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Zagreb, October 2011

General information on Croatia

Economic indicators

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Area (square km)	56,538	56,538	56,538	56,538	56,538	56,538	56,538	56,538	56,538	56,538
Population (million)	4.440	4.440	4.440	4.439	4.442	4.440	4.436	4.434	4.429	4.417
GDP (million HRK, current prices) ^a	192,289	208,796	228,932	247,428	266,652	291,044	318,308	345,015	335,189	334,564
GDP (million EUR, current prices)	25,738	28,189	30,265	33,009	36,034	39,745	43,390	47,765	45,669	45,917
GDP per capita (in EUR)	5,797	6,349	6,816	7,436	8,112	8,951	9,781	10,772	10,311	10,396
GDP – real year-on-year rate of growth (in %)	3.7	4.9	5.4	4.1	4.3	4.9	5.1	2.2	-6.0	-1.2
Average year-on-year inflation rate ^b	3.8	1.7	1.8	2.1	3.3	3.2	2.9	6.1	2.4	1.1
Current account balance (million EUR)	-776	-2,030	-1,818	-1,357	-1,895	-2,636	-3,119	-4,217	-2,369*	-512.5*
Current account balance (as % of GDP)	-3.2	-7.4	-6.2	-4.3	-5.5	-6.9	-7.5	-8.8	-5.2*	-1.1*
Exports of goods and services (as % of GDP)	42.0	39.5	43.4	43.1	42.4	42.7	42.2	41.7	35.4	38.3*
Imports of goods and services (as % of GDP)	47.0	49.0	50.2	49.1	48.5	49.4	49.5	49.7	38.9	38.5*
External debt (million EUR, end of year) ^c	13,609	15,144	19,884	22,933	25,990	29,725	33,721	40,590	45,244	46,508*
External debt (as % of GDP)	52.9	53.7	65.7	69.5	71.5	73.7	75.9	83.6	99.1	101.3*
External debt (as % of exports of goods and services)	125.9	136.1	151.3	161.0	168.7	172.3	179.9	200.7	280.0	264.4*
External debt service (as % of exports of goods and services) ^{c,d}	27.5	27.5	21.3	22.5	25.0	35.8	33.3	28.2	47.4	42.4*
Gross international reserves (million EUR, end of year)	5,334	5,651	6,554	6,436	7,438	8,725	9,307	9,121	10,376	10,660
Gross international reserves (in terms of months of imports of goods and services, end of year)	5.3	4.9	5.2	4.8	5.1	5.3	5.2	4.6	7.0	7.2*
National currency: Croatian kuna (HRK)										
Exchange rate on 31 December (HRK : 1 EUR)	7.3700	7.4423	7.6469	7.6712	7.3756	7.3451	7.3251	7.3244	7.3062	7.3852
Exchange rate on 31 December (HRK : 1 USD)	8.3560	7.1457	6.1185	5.6369	6.2336	5.5784	4.9855	5.1555	5.0893	5.5683
Average exchange rate (HRK : 1 EUR)	7.4710	7.4070	7.5642	7.4957	7.4000	7.3228	7.3360	7.2232	7.3396	7.2862
Average exchange rate (HRK : 1 USD)	8.3392	7.8725	6.7044	6.0312	5.9500	5.8392	5.3660	4.9344	5.2804	5.5000
Consolidated general government overall fiscal balance (as % of GDP) ^e	-5.9	-4.3	-5.4	-4.2	-3.5	-3.4	-3.0	-2.1	-4.5	-5.3
Public debt (as % of GDP) ^f	35.2	34.8	35.4	37.6	38.2	35.4	32.9	29.2	35.1	41.2
Unemployment rate (ILO, persons above 15 years of age)	15.8	14.8	14.3	13.8	12.7	11.2	9.6	8.4	9.1	11.8
Employment rate (ILO, persons above 15 years of age)	41.8	43.3	43.1	43.5	43.3	43.6	44.2	44.5	43.3	41.1

^a Data for the 2008-2010 period 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).

^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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Information on economic trends

1 Summary

Real GDP increased somewhat in the second quarter, but overall activity was stagnant in the first half of 2011.

Exports recovery came to a halt the first half of the year.

Labour market shows no signs of recovery.

Inflation decelerated due to continued weak domestic demand.

The current account deficit stagnated in the first half of 2011.

Financing conditions ceased to improve due to an increase in the cost of foreign borrowing.

Foreign capital needs remained limited.

The central bank softened the depreciation pressures by intervening in the foreign exchange market and raising the reserve requirement rate.

The measures of the central bank reduced kuna liquidity and led to a slight increase in short-term interest rates.

Real GDP increased by about 0.4% in the second quarter of 2011, following a decline in the first quarter (seasonally adjusted, quarter to quarter). This primarily reflected positive trends in exports of services and a slight increase in final consumption. Capital investments continued to decline. While in all Central and Eastern European countries economic activity in the first half of 2011 was higher than in the second half of 2010, this was not the case in Croatia, where it remained approximately flat.

