.3 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 3,720.4 | 4,794.3 | 4,959.8 | 4,519.4 | 3,849.5 | 3,479.3 | 3,479.5 | 3,475.9 | 3,302.3 | 3,215.8 |
| Debt securities | 806.7 | 791.5 | 1,014.7 | 928.0 | 633.6 | 321.5 | 324.1 | 325.6 | 323.3 | 325.0 |
| Credits | 2,913.7 | 3,992.3 | 3,945.1 | 3,591.4 | 3,216.0 | 3,157.7 | 3,155.4 | 3,150.3 | 2,979.0 | 2,890.9 |
| Currency and deposits | 0.0 | 10.6 | 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1.2 Public non-financial corporations | 2,517.6 | 4,642.0 | 5,158.2 | 5,766.8 | 5,392.5 | 4,812.8 | 4,729.3 | 4,832.8 | 4,974.0 | 4,728.0 |
| Short-term | 64.8 | 146.3 | 77.7 | 180.8 | 179.4 | 40.1 | 41.7 | 42.6 | 92.8 | 91.3 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Credits | 35.4 | 132.4 | 34.8 | 108.6 | 103.7 | 0.0 | 0.0 | 0.0 | 52.1 | 51.0 |
| 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 | 29.4 | 13.9 | 42.8 | 72.2 | 75.7 | 40.1 | 41.7 | 42.6 | 40.8 | 40.3 |
| Principal arrears | 28.8 | 12.9 | 39.3 | 68.6 | 71.6 | 37.6 | 39.2 | 40.1 | 38.2 | 37.7 |
| Interest arrears | 0.6 | 1.1 | 3.6 | 3.7 | 4.1 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 2,452.8 | 4,495.7 | 5,080.6 | 5,586.1 | 5,213.2 | 4,772.7 | 4,687.6 | 4,790.2 | 4,881.2 | 4,636.7 |
| Debt securities | 330.4 | 341.3 | 335.6 | 330.3 | 318.6 | 685.0 | 679.5 | 698.3 | 707.1 | 699.5 |
| Credits | 1,918.4 | 3,887.3 | 4,472.7 | 4,984.4 | 4,779.8 | 3,990.4 | 3,912.7 | 3,984.2 | 4,071.1 | 3,834.2 |
| Trade credits | 204.0 | 267.2 | 272.3 | 271.4 | 114.8 | 97.4 | 95.4 | 107.7 | 103.0 | 103.0 |
| 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 Private non-financial corporations | 8,113.0 | 9,958.6 | 10,103.8 | 10,303.5 | 10,495.8 | 10,862.4 | 10,905.2 | 10,952.3 | 10,822.6 | 10,869.8 |
| Short-term | 1,174.3 | 619.2 | 800.4 | 1,316.7 | 1,082.9 | 1,614.4 | 1,594.7 | 1,633.1 | 1,641.0 | 1,571.0 |
| Debt securities | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Credits | 451.2 | 373.8 | 178.7 | 309.4 | 96.2 | 218.7 | 258.2 | 255.9 | 263.7 | 174.6 |
| Trade credits | 31.1 | 39.5 | 28.2 | 30.9 | 34.2 | 178.1 | 156.6 | 174.7 | 162.6 | 158.7 |
| Other debt liabilities | 692.0 | 205.9 | 593.5 | 976.4 | 952.3 | 1,217.5 | 1,179.7 | 1,202.4 | 1,214.5 | 1,237.5 |

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | | |
|------------------------------------------------------|---------------------|-----------------------|---------------------|---------|---------|---------|---------|---------|---------|---------|
| | Dec. ^{a,*} | Dec. ^{b,c,*} | Dec. ^{d,*} | Dec.* | Dec.* | Dec.* | Jan.* | Feb.* | Mar.* | Apr. |
| Principal arrears | 630.2 | 151.2 | 483.0 | 812.7 | 786.8 | 1,034.3 | 1,000.8 | 1,020.9 | 1,027.6 | 1,060.1 |
| Interest arrears | 61.8 | 54.7 | 110.5 | 163.7 | 165.5 | 183.3 | 178.9 | 181.5 | 187.0 | 177.4 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 6,938.8 | 9,339.3 | 9,303.5 | 8,986.8 | 9,412.9 | 9,247.9 | 9,310.5 | 9,319.2 | 9,181.6 | 9,298.8 |
| Debt securities | 156.3 | 118.9 | 315.5 | 323.4 | 430.7 | 1,293.1 | 1,283.0 | 1,296.5 | 1,304.1 | 1,297.0 |
| Credits | 6,701.7 | 9,168.7 | 8,968.0 | 8,646.5 | 8,965.7 | 7,939.3 | 8,012.0 | 8,007.2 | 7,862.0 | 7,986.3 |
| Trade credits | 80.8 | 51.7 | 20.0 | 16.9 | 16.6 | 15.5 | 15.5 | 15.5 | 15.6 | 15.5 |
| 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 serving households | 5.4 | 3.8 | 3.6 | 2.6 | 4.8 | 9.4 | 9.5 | 10.7 | 10.7 | 11.0 |
| 1.7 Households (employers and self-employed persons) | 24.1 | 17.1 | 11.5 | 7.2 | 5.2 | 10.6 | 10.5 | 10.5 | 10.4 | 10.3 |
| 1.8 Households (other) | 137.2 | 244.7 | 264.8 | 204.7 | 207.9 | 196.0 | 193.8 | 194.2 | 193.7 | 191.9 |

^a The relevant comparable data as at 31 December 2007, reported in the Statistical Survey at the CNB website, should be used for the calculation of the external debt growth rate in 2008. ^b From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample, and the comparable balance as at 31 December 2007 has been calculated by applying the same methodology. ^c The relevant comparable data as at 31 December 2008, reported in the Statistical Survey at the CNB website, should be used for the calculation of the external debt growth rate in 2009. ^d 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.

Note: As from CNB Bulletin No. 194, the entire data series on gross external debt has been revised in order to comply with the sectoral classification of institutional units from ESA 1995, and it also includes the change in the method of valuation of debt securities upon which financial derivatives are based.

Table H15 Gross external debt by other sectors • Gross external debt of other sectors shows the external debt of all financial institutions and intermediaries except credit institutions and the central bank (including the Croatian Bank for Reconstruction and Development), public non-financial corporations (which from January 2008 on include the Croatian Motorways), private non-financial corporations, non-profit institutions serving households and households, including employers and self-employed persons. Direct investment shows borrower – lender transactions of other sectors that are interrelated by ownership. Each sector data are further shown by contractual (short-term or long-term) maturity and by debt instrument.

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.

From the first quarter of 2010, the balance of payments includes the balance of positions of the concluded contracts which have features of financial derivatives. Reporting institutions are commercial banks and other financial institutions. In addition, the reporting population has been extended as of the fourth quarter of 2012 to include non-financial institutions which enter into these transactions mainly to hedge against changing market conditions.