Total exports made a positive contribution to GDP in the second quarter due to tourist services, but exports of goods declined. Unfavourable dynamics in Croatia's exports of goods is illustrated by the fact that other countries in the region in that period recorded strong export growths in mostly the same export markets.

Employment stabilised in the second quarter, but data for July and August once again suggest that employment continued to fall and unemployment to grow, although at a slower pace than at the beginning of the year.

Amid weak domestic demand and adverse labour market developments consumer price inflation in Croatia remained relatively low, despite continued pressures from import prices stemming primarily from earlier increases in global raw material prices. Thus the monthly rates of overall and core consumer inflation (seasonally adjusted and annualised) decreased in June, July and August, to around 0%. The annual consumer price inflation rate decelerated from 2.5% in May to 2.0% in August. This reflected mostly a drop in prices of unprocessed food and continued negative inflation in the sector of services as well as in industrial producer prices excluding food and energy.

Having decreased for two consecutive years, the current account deficit levelled off in early 2011, continuing so in the second quarter. This reflected a weaker performance in exports of goods, offset by a continued decline in imports. Exports of goods had already started to decelerate at the beginning of the year and the trend deteriorated further in the second quarter, when the narrow aggregate (exports excluding ships and oil) fell by 9.9% according to seasonally adjusted data. Negative trends were also recorded in imports of goods, which fell by 5.0% (excluding ships and oil) in the second quarter. The developments in July confirm that both imports and exports continued to decline. The services account balance improved, thanks to tourism receipts. The overall deficit in the second quarter was boosted by the balance in factor incomes and current transfers. The improvement in price and cost competitiveness of exports, which started in early 2010, continued during the first seven months of 2011.

Relatively favourable during the first half of the year, conditions for borrowing abroad worsened in the third quarter as foreign investors became increasingly hesitant on the back of rising uncertainty in financial markets and the increase in Croatia's risk premium. On the other hand, domestic borrowing conditions continued to improve slightly, and corporate loans increased. Household loans still did not show signs of recovery.

Low FDI inflows and a slight decrease in foreign debt marked the second quarter of 2011. Low inflows of FDI, limited to small projects in trade, real estate and tourism, continued to reflect a notable reluctance of foreign investors and their high perception of risk. Debt liabilities declined as private enterprises refrained from further borrowing because of uncertain business conditions. Public enterprises also reduced their external debt, having borrowed heavily during the crisis. Foreign liabilities of banks increased before the summer, but decreased sharply on a seasonal basis as early as July. After declining in the second quarter, external government debt increased again in July due to a new bond issue in the international market.

The kuna/euro exchange rate started to depreciate in the third quarter of 2011 as residents reduced foreign borrowing while short-term foreign capital somewhat withdrew from government securities. The latter reflected the increasing risk premium of Croatia in international capital markets and a decline in the supply of euro-indexed treasury bills. In an effort to dampen the depreciation pressures, the central bank intervened twice in the foreign exchange market and raised the reserve requirement rate from 13% to 14% in September. The depreciation trend thus stopped while the CNB demonstrated its intention to continue implementing the policy of a stable exchange rate against the euro, despite significantly more complex conditions in the foreign exchange market.

The measures of the CNB led to a reduction in the monetary system's excess liquidity, which was very high during the previous part of the year. As a result of reduced liquidity, money market interest rates increased from extremely low levels in the first half of the year.

The rise in government borrowing costs in the first seven months of 2011 was accompanied by a continued increase in the budget deficit and public debt.

Consolidated central government revenues decreased by 1.2% from January to July 2011 relative to the same period of the previous year. This reflected the repeal of the special temporary tax, while most of major sources of revenue recovered mildly. Consolidated central government expenditures recorded a small growth in the same period, stemming primarily from higher interest expenses. This can be attributed to growing debt and higher interest rates on government borrowing. The consolidated central government deficit totalled HRK 10.3bn in the first seven months, compared with HRK 8.9bn in the same period in 2010. Public debt reached HRK 150.1bn at the end of July, an increase of HRK 14.1bn from the end of the previous year. The absence of fiscal adjustment characteristic of countries in the region and of more developed European countries continued to give cause for concern. Among the countries of central and east Europe, Croatia stands out for the growth in indebtedness.

2 Global developments

The IMF's global GDP growth projection for 2011 was downgraded in October and lower economic growth rates are also forecast for 2012. The projected growth rates for developing and emerging market countries remained largely unchanged, which is an indication of the continued unevenness in economic recovery. Monthly indicators for the third quarter 2011 confirm the low level of economic activity in developed economies and continued strong economic activity in developing and emerging market countries.

Real activity in the eurozone decelerated considerably in the second quarter (a 0.2% growth rate) from the first three months of the current year (0.8%). The growth was largely constrained by internal factors, including adverse capital market developments, restrictive fiscal policy and continued tight lending conditions. The economic slowdown was also partly due to the negative impact of the natural disaster in Japan and an increase in raw material prices in the previous period. In the forthcoming period, the eurozone's economic recovery will be constrained by growing insecurity related to public debt sustainability in some eurozone members and the global economic slowdown.

In the US, a marked slowdown in quarterly growth continued from the first quarter of 2011 (0.1%) into the second quarter (0.2%) as a result of a slowdown in personal consumption and a negative contribution of government consumption,

notwithstanding an increase in gross fixed capital formation and a positive contribution of net exports in the second quarter. The weakening of economic activity is a reflection of adverse conditions in the labour and real estate markets, a price increase in raw materials and oil and significant instability in financial markets.

Japan's GDP contracted sharply in the first quarter of 2011 from the last quarter in the previous year (-0.9%) and economic activity dropped again in the second quarter (-0.3%). The lower than expected drop is proof of the resilience of the Japanese economy and the efficiency of the measures taken to alleviate the consequences of the disastrous earthquake. Japan will achieve a full economic recovery through a slow and gradual process dependent, as in other leading world economies, on the recovery of global demand and international currency developments (the yen appreciated sharply in the earlier part of the year).

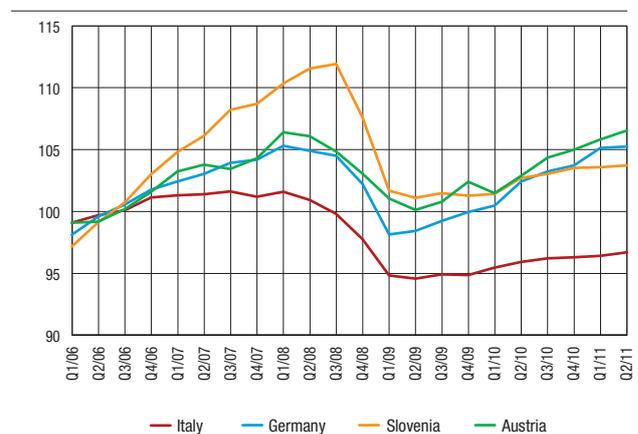
China's strong economic growth continued in the first and second quarters of 2011 (up by 9.7% and 9.5% respectively from the same period in the previous year) notwithstanding the measures to contain inflationary pressures related to the annual CPI growth, boosted mainly by an increase in food prices, which reached the highest level in the last three years (6.5%). The economic growth derived primarily from strong investment activity. A low foreign trade deficit in the January to March period was

Figure 1 Gross domestic product
seasonally adjusted data, constant prices, 2006 = 100



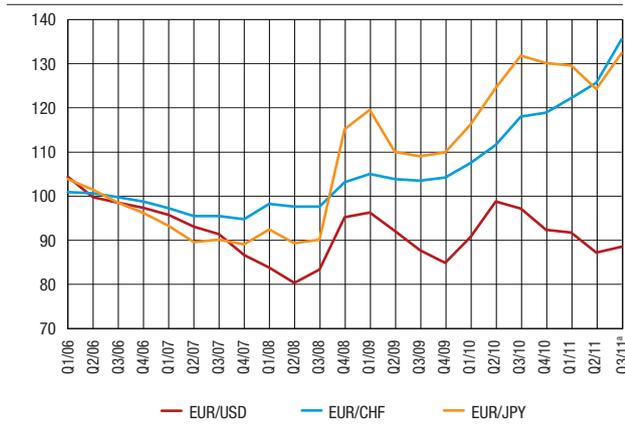
Note: Data for the eurozone refer to EA17.
Source: Eurostat.

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



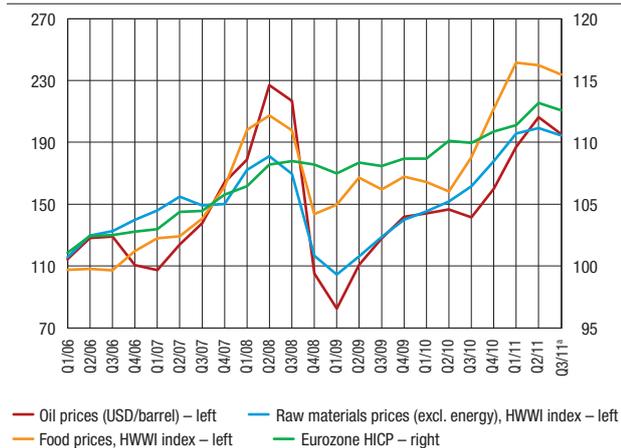
Source: Eurostat.

Figure 3 Exchange rates of individual currencies
2006 = 100



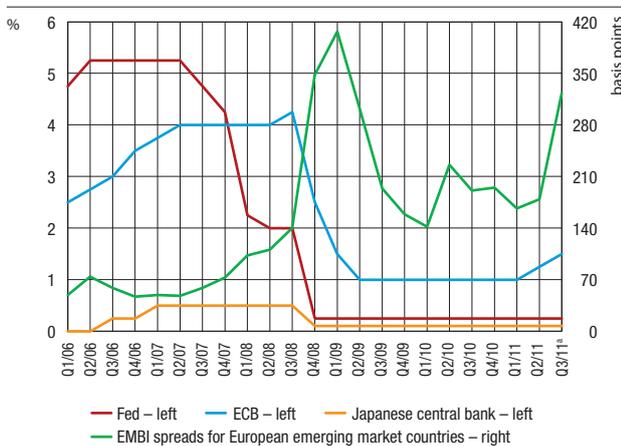
^a Data up to 26 September 2011.
Note: A fall in the index denotes an appreciation of the euro.
Source: CNB.