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

Table H16 International investment position – summary^{a,b}

in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 ^c | 2012 | | | | 2013 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-------------------|-----------------|-----------------|-----------------|-----------------|-----------|
| | | | | | | | Q1 ^c | Q2 ^c | Q3 ^c | Q4 ^c | |
| 1 International investment position (net) | -40,173.9 | -34,998.2 | -39,115.8 | -41,946.9 | -40,145.9 | -39,007.3 | -41,312.7 | -40,747.4 | -39,145.3 | -39,007.3 | -40,200.0 |
| 2 Assets | 21,644.2 | 22,493.4 | 24,426.5 | 23,469.4 | 23,403.9 | 23,301.3 | 22,317.3 | 23,252.3 | 24,329.0 | 23,301.3 | 22,925.1 |
| 2.1 Direct investment abroad | 2,580.3 | 3,736.4 | 4,539.4 | 3,272.8 | 3,499.3 | 3,304.7 | 3,224.5 | 3,335.8 | 3,433.9 | 3,304.7 | 3,389.4 |
| 2.2 Portfolio investment | 3,250.9 | 2,644.9 | 3,218.1 | 3,679.7 | 3,009.1 | 3,353.2 | 2,814.0 | 2,946.1 | 3,215.5 | 3,353.2 | 3,230.1 |
| 2.2.1 Equity securities | 1,745.5 | 655.6 | 803.8 | 1,372.5 | 1,328.2 | 1,489.2 | 1,315.8 | 1,302.5 | 1,413.3 | 1,489.2 | 1,492.4 |
| 2.2.2 Debt securities | 1,505.4 | 1,989.3 | 2,414.3 | 2,307.2 | 1,680.9 | 1,864.1 | 1,498.2 | 1,643.6 | 1,802.2 | 1,864.1 | 1,737.7 |
| Bonds | 1,225.0 | 1,606.9 | 1,685.6 | 1,431.0 | 1,074.3 | 1,365.7 | 899.5 | 1,110.4 | 1,244.1 | 1,365.7 | 1,315.0 |
| Money market instruments | 280.4 | 382.4 | 728.7 | 876.2 | 606.6 | 498.3 | 598.7 | 533.2 | 558.1 | 498.3 | 422.7 |
| 2.3 Financial derivatives | 0.0 | 0.0 | 24.1 | 14.2 | 168.8 | 107.3 | 126.7 | 292.4 | 216.3 | 107.3 | 209.2 |
| 2.4 Other investment | 6,505.6 | 6,991.2 | 6,269.1 | 5,842.4 | 5,531.9 | 5,300.1 | 4,812.2 | 5,042.7 | 6,079.4 | 5,300.1 | 4,819.8 |
| 2.4.1 Trade credits | 248.9 | 224.7 | 123.6 | 80.5 | 85.7 | 142.0 | 84.5 | 83.9 | 153.8 | 142.0 | 131.1 |
| 2.4.2 Loans | 296.4 | 435.9 | 384.5 | 430.8 | 420.8 | 531.3 | 463.0 | 492.8 | 558.1 | 531.3 | 476.8 |
| 2.4.3 Currency and deposits | 5,960.3 | 6,330.5 | 5,760.9 | 5,331.1 | 5,025.4 | 4,626.9 | 4,264.8 | 4,466.0 | 5,367.5 | 4,626.9 | 4,211.9 |
| 2.4.4 Other assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.5 Reserve assets (CNB) | 9,307.4 | 9,120.9 | 10,375.8 | 10,660.2 | 11,194.8 | 11,235.9 | 11,340.0 | 11,635.2 | 11,383.9 | 11,235.9 | 11,276.6 |
| 3 Liabilities | 61,818.1 | 57,491.5 | 63,542.3 | 65,416.2 | 63,549.8 | 62,308.6 | 63,630.0 | 63,999.7 | 63,474.3 | 62,308.6 | 63,125.1 |
| 3.1 Direct investment in Croatia | 30,606.6 | 22,198.7 | 25,409.5 | 26,179.8 | 23,855.1 | 24,021.3 | 23,761.9 | 23,532.2 | 24,096.6 | 24,021.3 | 24,896.3 |
| 3.2 Portfolio investment | 6,639.5 | 5,443.7 | 6,479.1 | 7,118.3 | 7,208.3 | 9,134.6 | 7,250.0 | 8,516.8 | 8,393.0 | 9,134.6 | 9,199.9 |
| 3.2.1 Equity securities | 1,522.3 | 613.8 | 657.6 | 738.0 | 595.7 | 461.7 | 591.8 | 574.3 | 574.5 | 461.7 | 513.6 |
| 3.2.2 Debt securities | 5,117.1 | 4,829.9 | 5,821.5 | 6,380.3 | 6,612.6 | 8,672.9 | 6,658.3 | 7,942.5 | 7,818.5 | 8,672.9 | 8,686.3 |
| Bonds | 5,073.5 | 4,805.3 | 5,651.2 | 5,911.9 | 6,454.5 | 8,555.6 | 6,383.5 | 7,676.4 | 7,632.7 | 8,555.6 | 8,517.3 |
| Money market instruments | 43.7 | 24.6 | 170.3 | 468.3 | 158.1 | 117.3 | 274.8 | 266.1 | 185.8 | 117.3 | 169.0 |
| 3.3 Financial derivatives | - | - | - | 194.6 | 151.3 | 215.2 | 173.2 | 149.5 | 155.8 | 215.2 | 187.4 |
| 3.4 Other investment | 24,572.1 | 29,849.2 | 31,601.6 | 31,923.6 | 32,335.2 | 28,937.5 | 32,444.9 | 31,801.2 | 30,828.9 | 28,937.5 | 28,841.6 |
| 3.4.1 Trade credits | 337.8 | 367.5 | 344.4 | 370.2 | 217.0 | 314.2 | 223.9 | 225.5 | 343.5 | 314.2 | 304.9 |
| 3.4.2 Loans | 20,088.8 | 24,343.4 | 24,929.1 | 25,093.7 | 24,757.2 | 23,222.2 | 24,674.4 | 24,280.7 | 23,827.9 | 23,222.2 | 23,160.0 |
| 3.4.3 Currency and deposits | 4,145.5 | 5,138.3 | 6,328.1 | 6,459.7 | 7,361.0 | 5,401.0 | 7,546.6 | 7,295.0 | 6,657.5 | 5,401.0 | 5,376.6 |
| 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 | 0.0 |

^a 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. ^b 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. ^c Revised data. ^d Preliminary data.

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.

The sector classification of the portfolio and other investment involves the sector classification of residents and is fully harmonised with the sector classification of the gross external debt by domestic sectors and the balance of payments. As a result, the government sector includes the general government, which up to December 2010 comprised the Republic of Croatia, central government funds (including the State Agency for Deposit Insurance and Bank Rehabilitation, the Agency for Management of the Public Property, the Croatian Waters, the Croatian Roads and, up to 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. From December 2010 on, the government sector includes central government, social security funds and local government. The sector of the central bank includes the Croatian National Bank. The sector of credit institutions comprises credit institutions. Other domestic sectors comprise all financial institutions and intermediaries except credit institutions and the central bank (including the Croatian Bank for Reconstruction and Development), private and public corporations, non-profit institutions and households, including craftsmen.

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.

The sector classification of the portfolio and other investment involves the sector classification of residents and is fully harmonised with the sector classification of the gross external debt by domestic sectors and the balance of payments. As a result, the government sector includes the general government, which up to December 2010 comprised the Republic of Croatia, central government funds (including the State Agency for Deposit Insurance and Bank Rehabilitation, the Agency for Management of the Public Property, the Croatian Waters, the Croatian Roads and, up to 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. From December 2010 on, the government sector includes central government, social security funds and local government. The sector of the central bank includes the Croatian National Bank. The sector of credit institutions comprises credit institutions. Other domestic sectors comprise all financial institutions and intermediaries except credit institutions and the central bank (including the Croatian Bank for Reconstruction and Development), private and public corporations, non-profit institutions and households, including craftsmen.

Table H17 International investment position – direct investment^a

in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 ^b | 2012 | | | | 2013 |
|--------------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | | | Q1 ^b | Q2 ^b | Q3 ^b | Q4 ^b | Q1 ^c |
| Direct investment (net) | -28,026.2 | -18,462.3 | -20,870.1 | -22,907.0 | -20,355.8 | -20,716.6 | -20,537.5 | -20,196.4 | -20,662.7 | -20,716.6 | -21,506.9 |
| 1 Abroad | 2,580.3 | 3,736.4 | 4,539.4 | 3,272.8 | 3,499.3 | 3,304.7 | 3,224.5 | 3,335.8 | 3,433.9 | 3,304.7 | 3,389.4 |
| 1.1 Equity capital and reinvested earnings | 2,479.3 | 3,546.6 | 4,446.2 | 3,031.8 | 3,033.3 | 2,897.1 | 2,972.2 | 3,097.7 | 3,132.9 | 2,897.1 | 3,008.4 |
| 1.1.1 Claims | 2,479.3 | 3,546.6 | 4,446.2 | 3,031.8 | 3,033.3 | 2,897.1 | 2,972.2 | 3,097.7 | 3,132.9 | 2,897.1 | 3,008.4 |
| 1.1.2 Liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1.2 Other capital | 101.0 | 189.7 | 93.2 | 241.1 | 466.0 | 407.6 | 252.2 | 238.1 | 301.0 | 407.6 | 381.0 |
| 1.1.1 Claims | 175.4 | 220.2 | 217.0 | 608.7 | 641.5 | 572.1 | 440.3 | 424.6 | 485.2 | 572.1 | 544.9 |
| 1.2.2 Liabilities | 74.4 | 30.5 | 123.8 | 367.6 | 175.5 | 164.5 | 188.1 | 186.4 | 184.2 | 164.5 | 163.9 |
| 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 | 0.0 |
| 2 In Croatia | 30,606.6 | 22,198.7 | 25,409.5 | 26,179.8 | 23,855.1 | 24,021.3 | 23,761.9 | 23,532.2 | 24,096.6 | 24,021.3 | 24,896.3 |
| 2.1 Equity capital and reinvested earnings | 26,772.3 | 16,417.5 | 17,765.0 | 18,417.9 | 17,153.5 | 17,015.5 | 17,084.3 | 16,712.0 | 17,254.6 | 17,015.5 | 17,628.8 |
| 2.1.1 Claims | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.1.2 Liabilities | 26,772.3 | 16,417.5 | 17,765.0 | 18,417.9 | 17,153.5 | 17,015.5 | 17,084.3 | 16,712.0 | 17,254.6 | 17,015.5 | 17,628.8 |
| 2.2 Other capital | 3,834.3 | 5,781.1 | 7,644.5 | 7,761.9 | 6,701.6 | 7,005.9 | 6,677.7 | 6,820.3 | 6,842.0 | 7,005.9 | 7,267.6 |
| 2.2.1 Claims | 24.2 | 24.3 | 52.9 | 68.3 | 50.7 | 55.0 | 37.2 | 39.8 | 38.2 | 55.0 | 50.0 |
| 2.2.2 Liabilities | 3,858.5 | 5,805.4 | 7,697.4 | 7,830.2 | 6,752.3 | 7,060.8 | 6,714.8 | 6,860.0 | 6,880.1 | 7,060.8 | 7,317.6 |
| 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 | 0.0 |