Figure 4 Prices
2005 = 100



^a Data refer to the first two months of the quarter.
Sources: Bloomberg, HWWI and Eurostat.

Figure 5 Benchmark interest rates and the average yield spread on bonds of European emerging market countries
end of period



^a Data up to 26 September 2011.
Source: Bloomberg.

followed by a substantial surplus in the second quarter of the current year. India's economic growth, also spurred by strong investment, was somewhat lower in the observed period. The available monthly data for Brazil and Russia suggest that their economic growth probably decelerated in the second quarter.

Croatia's main trading partners

After having slowed down in the second half of the previous year, the recovery in Italy only slightly accelerated in 2011. The growth recorded in the first quarter was 0.1% relative to the last three months in the previous year, while the third quarter saw a 0.3% increase in GDP. Furthermore, economic activity is not expected to accelerate at a faster pace in the remaining part of the year. The causes for this include the weakening of global demand, the absence of any recovery in the labour market and an increase in corporate financing costs resulting from growing financial market concerns over the sustainability of Italy's fiscal position. These concerns also account for the downgrading of Italy's credit rating in September.

Germany's extremely strong economic growth in the first quarter (1.3% from the last quarter in 2010) was followed by a significant decrease in the quarterly real GDP growth rate in the April to June period (0.1%). Imports grew more than exports in the second quarter, while personal consumption slumped against the background of rising inflation and uncertainty. However, growth rates can be expected to increase in the second half of the year due to positive developments in domestic demand, which will be supported by corporate investments and favourable labour market conditions.

Austria's economy grew strongly in the first half of the year, reaching the pre-crisis level of activity. Bolstered by strong foreign and domestic demand, primarily investment activity, growth rates were 0.8% and 1.0% in the first and second quarter respectively compared with the previous three months. The domestic inflation rate accelerated slightly due to dynamic trends in the real sector.

The Slovenian economy stagnated in the first six months of 2011; the economic performance would have been even worse without the positive contribution of foreign demand. Investment activity declined further and personal and government consumption continued to stagnate.

The Serbian economy stagnated in the second quarter, having grown by 1.5% from January to March, with a small positive contribution of foreign demand offset by negative domestic demand trends.

Industrial production and foreign trade developments in Bosnia and Herzegovina point to an economic slowdown in the second quarter caused by the weakening of domestic demand.

Exchange rates and price developments

The US dollar/euro exchange rate fell significantly between January and May, stabilising somewhat in the remaining part of the year. The short-term fluctuations of the exchange rate of the dollar against the common European currency were in the range of USD 1.46 to 1.40/EUR, depending on the frequency and importance of negative news items coming from both sides of the Atlantic. The dollar strengthened against the euro in September amid recurring concerns related to public debt sustainability in some eurozone members.

The exchange rate of the Swiss franc versus the euro was mainly exposed to appreciation pressures stemming from the problems in the eurozone and rising financial market insecurity. The Swiss central bank responded to the negative impact that the increasingly sharp appreciation of the Swiss currency had exerted on real economic developments by intervening in the

foreign exchange market and setting an exchange rate floor of CHF 1.20/EUR.

Crude oil prices picked up sharply in the first four months of 2011 and dropped in May, continuing to oscillate slightly around the May level in the remaining part of the year. The price correction in May was partly due to the International Energy Agency downgrading its global demand forecast for 2011. Having edged up in July, oil prices decreased in August as a result of Saudi Arabia's unilateral decision to increase oil output and the decision of the International Energy Agency gradually to release part of strategic oil reserves. Prices are expected to edge down in the forthcoming period, depending on the pace of economic slowdown in developed economies, with more significant price corrections likely to be prevented by favourable developments in Asian economies.

Having peaked in April this year, world raw material prices mostly trended downwards in the subsequent period. The HW-WI index of raw material prices (excluding energy, in USD) came close to the beginning year level in August. Raw material prices dropped because of concerns about developments in

demand, raised by a weak global economic recovery and a good harvest of the main crops. As a result, food prices decreased in the third quarter from the high levels attained early in the year.

Benchmark interest rate trends

Responding to mounting inflationary pressures, the ECB raised its key interest rate by 0.25 percentage points to 1.25% in April 2011, after having left it unchanged for two years. As soon as July, the eurozone key interest rate was increased once again by the same amount to 1.5%. By so acting, the ECB followed the example of the central banks of most developing and emerging market countries, which had been raising their key interest rates for some time already. Based on current key interest rate projections for the period until the end of 2012, market participants expect no further changes in these rates in the European, American and Japanese economies, while some analysts warn that eurozone interest rates could decrease. The EMBI yield spread for European emerging market countries widened sharply due to rising uncertainty, with the risk premiums for Hungary and Croatia increasing particularly.