^a 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. ^b Revised data. ^c Preliminary data.

Table H18 International investment position – portfolio investment^a

in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 ^b | 2012 | | | | 2013 |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | | | Q1 ^b | Q2 ^b | Q3 ^b | Q4 ^b | Q1 ^c |
| Portfolio investment (net) | -3,388.6 | -2,798.8 | -3,261.0 | -3,438.6 | -4,199.2 | -5,781.4 | -4,436.1 | -5,570.7 | -5,177.6 | -5,781.4 | -5,969.8 |
| 1 Assets | 3,250.9 | 2,644.9 | 3,218.1 | 3,679.7 | 3,009.1 | 3,353.2 | 2,814.0 | 2,946.1 | 3,215.5 | 3,353.2 | 3,230.1 |
| 1.1 Equity securities | 1,745.5 | 655.6 | 803.8 | 1,372.5 | 1,328.2 | 1,489.2 | 1,315.8 | 1,302.5 | 1,413.3 | 1,489.2 | 1,492.4 |
| 1.1.1 Banks | 8.3 | 9.7 | 11.8 | 9.2 | 13.7 | 10.6 | 15.0 | 9.5 | 10.2 | 10.6 | 11.8 |
| 1.1.2 Other sectors | 1,737.2 | 645.8 | 791.9 | 1,363.3 | 1,314.4 | 1,478.6 | 1,300.8 | 1,293.0 | 1,403.1 | 1,478.6 | 1,480.5 |
| 1.2 Debt securities | 1,505.4 | 1,989.3 | 2,414.3 | 2,307.2 | 1,680.9 | 1,864.1 | 1,498.2 | 1,643.6 | 1,802.2 | 1,864.1 | 1,737.7 |
| 2 Liabilities | 6,639.5 | 5,443.7 | 6,479.1 | 7,118.3 | 7,208.3 | 9,134.6 | 7,250.0 | 8,516.8 | 8,393.0 | 9,134.6 | 9,199.9 |
| 2.1 Equity securities | 1,522.3 | 613.8 | 657.6 | 738.0 | 595.7 | 461.7 | 591.8 | 574.3 | 574.5 | 461.7 | 513.6 |
| 2.1.1 Banks | 164.7 | 66.5 | 62.4 | 56.8 | 44.6 | 34.3 | 46.5 | 39.3 | 34.7 | 34.3 | 37.9 |
| 2.1.2 Other sectors | 1,357.6 | 547.3 | 595.2 | 681.2 | 551.0 | 427.4 | 545.3 | 535.1 | 539.8 | 427.4 | 475.7 |
| 2.2 Debt securities | 5,117.1 | 4,829.9 | 5,821.5 | 6,380.3 | 6,612.6 | 8,672.9 | 6,658.3 | 7,942.5 | 7,818.5 | 8,672.9 | 8,686.3 |
| 2.2.1 Bonds | 5,073.5 | 4,805.3 | 5,651.2 | 5,911.9 | 6,454.5 | 8,555.6 | 6,383.5 | 7,676.4 | 7,632.7 | 8,555.6 | 8,517.3 |
| 2.2.1.1 General government | 3,406.2 | 3,162.1 | 3,976.4 | 4,321.4 | 5,069.8 | 6,247.1 | 4,963.1 | 6,009.8 | 6,216.1 | 6,247.1 | 6,180.3 |
| 2.2.1.2 Banks | 459.0 | 456.8 | 9.0 | 8.9 | 1.9 | 8.9 | 1.0 | 1.0 | 0.7 | 8.9 | 2.5 |
| 2.2.1.3 Other sectors | 1,208.3 | 1,186.4 | 1,665.8 | 1,581.6 | 1,382.8 | 2,299.6 | 1,419.3 | 1,665.6 | 1,415.9 | 2,299.6 | 2,334.5 |
| 2.2.2 Money market instruments | 43.7 | 24.6 | 170.3 | 468.3 | 158.1 | 117.3 | 274.8 | 266.1 | 185.8 | 117.3 | 169.0 |
| 2.2.2.1 General government | 43.7 | 24.6 | 170.3 | 468.3 | 157.9 | 117.2 | 274.8 | 266.0 | 185.8 | 117.2 | 168.8 |
| 2.2.2.2 Other sectors | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |

^a 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. ^b Revised data. ^c Preliminary data.

Table H19 International investment position – other investment^a
in million EUR

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 ^b | 2012 | | | | 2013 |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | | | Q1 ^b | Q2 ^b | Q3 ^b | Q4 ^b | |
| Other investment (net) | -18,066.5 | -22,858.0 | -25,332.5 | -26,081.1 | -26,803.3 | -23,636.6 | -27,632.7 | -26,758.5 | -24,749.5 | -23,636.6 | -24,021.0 |
| 1 Assets | 6,505.6 | 6,991.2 | 6,269.1 | 5,842.4 | 5,531.9 | 5,300.9 | 4,812.2 | 5,042.7 | 6,079.4 | 5,300.9 | 4,820.6 |
| 1.1 Trade credits | 248.9 | 224.7 | 123.6 | 80.5 | 85.7 | 142.0 | 84.5 | 83.9 | 153.8 | 142.0 | 131.1 |
| 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 | 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 |
| 1.1.2 Other sectors | 248.9 | 224.7 | 123.6 | 80.5 | 85.7 | 142.0 | 84.5 | 83.9 | 153.8 | 142.0 | 131.1 |
| Long-term | 228.8 | 202.6 | 96.3 | 61.4 | 58.3 | 57.6 | 56.6 | 56.5 | 56.0 | 57.6 | 55.9 |
| Short-term | 20.1 | 22.1 | 27.3 | 19.2 | 27.4 | 84.3 | 27.9 | 27.4 | 97.8 | 84.3 | 75.2 |
| 1.2 Loans | 296.4 | 435.9 | 384.5 | 430.8 | 420.8 | 531.3 | 463.0 | 492.8 | 558.1 | 531.3 | 476.8 |
| 1.2.1 Croatian National Bank | 0.6 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 0.6 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 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 | 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 |
| 1.2.3 Banks | 214.8 | 285.3 | 270.1 | 291.8 | 276.2 | 355.8 | 309.9 | 334.6 | 402.0 | 355.8 | 258.7 |
| Long-term | 160.0 | 193.6 | 233.7 | 257.2 | 266.6 | 238.9 | 274.1 | 290.3 | 316.6 | 238.9 | 239.8 |
| Short-term | 54.8 | 91.7 | 36.5 | 34.6 | 9.6 | 117.0 | 35.7 | 44.3 | 85.4 | 117.0 | 19.0 |
| 1.2.4 Other sectors | 81.1 | 150.0 | 113.8 | 139.0 | 144.6 | 175.5 | 153.1 | 158.2 | 156.1 | 175.5 | 218.1 |
| Long-term | 81.0 | 146.8 | 113.6 | 101.3 | 140.0 | 154.5 | 136.1 | 147.9 | 143.1 | 154.5 | 201.6 |
| Short-term | 0.1 | 3.3 | 0.2 | 37.7 | 4.6 | 21.0 | 17.0 | 10.3 | 12.9 | 21.0 | 16.5 |
| 1.3 Currency and deposits | 5,960.3 | 6,330.5 | 5,760.9 | 5,331.1 | 5,025.4 | 4,627.6 | 4,264.8 | 4,466.0 | 5,367.5 | 4,627.6 | 4,212.7 |
| 1.3.1 General government | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.8 | 0.0 | 0.0 | 0.0 | 0.8 | 0.8 |
| 1.3.2 Banks | 4,715.1 | 4,863.6 | 4,442.9 | 4,058.2 | 3,559.7 | 3,108.4 | 2,843.3 | 2,950.0 | 3,827.3 | 3,108.4 | 2,652.5 |
| 1.3.3 Other sectors | 1,245.2 | 1,466.9 | 1,318.0 | 1,273.0 | 1,465.7 | 1,518.5 | 1,421.5 | 1,516.0 | 1,540.2 | 1,518.5 | 1,559.4 |
| 1.4 Other assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2 Liabilities | 24,572.1 | 29,849.2 | 31,601.6 | 31,923.6 | 32,335.2 | 28,937.5 | 32,444.9 | 31,801.2 | 30,828.9 | 28,937.5 | 28,841.6 |
| 2.1 Trade credits | 337.8 | 367.5 | 344.4 | 370.2 | 217.0 | 314.2 | 223.9 | 225.5 | 343.5 | 314.2 | 304.9 |
| 2.1.1 General government | 1.2 | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term | 1.2 | 0.7 | 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 | 0.0 |
| 2.1.2 Other sectors | 336.6 | 366.7 | 344.4 | 370.2 | 217.0 | 314.2 | 223.9 | 225.5 | 343.5 | 314.2 | 304.9 |
| Long-term | 305.5 | 327.2 | 316.2 | 339.3 | 182.8 | 136.1 | 175.6 | 175.9 | 162.2 | 136.1 | 142.4 |
| Short-term | 31.1 | 39.5 | 28.2 | 30.9 | 34.2 | 178.1 | 48.3 | 49.6 | 181.3 | 178.1 | 162.6 |
| 2.2 Loans | 20,088.8 | 24,343.4 | 24,929.1 | 25,093.7 | 24,757.2 | 23,222.2 | 24,674.4 | 24,280.7 | 23,827.9 | 23,222.2 | 23,160.0 |
| 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 | 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 | 0.0 |
| 2.2.2 General government | 2,613.7 | 1,574.6 | 1,648.5 | 1,832.1 | 1,919.2 | 2,180.5 | 1,982.0 | 2,193.5 | 2,171.7 | 2,180.5 | 2,387.0 |
| Long-term | 2,613.7 | 1,542.9 | 1,648.5 | 1,832.1 | 1,919.2 | 2,179.6 | 1,982.0 | 2,188.3 | 2,171.0 | 2,179.6 | 2,386.1 |
| Short-term | 0.0 | 31.7 | 0.0 | 0.0 | 0.0 | 0.9 | 0.0 | 5.2 | 0.8 | 0.9 | 0.9 |
| 2.2.3 Banks | 4,276.8 | 4,496.7 | 4,352.8 | 4,300.1 | 4,264.9 | 3,979.7 | 4,210.7 | 3,990.0 | 3,983.7 | 3,979.7 | 3,786.1 |
| Long-term | 3,565.2 | 3,374.7 | 3,545.3 | 3,352.3 | 3,738.9 | 3,463.0 | 3,691.3 | 3,546.6 | 3,530.2 | 3,463.0 | 3,289.3 |
| Short-term | 711.7 | 1,122.0 | 807.5 | 947.8 | 526.0 | 516.8 | 519.4 | 443.3 | 453.5 | 516.8 | 496.8 |
| 2.2.4 Other sectors | 13,198.2 | 18,272.0 | 18,927.8 | 18,961.5 | 18,573.0 | 17,061.9 | 18,481.6 | 18,097.2 | 17,672.4 | 17,061.9 | 16,986.9 |
| Long-term | 12,371.2 | 17,589.5 | 18,189.1 | 18,352.9 | 18,058.6 | 16,450.5 | 17,912.1 | 17,409.8 | 17,037.2 | 16,450.5 | 16,292.7 |
| Short-term | 827.1 | 682.5 | 738.7 | 608.6 | 514.5 | 611.4 | 569.5 | 687.5 | 635.2 | 611.4 | 694.2 |
| 2.3 Currency and deposits | 4,145.5 | 5,138.3 | 6,328.1 | 6,459.7 | 7,361.0 | 5,401.0 | 7,546.6 | 7,295.0 | 6,657.5 | 5,401.0 | 5,376.6 |
| 2.3.1 Croatian National Bank | 2.3 | 2.3 | 1.1 | 1.2 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.3.2 Banks | 4,143.2 | 5,125.5 | 6,327.0 | 6,458.5 | 7,361.0 | 5,401.0 | 7,546.6 | 7,295.0 | 6,657.5 | 5,401.0 | 5,376.6 |
| 2.3.3 Other sectors | 0.0 | 10.6 | 0.0 | 0.0 | 0.0 | 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 | 0.0 |

^a 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. ^b Revised data. ^c Preliminary data.

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | |
|----------------------------------------------------|----------|----------|----------|----------|----------|----------|---------|---------|--------|
| | | | | | | | Mar. | Apr. | May |
| 3.3 CHANGE IN NET INCURRENCE OF LIABILITIES | 560.6 | 5,654.1 | 17,432.0 | 17,248.4 | 15,040.2 | 11,014.4 | 1,887.0 | 8,196.8 | 323.4 |
| 3.3.1 Domestic | 2,017.1 | 6,795.7 | 10,130.2 | 12,892.5 | 6,448.4 | 2,958.3 | 316.3 | -517.8 | 422.3 |
| A) Budgetary central government | 1,477.6 | 5,656.6 | 9,576.6 | 11,835.1 | 4,793.1 | 1,414.0 | 406.1 | -732.1 | 540.1 |
| B) Extrabudgetary users | 539.5 | 1,139.1 | 553.6 | 1,057.4 | 1,655.3 | 1,544.3 | -89.8 | 214.3 | -117.8 |
| 3.3.2 Foreign | -1,456.5 | -1,141.7 | 7,301.8 | 4,355.9 | 8,591.8 | 8,056.0 | 1,570.7 | 8,714.5 | -98.9 |
| A) Budgetary central government | -2,980.2 | -1,445.8 | 6,878.4 | 4,277.0 | 8,597.2 | 8,125.2 | 1,507.3 | 8,726.9 | -95.7 |
| B) Extrabudgetary users | 1,523.7 | 304.1 | 423.4 | 79.0 | -5.4 | -69.2 | 63.4 | -12.4 | -3.2 |

^a CM is reclassified from the subsector central government funds to the subsector public enterprises. The reclassification covers the statistical series from January 2008 onwards.

^b The Croatian Privatisation Fund (CPF) ceased to operate on 31 March 2011. The Agency for Management of the Public Property (AUDIO) started to operate on 1 April 2011 and is composed of the CPF and the Central State Administrative Office for State Property Management (the former budget user).