3 Aggregate demand and supply

GDP increased slightly in the second quarter, mostly due to a rise in the volume of exports of services. Final consumption also went up a little, accompanied by a pronounced fall in capital investment. These movements led to a 0.8% increase in real GDP year-on-year. Given divergent quarterly movements, economic activity for the entire half of the year stagnated at the low level achieved early last year.

Aggregate demand

After their unexpectedly low levels in the first quarter, exports of goods and services rose rapidly in the second quarter, according to seasonally adjusted data, yet this was primarily due to the base effect. Considered over the entire half-year period, real exports of goods and services went down both year-on-year and relative to the previous half-year period. Both the balance of payments data and indicators of export prices suggest that

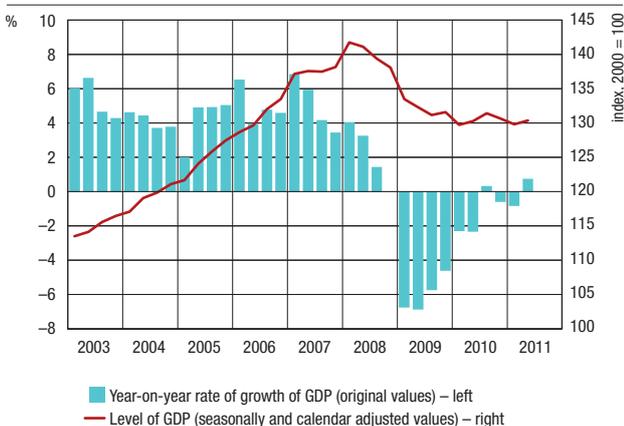
this fall was due to a sharp contraction in goods exports. By contrast, the exports of services, notably in tourism, recovered. As suggested by nominal CBS data on foreign trade in goods, the adverse movements continued into July. In the same month, goods exports probably went up.

The unfavourable dynamics of goods exports are further reflected in the fact that, unlike Croatia, other countries in the region have recorded marked increases in exports on the same export markets.

Unfavourable movements in domestic demand continued in the second quarter. Slight growth was observed in final consumption components, but it was insufficient to offset the decline in gross investment. In the entire semi-annual period, domestic demand continued downwards (-0.7% year-on-year).

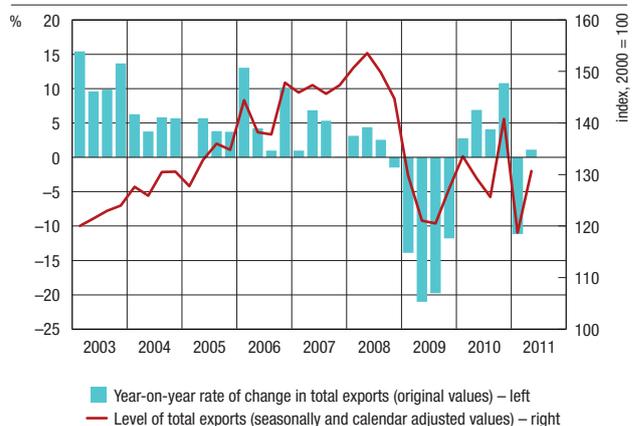
Following a decline early in 2011, household consumption increased again in the second quarter, which was in line with a

Figure 6 Gross domestic product
real values



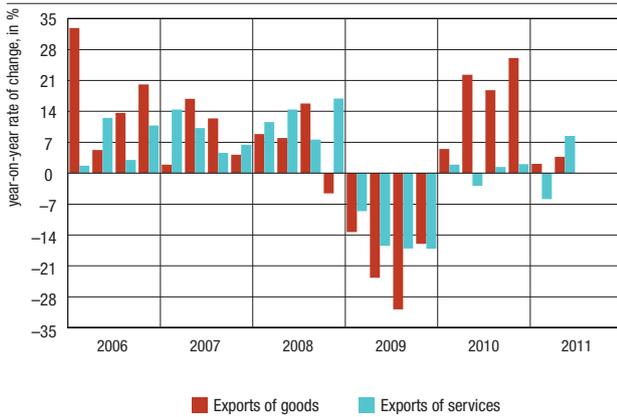
Source: CBS data adjusted by the CNB.

Figure 7 Exports of goods and services
real values



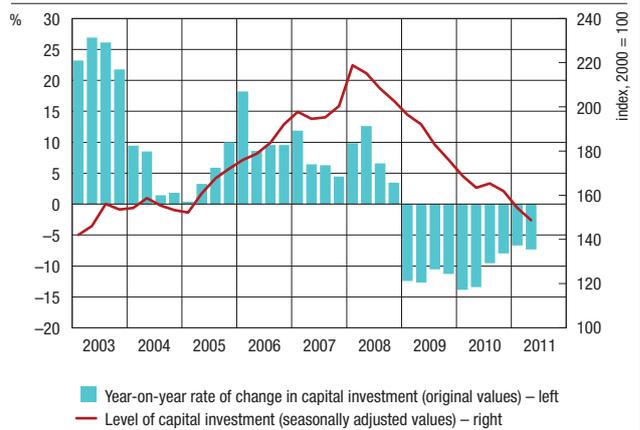
Source: CBS data adjusted by the CNB.