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^a
in million HRK

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | | |
|-------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|----------------|-----------------|
| | | | | | | | Mar. | Apr. | May |
| 1 REVENUE | 108,320.6 | 115,772.7 | 110,257.9 | 107,466.4 | 107,069.7 | 109,558.9 | 8,722.6 | 9,365.1 | 8,354.4 |
| 1.1 Taxes | 64,234.5 | 69,572.7 | 63,678.9 | 62,856.6 | 61,422.2 | 64,693.9 | 4,877.2 | 5,898.3 | 4,832.1 |
| 1.2 Social contributions | 37,203.5 | 40,703.5 | 39,994.7 | 38,712.4 | 38,605.1 | 37,845.9 | 3,030.7 | 3,005.3 | 3,014.3 |
| 1.3 Grants | 428.0 | 468.6 | 616.3 | 637.1 | 869.0 | 968.4 | 62.4 | 69.0 | 106.8 |
| 1.4 Other revenue | 6,454.5 | 5,027.8 | 5,968.0 | 5,260.3 | 6,173.4 | 6,050.8 | 752.4 | 392.6 | 401.3 |
| 2 EXPENSE | 108,007.6 | 115,292.4 | 117,924.0 | 120,323.3 | 119,939.5 | 118,730.0 | 11,198.8 | 9,774.1 | 10,335.8 |
| 2.1 Compensation of employees | 27,545.1 | 29,948.5 | 31,289.3 | 31,096.5 | 31,737.4 | 31,383.2 | 2,573.5 | 2,542.1 | 2,535.3 |
| 2.2 Use of goods and services | 7,162.4 | 8,113.7 | 7,363.8 | 7,655.7 | 7,943.6 | 7,406.3 | 657.6 | 642.2 | 626.1 |
| 2.3 Consumption of fixed capital | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.4 Interest | 4,535.0 | 4,683.2 | 5,225.2 | 6,236.5 | 7,097.6 | 8,335.7 | 1,194.6 | 699.9 | 630.6 |
| 2.5 Subsidies | 6,492.0 | 6,859.5 | 6,710.0 | 6,582.2 | 6,555.3 | 5,762.3 | 1,364.6 | 354.3 | 1,009.4 |
| 2.6 Grants | 8,363.2 | 5,783.1 | 5,559.6 | 5,778.6 | 5,083.7 | 4,843.8 | 387.0 | 352.6 | 402.8 |
| 2.7 Social benefits | 48,176.0 | 52,593.2 | 56,148.5 | 56,906.6 | 56,483.0 | 56,169.9 | 4,658.9 | 4,816.7 | 4,582.3 |
| 2.8 Other expense | 5,733.9 | 7,311.2 | 5,627.6 | 6,067.3 | 5,039.1 | 4,828.9 | 362.5 | 366.2 | 549.3 |
| 3 CHANGE IN NET WORTH: TRANSACTIONS | 313.0 | 480.2 | -7,666.0 | -12,857.0 | -12,869.8 | -9,171.1 | -2,476.2 | -409.0 | -1,981.4 |
| 3.1 Change in net acquisition of non-financial assets | 2,545.2 | 2,988.1 | 1,963.4 | 1,232.4 | 1,139.0 | 829.6 | 114.1 | 58.4 | 84.9 |
| 3.1.1 Fixed assets | 2,625.7 | 2,719.5 | 1,839.7 | 1,200.4 | 1,118.7 | 772.2 | 116.1 | 56.1 | 82.2 |
| 3.1.2 Inventories | -161.4 | 79.4 | 35.4 | 11.0 | 2.5 | 29.3 | -0.4 | 0.9 | 0.0 |
| 3.1.3 Valuables | 9.6 | 10.1 | 8.9 | 6.1 | 3.7 | 3.5 | 0.0 | 0.0 | 0.0 |
| 3.1.4 Non-produced assets | 71.3 | 179.1 | 79.3 | 14.9 | 14.0 | 24.7 | -1.7 | 1.3 | 2.6 |
| 3.2 Change in net acquisition of financial assets | -3,734.8 | 1,702.9 | 6,825.5 | 2,022.7 | -618.4 | -461.5 | -676.9 | 7,527.4 | -1,621.8 |
| 3.2.1 Domestic | -3,752.8 | 1,690.5 | 6,823.2 | 2,022.3 | -623.8 | -468.0 | -677.9 | 7,527.4 | -1,621.8 |
| 3.2.2 Foreign | 18.0 | 12.4 | 2.3 | 0.4 | 5.3 | 6.5 | 1.0 | 0.0 | 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 |
| 3.3 Change in net incurrence of liabilities | -1,502.6 | 4,210.8 | 16,455.0 | 16,112.0 | 13,390.4 | 9,539.2 | 1,913.4 | 7,994.8 | 444.4 |
| 3.3.1 Domestic | 1,477.6 | 5,656.6 | 9,576.6 | 11,835.1 | 4,793.1 | 1,414.0 | 406.1 | -732.1 | 540.1 |
| 3.3.2 Foreign | -2,980.2 | -1,445.8 | 6,878.4 | 4,277.0 | 8,597.2 | 8,125.2 | 1,507.3 | 8,726.9 | -95.7 |

^a 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^a
end of period, in million HRK

| | 2007 Dec. | 2008 Dec. | 2009 Dec. | 2010 Dec. | 2011 Dec. | 2012 Dec. | 2013 | | |
|------------------------------------------------|------------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | | | Jan. | Feb. | Mar. |
| 1 Domestic debt of central government | 58,281.8 | 64,041.1 | 74,241.4 | 87,556.8 | 101,512.3 | 112,734.9 | 114,545.5 | 115,934.5 | 115,985.1 |
| 1.1 Domestic debt of the Republic of Croatia | 51,924.0 | 61,006.1 | 70,447.0 | 82,952.1 | 95,720.8 | 105,395.1 | 107,257.3 | 108,397.8 | 108,516.3 |
| Treasury bills | 11,420.6 | 14,260.3 | 17,558.3 | 16,886.5 | 18,990.4 | 18,032.6 | 19,977.4 | 20,938.5 | 21,313.3 |
| Money market instruments | – | 10.7 | 19.3 | 20.5 | 20.6 | 0.0 | – | – | – |
| Bonds | 34,634.4 | 35,531.3 | 36,586.8 | 48,862.5 | 56,191.2 | 63,651.7 | 63,509.8 | 63,619.3 | 63,514.4 |
| Credits from the CNB | 1.0 | 2.2 | 2.9 | 0.3 | 0.8 | – | – | – | – |
| Credits from banks | 5,867.9 | 11,201.5 | 16,279.8 | 17,182.3 | 20,517.7 | 23,710.7 | 23,770.1 | 23,840.1 | 23,688.7 |
| 1.2 Domestic debt of central government funds | 6,357.8 | 3,035.0 | 3,794.4 | 4,604.7 | 5,791.5 | 7,339.9 | 7,288.2 | 7,536.7 | 7,468.8 |
| Money market instruments | – | – | – | – | – | – | – | – | – |
| Bonds | – | – | – | – | – | – | – | – | – |
| Credits from banks | 6,357.8 | 3,035.0 | 3,794.4 | 4,604.7 | 5,791.5 | 7,339.9 | 7,288.2 | 7,536.7 | 7,468.8 |
| 2 External debt of central government | 44,092.3 | 34,445.5 | 41,527.8 | 48,433.6 | 52,457.4 | 62,771.7 | 63,356.4 | 63,925.4 | 64,700.2 |
| 2.1 External debt of the Republic of Croatia | 34,091.6 | 32,619.4 | 39,812.5 | 46,445.4 | 50,365.2 | 60,477.6 | 61,077.8 | 61,646.5 | 62,353.0 |
| Money market instruments | 320.0 | 180.3 | 1,244.3 | 3,458.6 | 1,189.2 | 884.3 | 1,265.6 | 1,278.0 | 1,281.0 |
| Bonds | 24,844.4 | 22,991.6 | 28,884.2 | 31,684.5 | 36,962.4 | 45,909.2 | 45,643.2 | 46,127.0 | 45,359.8 |
| Credits | 8,927.3 | 9,447.4 | 9,684.1 | 11,302.3 | 12,213.6 | 13,684.1 | 14,169.0 | 14,241.5 | 15,712.2 |
| 2.2 External debt of central government funds | 10,000.7 | 1,826.1 | 1,715.3 | 1,988.2 | 2,092.2 | 2,294.1 | 2,278.6 | 2,278.9 | 2,347.2 |
| Money market instruments | – | – | – | – | – | – | – | – | – |
| Bonds | – | – | – | – | – | – | – | – | – |
| Credits | 10,000.7 | 1,826.1 | 1,715.3 | 1,988.2 | 2,092.2 | 2,294.1 | 2,278.6 | 2,278.9 | 2,347.2 |
| 3 Total (1+2) | 102,374.2 | 98,486.6 | 115,769.2 | 135,990.4 | 153,969.6 | 175,506.6 | 177,901.9 | 179,859.9 | 180,685.3 |
| Supplement: Central government guaranteed debt | | | | | | | | | |
| – guarantees for domestic debt | 8,110.6 | 13,299.2 | 15,692.5 | 20,052.8 | 22,149.3 | 20,944.5 | 21,358.8 | 21,630.4 | 21,863.0 |
| – guarantees for external debt | 18,925.2 | 31,371.9 | 35,275.2 | 39,333.9 | 37,720.6 | 34,120.3 | 34,297.5 | 34,390.0 | 34,235.0 |