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



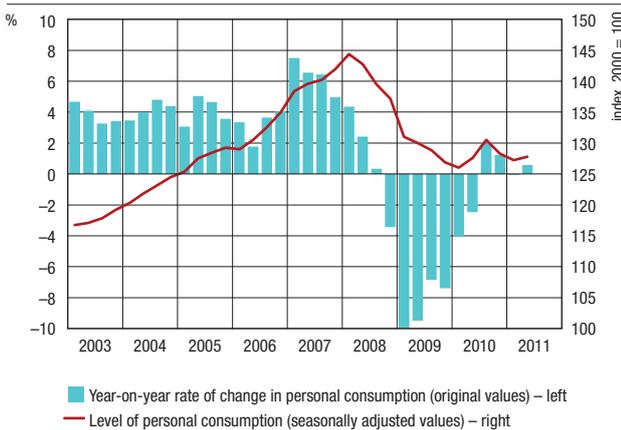
Source: CNB.

Figure 11 Gross fixed capital formation
real values



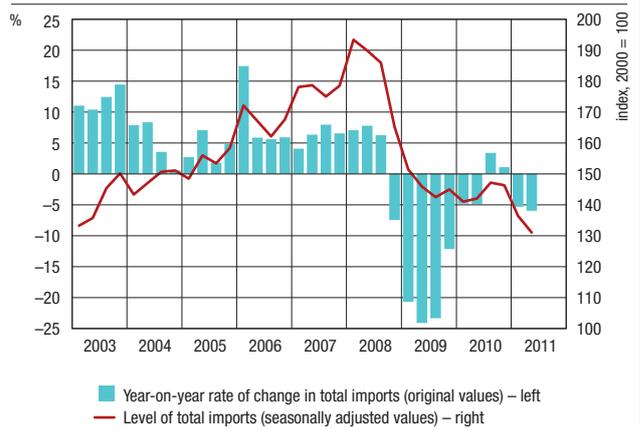
Source: CBS data adjusted by the CNB.

Figure 9 Personal consumption
real values



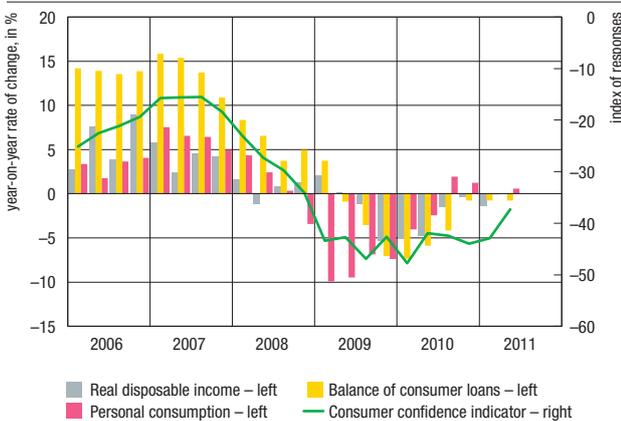
Source: CBS data adjusted by the CNB.

Figure 12 Imports of goods and services
real values



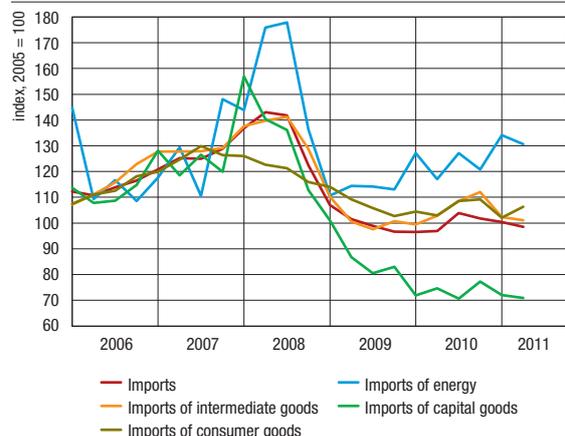
Source: CBS data adjusted by the CNB.

Figure 10 Determinants of personal consumption



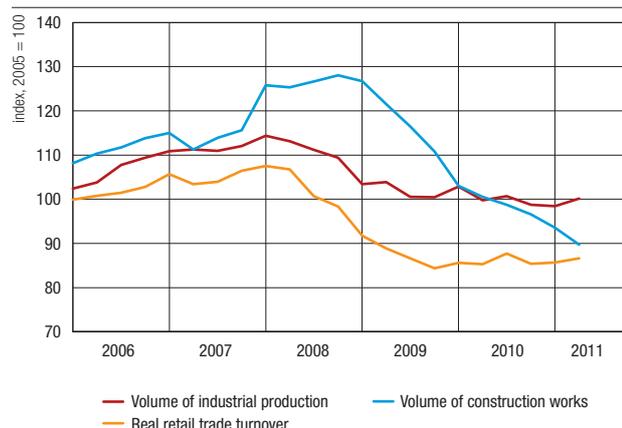
Note: The presented values of the consumer confidence indicator are calculated as averages of monthly data.
Sources: CBS and CNB.

Figure 13 Goods imports by category
nominal values, seasonally adjusted



Source: CBS data adjusted by the CNB.

Figure 14 Short-term economic indicators
seasonally and calendar adjusted



Source: CBS data adjusted by the CNB.

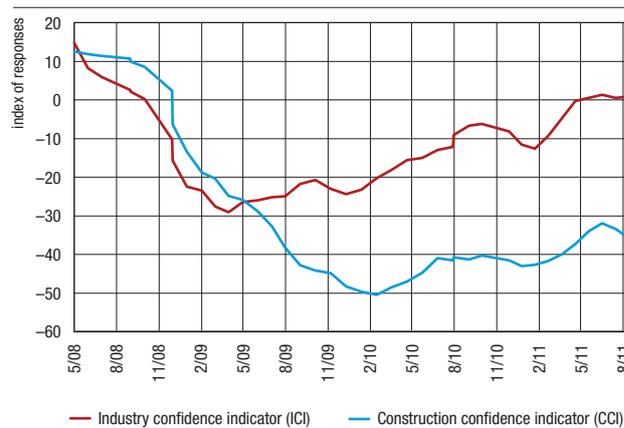
slight rise in disposable income. The results of the latest CNB consumer confidence survey show the weakening of consumer pessimism for the fourth consecutive month, which probably increased consumer propensity to finance consumption out of current income. However, given deep uncertainty about future economic trends and, consequently, future income movements, the growth of optimism was insufficient to boost household demand for loans and, hence, result in any significant consumption growth.

From April to June 2011, after several quarters of stagnancy, government consumption went up from the beginning of the year. This was mostly due to stronger consumption of goods and services as well as to an increase in expenditures for welfare benefits in kind. Employment growth in civil and government services was negligible. At the semi-annual level, government consumption increased.

Capital investments continued downwards. Following its slightly more favourable movements in the second half of 2010, gross fixed capital formation contracted again in all institutional sectors during the first half of 2011. Despite the marked increase in capital investments by some extra budgetary funds over the second quarter, as suggested by financial cash basis data, there was no reversal of the unfavourable trend in infrastructure facility investments. Private sector capital investments have decreased almost continuously ever since the beginning of 2008, which is again largely the consequence of the crisis in the construction sector. Moreover, low aggregate demand and uncertain economic prospects discourage any substantial investment in the expansion and reconstruction of production facilities.

Despite the slight recovery of the domestic economy in the second quarter of 2011, goods and services imports continued

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



Source: Ipsos Puls.

to decline, leading to a negative year-on-year rate of change of -5.6% at the semi-annual level. This seems to have been due to a reduction in imports of both goods (primarily capital and durable goods) and services.

Aggregate supply

Following adverse movements in the first quarter of 2011, aggregate demand accelerated during the second quarter, boosting gross value added (GVA) in most economic sectors. In the April-June period, quarterly GVA contraction was only seen in construction and agriculture. By contrast, in the first quarter, value added declined in all activities except traffic and communications and industry.

Such aggregate supply trends were confirmed by the results of the business confidence surveys conducted in the first quarter of 2011. High expectations about short-term developments in production underpinned business confidence in manufacturing, and construction project orders recovered gradually, especially towards the end of the reference period. By contrast, business confidence in construction remained stagnant.

A breakdown by activity at an annual level shows that GVA decreased in most economic activities over the first quarter. In contrast to this, a considerable improvement was recorded in the second quarter, except in construction. Owing to tourist demand, GVA in hotels and restaurants grew at relatively high annual rates during the second quarter.

According to available data, favourable economic movements continued at the beginning of the third quarter of 2011. Real retail trade turnover and the volume of industrial output went up in July from their average level in the previous quarter, and the number of tourist overnight stays increased year-on-year in the same month.

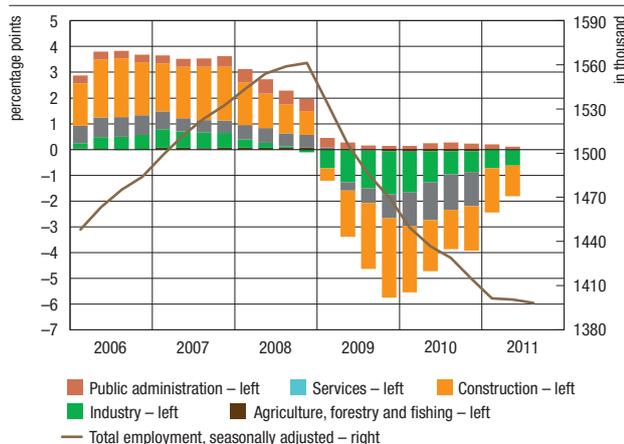
4 Labour market

According to administrative CBS data, the number of employed persons stagnated in the second quarter of 2011, but fell again during July and August, though at a slower pace. The Labour Force Survey results also suggest a slightly more favourable employment trend in the second quarter (seasonally adjusted).