^a 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. From December 2005 on, central government bonds and MoF T-bills issued in the domestic market and held by non-resident institutional units have been

included in the external debt of the central government. 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 and statistical reports of other financial institutions 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. 2010 = 100 ^a | | | | Chain indices | | | | Monthly year-on-year indices | | | |
|------|-----------|----------------------------------------|-------|----------|-----------------------------------------|------------------------|-------|----------|-----------------------------------------|------------------------------|-------|----------|-----------------------------------------|
| | | Consumer price indices | | | Industrial producer prices ^b | Consumer price indices | | | Industrial producer prices ^b | Consumer price indices | | | Industrial producer prices ^b |
| | | Total | Goods | Services | | Total | Goods | Services | | Total | Goods | Services | |
| 1999 | December | 73.2 | 75.0 | 66.3 | 70.6 | 100.6 | 100.8 | 100.0 | 100.3 | 103.9 | 103.1 | 106.5 | 105.9 |
| 2000 | December | 77.2 | 79.1 | 70.0 | 79.2 | 100.4 | 100.4 | 100.1 | 100.2 | 105.5 | 105.5 | 105.5 | 111.2 |
| 2001 | December | 79.1 | 80.2 | 74.7 | 76.4 | 100.4 | 100.4 | 100.5 | 99.0 | 102.4 | 101.3 | 106.8 | 96.9 |
| 2002 | December | 80.5 | 81.1 | 78.2 | 78.1 | 100.4 | 100.6 | 99.6 | 99.9 | 101.8 | 101.1 | 104.6 | 102.3 |
| 2003 | December | 81.9 | 82.3 | 79.9 | 78.9 | 100.3 | 100.2 | 100.5 | 100.0 | 101.7 | 101.6 | 102.2 | 101.0 |
| 2004 | December | 84.1 | 84.4 | 82.8 | 82.7 | 100.7 | 100.9 | 100.2 | 99.3 | 102.7 | 102.5 | 103.6 | 104.8 |
| 2005 | December | 87.2 | 87.3 | 86.2 | 84.5 | 100.5 | 100.5 | 100.5 | 99.7 | 103.6 | 103.5 | 104.1 | 102.7 |
| 2006 | December | 89.0 | 89.0 | 89.0 | 86.1 | 100.0 | 100.0 | 100.2 | 100.0 | 102.0 | 101.4 | 104.2 | 101.9 |
| 2007 | December | 94.1 | 94.9 | 91.5 | 91.2 | 101.2 | 101.2 | 101.3 | 100.4 | 105.8 | 106.6 | 103.4 | 105.9 |
| 2008 | December | 96.8 | 97.3 | 95.3 | 95.1 | 99.4 | 99.1 | 100.5 | 98.7 | 102.9 | 102.4 | 104.3 | 104.3 |
| 2009 | December | 98.7 | 98.6 | 99.0 | 96.6 | 99.4 | 99.3 | 100.2 | 100.0 | 101.9 | 101.3 | 103.9 | 101.6 |
| 2010 | December | 100.5 | 100.8 | 99.3 | 102.1 | 100.0 | 100.1 | 99.9 | 101.0 | 101.8 | 102.2 | 100.3 | 105.7 |
| 2011 | December | 102.6 | 103.8 | 98.3 | 108.0 | 99.6 | 99.6 | 99.6 | 99.8 | 102.1 | 103.0 | 98.9 | 105.8 |
| 2012 | July | 105.3 | 106.4 | 101.2 | 113.7 | 99.0 | 98.7 | 100.3 | 100.1 | 103.4 | 104.2 | 100.0 | 106.9 |
| | August | 105.9 | 107.1 | 101.3 | 115.4 | 100.5 | 100.6 | 100.1 | 101.5 | 104.0 | 104.9 | 100.5 | 107.8 |
| | September | 107.3 | 109.2 | 100.7 | 116.6 | 101.4 | 101.9 | 99.4 | 101.0 | 105.0 | 105.9 | 101.6 | 108.9 |
| | October | 107.8 | 109.7 | 101.0 | 116.7 | 100.4 | 100.5 | 100.3 | 100.1 | 104.8 | 105.6 | 102.2 | 108.4 |
| | November | 107.5 | 109.5 | 100.6 | 115.4 | 99.8 | 99.9 | 99.6 | 98.8 | 104.4 | 105.1 | 101.8 | 106.6 |
| | December | 107.4 | 109.4 | 100.2 | 115.4 | 99.9 | 99.9 | 99.7 | 100.0 | 104.7 | 105.5 | 102.0 | 106.9 |
| 2013 | January | 107.6 | 109.4 | 100.9 | 114.9 | 100.1 | 100.0 | 100.7 | 99.6 | 105.2 | 106.0 | 102.7 | 105.4 |
| | February | 107.9 | 109.8 | 101.0 | 115.3 | 100.3 | 100.4 | 100.1 | 100.4 | 104.9 | 105.6 | 102.7 | 103.7 |
| | March | 108.2 | 110.3 | 101.0 | 115.4 | 100.3 | 100.4 | 100.0 | 100.0 | 103.7 | 104.3 | 101.5 | 103.2 |
| | April | 108.6 | 110.8 | 101.2 | 115.1 | 100.4 | 100.4 | 100.2 | 99.8 | 103.3 | 103.8 | 101.5 | 102.4 |
| | May | 108.6 | 110.9 | 100.8 | 114.4 | 100.0 | 100.1 | 99.6 | 99.3 | 101.6 | 101.9 | 100.5 | 100.2 |
| | June | 108.4 | 110.6 | 101.0 | 114.7 | 99.8 | 99.7 | 100.2 | 100.3 | 102.0 | 102.5 | 100.1 | 100.9 |

^a In January 2013, the Croatian Bureau of Statistics started publishing consumer price indices on a new base (2010, while the old base was 2005). Therefore, the basic indices for the period from January 1998 to December 2012 have been recalculated to a new base (2010 = 100). ^b On the domestic market.

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

| Year | Month | Basic indices, 2005 = 100 | | | Chain indices | | | Year-on-year indices | | |
|------|-----------|---------------------------|-------|----------|---------------|-------|----------|----------------------|-------|----------|
| | | Total | Goods | Services | Total | Goods | Services | Total | Goods | Services |
| 1999 | December | 78.9 | 80.5 | 70.6 | 100.1 | 100.1 | 100.1 | 102.9 | 102.9 | 103.0 |
| 2000 | December | 81.5 | 82.9 | 74.2 | 100.4 | 100.4 | 100.2 | 103.3 | 103.0 | 105.0 |
| 2001 | December | 82.5 | 83.6 | 77.0 | 99.8 | 99.7 | 100.3 | 101.2 | 100.8 | 103.8 |
| 2002 | December | 83.5 | 84.4 | 78.9 | 100.0 | 100.1 | 99.4 | 101.2 | 101.0 | 102.4 |
| 2003 | December | 84.5 | 85.2 | 81.2 | 100.2 | 100.1 | 101.0 | 101.2 | 100.9 | 103.0 |
| 2004 | December | 86.5 | 87.0 | 83.6 | 100.1 | 100.1 | 100.4 | 102.3 | 102.2 | 102.9 |
| 2005 | December | 89.1 | 89.5 | 86.7 | 100.1 | 100.0 | 100.5 | 103.0 | 102.9 | 103.7 |
| 2006 | December | 91.1 | 91.5 | 88.9 | 99.8 | 99.7 | 100.3 | 102.3 | 102.2 | 102.5 |
| 2007 | December | 95.6 | 96.4 | 91.9 | 100.8 | 100.8 | 100.4 | 105.0 | 105.3 | 103.5 |
| 2008 | December | 99.6 | 100.2 | 96.5 | 99.4 | 99.3 | 100.2 | 104.2 | 104.0 | 105.0 |
| 2009 | December | 99.9 | 100.1 | 98.8 | 98.8 | 98.6 | 100.2 | 100.2 | 99.8 | 102.4 |
| 2010 | December | 99.9 | 100.2 | 98.6 | 99.1 | 99.0 | 99.7 | 100.1 | 100.1 | 99.8 |
| 2011 | December | 102.8 | 103.5 | 99.6 | 99.5 | 99.4 | 100.1 | 102.9 | 103.3 | 101.1 |
| 2012 | July | 103.3 | 103.2 | 103.2 | 99.2 | 98.8 | 100.7 | 101.5 | 101.6 | 100.4 |
| | August | 103.1 | 103.0 | 103.4 | 99.8 | 99.8 | 100.2 | 101.5 | 101.6 | 100.4 |
| | September | 104.2 | 104.5 | 102.6 | 101.0 | 101.5 | 99.2 | 101.9 | 101.8 | 102.2 |
| | October | 105.4 | 105.9 | 103.2 | 101.2 | 101.3 | 100.6 | 102.3 | 102.1 | 103.5 |
| | November | 105.6 | 106.2 | 102.4 | 100.1 | 100.3 | 99.2 | 102.2 | 102.0 | 102.9 |
| | December | 104.9 | 105.4 | 102.5 | 99.4 | 99.2 | 100.0 | 102.0 | 101.9 | 102.8 |
| 2013 | January | 104.5 | 104.9 | 102.6 | 99.6 | 99.5 | 100.2 | 102.6 | 102.5 | 102.9 |
| | February | 104.6 | 104.9 | 102.8 | 100.0 | 100.0 | 100.2 | 102.9 | 102.9 | 102.9 |
| | March | 105.0 | 105.4 | 102.8 | 100.4 | 100.5 | 100.1 | 102.2 | 102.2 | 102.2 |
| | April | 105.8 | 106.3 | 103.2 | 100.8 | 100.9 | 100.3 | 102.0 | 101.9 | 102.2 |
| | May | 106.3 | 106.9 | 103.4 | 100.5 | 100.5 | 100.2 | 101.9 | 102.0 | 101.6 |
| | June | 106.2 | 106.7 | 103.7 | 99.9 | 99.9 | 100.3 | 102.0 | 102.2 | 101.1 |

Source: CBS.

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 35.23% in the basket in 2013 (agricultural products 5.53 percentage points, and administrative products 29.70 percentage points) and are assigned a zero weight.

Table J3 Hedonic real estate price index • The Croatian National Bank started methodological work on developing a hedonic real estate price index (HREPI)¹ in 2008. By using data on realised transactions and estimates of realised transactions from the database of *Burza nekretnina* (Croatian association of real estate agencies) as input data, an econometric model was constructed to create a hedonic real estate price index (HREPI), which is methodologically consistent with the Eurosystem's Handbook on Residential Property Prices Indices². From the

first quarter of 1997, the HREPI is reported on a quarterly and annual basis at the level of the Republic of Croatia and two regions: the City of Zagreb and the Adriatic coast. The main idea behind the methodology used to calculate the index is that buyers determine the usefulness of a real estate based on its characteristics and therefore it is necessary to determine the prices of those characteristics (attributes), the so-called implicit prices. However, as there is no market for individual attributes of residential property, their prices are estimated by simple econometric models. After estimating prices of individual attributes, it is possible to determine a *pure price* of each real estate property, i.e. a price adjusted by the impact of individual attributes of a given real estate, such as its location, floor area, the number of rooms, etc. The movements of pure prices are directly used to calculate the HREPI. Under this methodology, such an index, in contrast with indices based on average prices or medians of a square meter of floor space, adjusts price movements for possible biases in the data caused by the fact that, for example, an unusually large number of real estate properties of above- or below-average quality have been sold in a certain period.

1 The methodology used is described in detail in Kunovac, D. et al. (2008): *Use of the Hedonic Method to Calculate an Index of Real Estate Prices in Croatia*, Working Papers, W-19, CNB.

2 http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/methodology/hps/rppi_handbook

Table J3 Hedonic real estate price index

| Year | Quarter | Basic indices, 2010 = 100 | | | Year-on-year rate of change | | | Rate of change from the previous quarter | | |
|------|---------|---------------------------|--------|----------------|-----------------------------|--------|----------------|------------------------------------------|--------|----------------|
| | | Croatia | Zagreb | Adriatic coast | Croatia | Zagreb | Adriatic coast | Croatia | Zagreb | Adriatic coast |
| 1999 | | 61.6 | 69.0 | 39.9 | 0.8 | 1.8 | -3.5 | .... | .... | .... |
| 2000 | | 60.4 | 68.0 | 38.0 | -2.0 | -1.4 | -4.8 | .... | .... | .... |
| 2001 | | 61.5 | 65.4 | 49.8 | 1.8 | -3.7 | 31.1 | .... | .... | .... |
| 2002 | | 64.9 | 67.9 | 56.2 | 5.6 | 3.8 | 12.8 | .... | .... | .... |
| 2003 | | 67.0 | 70.8 | 55.8 | 3.1 | 4.2 | -0.7 | .... | .... | .... |
| 2004 | | 74.4 | 78.0 | 63.9 | 11.1 | 10.2 | 14.6 | .... | .... | .... |
| 2005 | | 82.8 | 85.5 | 74.8 | 11.2 | 9.6 | 16.9 | .... | .... | .... |
| 2006 | | 97.5 | 101.7 | 84.9 | 17.7 | 19.0 | 13.6 | .... | .... | .... |
| 2007 | | 109.2 | 112.7 | 99.0 | 12.1 | 10.8 | 16.6 | .... | .... | .... |
| 2008 | | 113.0 | 115.7 | 105.1 | 3.5 | 2.7 | 6.2 | .... | .... | .... |
| 2009 | | 108.8 | 109.5 | 106.6 | -3.8 | -5.3 | 1.4 | .... | .... | .... |
| 2010 | | 100.0 | 100.0 | 100.0 | -8.1 | -8.7 | -6.2 | .... | .... | .... |
| 2011 | | 96.4 | 95.0 | 99.7 | -3.6 | -5.0 | -0.3 | .... | .... | .... |
| 2012 | | 97.3 | 97.1 | 97.9 | 1.0 | 2.2 | -1.7 | .... | .... | .... |
| 2011 | Q1 | 96.4 | 95.5 | 98.4 | -7.4 | -9.1 | -3.3 | -2.4 | -2.2 | -3.0 |
| | Q2 | 96.3 | 93.0 | 103.8 | -4.8 | -8.7 | 4.5 | -0.1 | -2.6 | 5.5 |
| | Q3 | 95.8 | 95.1 | 97.2 | -0.4 | -0.5 | -0.3 | -0.5 | 2.3 | -6.3 |
| | Q4 | 97.2 | 96.2 | 99.3 | -1.6 | -1.4 | -2.1 | 1.5 | 1.2 | 2.1 |
| 2012 | Q1 | 101.2 | 100.7 | 102.1 | 5.0 | 5.5 | 3.8 | 4.1 | 4.6 | 2.9 |
| | Q2 | 99.7 | 97.9 | 103.7 | 3.6 | 5.3 | -0.1 | -1.4 | -2.8 | 1.5 |
| | Q3 | 95.6 | 96.4 | 93.9 | -0.2 | 1.4 | -3.5 | -4.1 | -1.5 | -9.5 |
| | Q4 | 92.9 | 93.2 | 92.1 | -4.4 | -3.1 | -7.2 | -2.9 | -3.3 | -1.9 |
| 2013 | Q1 | 85.7 | 88.3 | 79.7 | -15.3 | -12.3 | -21.9 | -7.7 | -5.3 | -13.4 |
| | Q2 | 80.1 | 81.8 | 76.5 | -19.7 | -16.5 | -26.2 | -6.5 | -7.5 | -4.1 |

Table J4 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 |
|------|-----------|------------------------|---------------|------------------------------|---------------------------------|
| 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 | December | 5,450.0 | 97.6 | 101.7 | 100.6 |
| 2011 | December | 5,493.0 | 95.9 | 100.8 | 101.8 |
| 2012 | August | 5,541.0 | 102.2 | 100.5 | 101.0 |
| | September | 5,366.0 | 96.8 | 99.4 | 100.9 |
| | October | 5,487.0 | 102.3 | 101.5 | 100.9 |
| | November | 5,681.0 | 103.5 | 99.2 | 100.8 |
| | December | 5,487.0 | 96.6 | 99.9 | 100.7 |
| 2013 | January | 5,529.0 | 100.8 | 101.2 | 101.2 |
| | February | 5,447.0 | 98.5 | 101.6 | 101.4 |
| | March | 5,516.0 | 101.3 | 100.3 | 101.0 |
| | April | 5,478.0 | 99.3 | 101.4 | 101.1 |

Source: CBS.

Table J5 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 | December | -42.9 | -30.6 | -48.7 | -40.7 | -21.7 | -65.9 | -39.4 | 55.7 | -39.4 | -54.8 |
| 2011 | December | -23.6 | -8.9 | -43.1 | -31.6 | -5.5 | -56.5 | -12.3 | 25.0 | -41.2 | -51.4 |
| 2012 | July | -39.7 | -25.5 | -46.3 | -35.7 | -16.2 | -62.0 | -34.8 | 47.8 | -41.2 | -60.0 |
| | August | -44.5 | -31.5 | -47.0 | -40.1 | -23.4 | -63.3 | -39.5 | 55.3 | -37.7 | -59.7 |
| | September | -45.1 | -32.1 | -48.8 | -41.4 | -23.6 | -64.1 | -40.6 | 59.0 | -40.8 | -57.1 |
| | October | -46.9 | -31.0 | -48.7 | -41.8 | -23.9 | -60.8 | -38.1 | 61.2 | -43.6 | -64.3 |
| | November | -47.4 | -35.3 | -50.3 | -39.9 | -26.9 | -67.6 | -43.6 | 59.7 | -43.3 | -59.5 |
| | December | -47.1 | -33.5 | -52.6 | -42.1 | -23.1 | -71.4 | -43.9 | 59.1 | -44.2 | -62.3 |
| 2013 | January | -44.2 | -31.7 | -48.0 | -38.4 | -22.5 | -64.5 | -40.9 | 55.2 | -41.1 | -58.0 |
| | February | -43.6 | -32.0 | -51.0 | -39.9 | -23.9 | -68.8 | -40.1 | 52.0 | -44.4 | -58.5 |
| | March | -41.2 | -30.0 | -52.0 | -42.0 | -22.2 | -67.2 | -37.7 | 45.8 | -46.7 | -59.2 |
| | April | -39.0 | -27.3 | -49.6 | -41.7 | -17.7 | -65.2 | -36.8 | 41.2 | -41.9 | -60.3 |
| | May | -37.7 | -27.4 | -48.5 | -39.1 | -17.1 | -65.3 | -37.7 | 37.3 | -41.0 | -58.8 |
| | June | -34.6 | -24.1 | -44.7 | -34.4 | -17.9 | -61.6 | -30.3 | 32.9 | -38.1 | -57.3 |

Sources: Ipsos Puls and CNB.

Table J4 Consumer confidence index, consumer expectations index and consumer sentiment index • The 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 survey was conducted once a quarter (in January, April, July and October). As of May 2005, the survey is carried out in monthly frequency in cooperation with the European Commission, using its technical and financial assistance.

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), 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 July 2013

Authorised banks

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

Authorised savings banks

- 1 Tesla  tedna banka d.d., Zagreb

Authorised housing savings banks

- 1 HPB – Stambena  tedionica d.d., Zagreb
- 2 PBZ stambena  tedionica d.d., Zagreb
- 3 Prva stambena  tedionica d.d., Zagreb
- 4 Raiffeisen stambena  tedionica d.d., Zagreb
- 5 W stenrot stambena  tedionica 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

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 Credo banka d.d., Split | 16/1/2012 |
| 5 Glumina banka d.d., Zagreb | 30/4/1999 |
| 6 Gradska banka d.d., Osijek | 3/5/1999 |
| 7 Hrvatska gospodarska banka d.d., Zagreb | 19/4/2000 |
| 8 Ilirija banka d.d., Zagreb | 6/4/1999 |
| 9 Trgovačko-turistička banka d.d., Split | 8.9/2000 |
| 10  upanjska banka d.d.,  upanja | 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  tedionica d.d., Zagreb | 31/5/2000 |
| 2 Kri evačka banka d.d., Kri evci | 3/1/2005 |
| 3 Obrtnička  tedna banka d.d., Zagreb | 22/12/2010 |
| 4 Primus banka d.d., Zagreb | 23/12/2004 |
| 5  tedionica Dora d.d., Zagreb | 1/1/2002 |
| 6  tedionica 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  tedionica d.d., Zagreb | 7/3/2001 |
| 2 Zagrebačka  tedionica d.d., Zagreb | 22/3/2000 |

Management of the Croatian National Bank

1 July 2013

Members of the Council of the Croatian National Bank

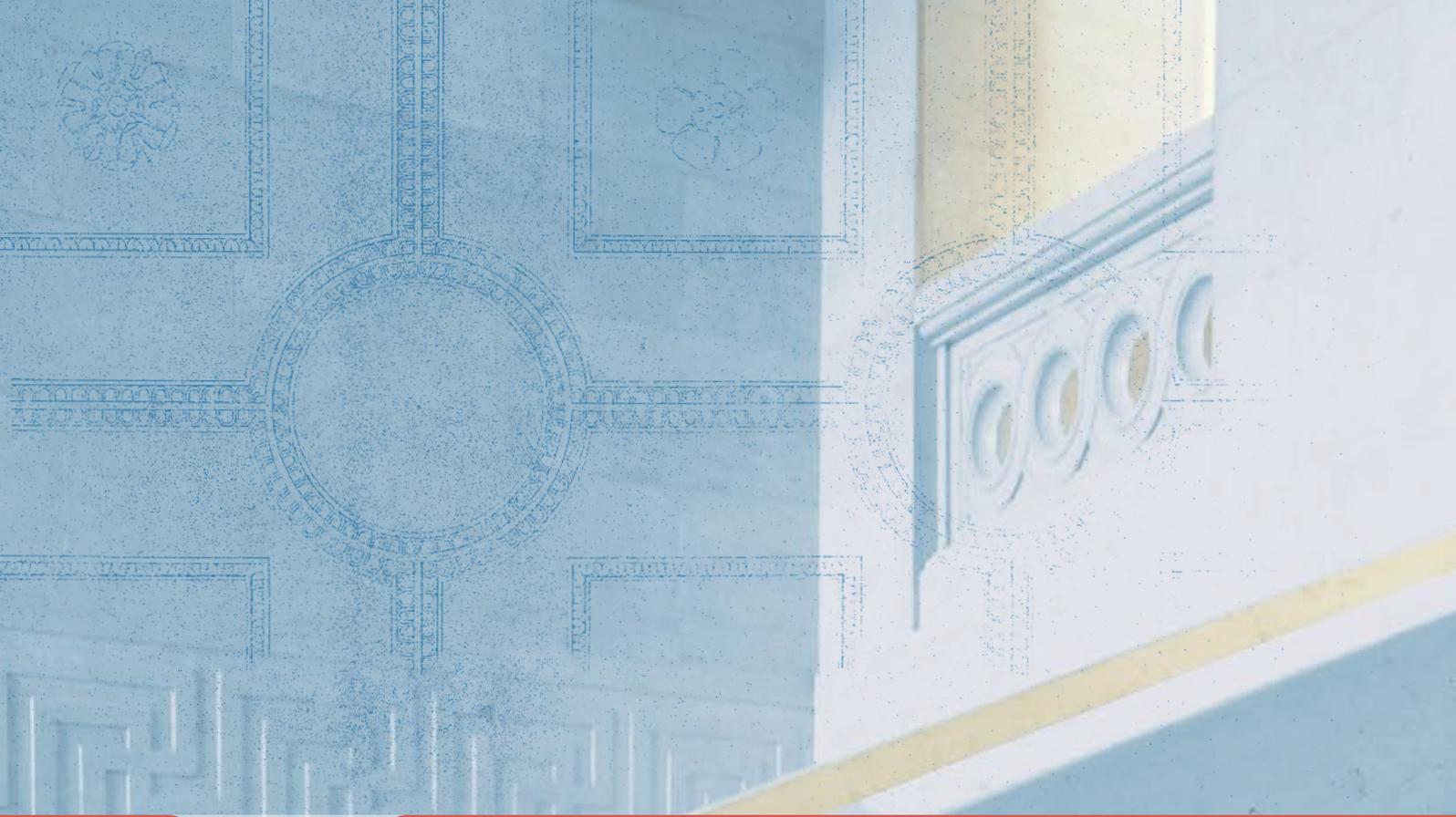
| | |
|-------------------------|-------------------|
| Chairman of the Council | Boris Vujčić |
| Members of the Council | Relja Martić |
| | Adolf Matejka |
| | Damir Odak |
| | Tomislav Presečan |
| | Vedran Šošić |

Management of the CNB

| | |
|-----------------|-------------------|
| Governor | Boris Vujčić |
| Deputy Governor | Relja Martić |
| Vicegovernor | Vedran Šošić |
| Vicegovernor | Damir Odak |
| 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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