According to the CPIA data, the average number of insured persons increased in the April-June period.

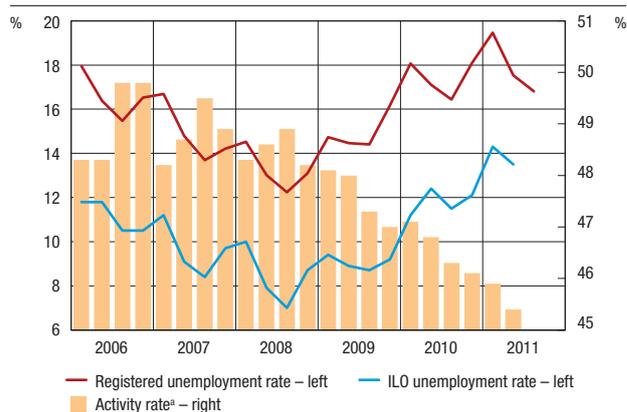
The CES unemployment data, seasonally adjusted, decreased in the period from April to June. The first half of the current year was marked by an upward trend in inflows into the CES register

Figure 16 Total employment and contribution to employment growth by sector



Sources: CBS and CNB calculations.

Figure 17 Unemployment and activity rates



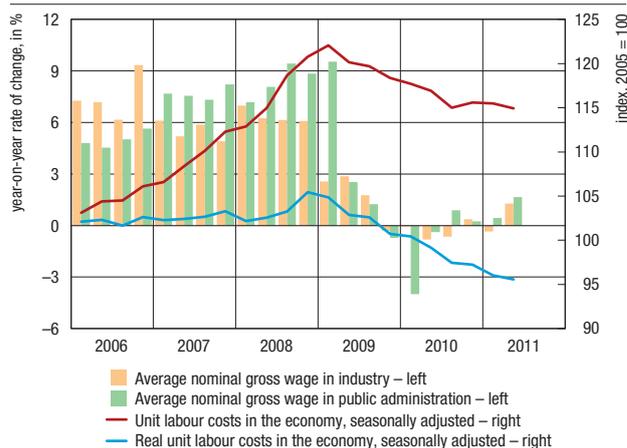
^a The labour force as a percentage of working age population (15+).
 Note: The Labour Force Survey has been published quarterly since the beginning of 2007.

Sources: CES and CBS.

of persons coming directly from education and inactivity, whereas inflows from employment declined slightly. Concurrently, employment from the CES register went up, stimulated by an increase in the number of clearings from the records (particularly in the second quarter). Accordingly, the seasonally adjusted average unemployment rate dropped below 18.0% in the second quarter. The Labour Force Survey results for the second quarter of 2011 also point to a decline in the number of unemployed persons, with the seasonally adjusted unemployment rate slightly dropping (to 13.2%). However, unemployment rose again during the first two months of the third quarter, and the administrative unemployment rate once again exceeded 18.0%.

The nominal unit labour costs, seasonally adjusted, continued to decline in the second quarter of 2011. This was due to favourable movements in labour productivity, which continued to grow faster than gross wages. As the level of prices increased, the real unit labour costs continued to fall, easing the cost pressures on inflation. The observed period saw an increase in real net wages, which, coupled with the described movements in employment, prevented further fall in the real net wage bill. However, these movements did not continue into the first two months of the third quarter, because, except for a slight decline in employment, there was a fall in average real net wage in the same period.

Figure 18 Gross wages and unit labour costs



Sources: CBS and CNB calculations.

5 Inflation

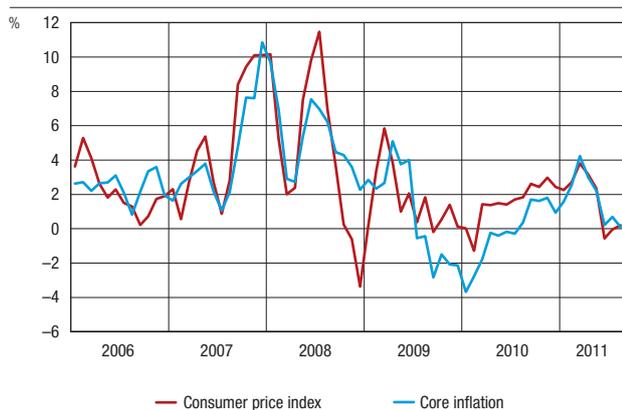
Domestic factors, especially weak domestic demand and adverse labour market developments have a dampening effect on consumer price inflation in Croatia. In contrast, an increase in costs generated by a growth in the price of raw materials in the world market continued to spill over to some CPI components, especially food. The monthly rates of overall and core consumer price inflation (seasonally adjusted and annualised) decreased over the three summer months, with their three-month moving average down to 0% in August.

Having accelerated slightly in the first five months of 2011, annual CPI inflation eased from 2.5% in May to 2.0% in August. This was primarily due to a decrease in unprocessed food prices (fruit and vegetables), while meat prices increased. The

slowdown in consumer price inflation was also caused by a continuing downward trend in the rates of change in the prices of services and industrial producer prices excluding food and energy (footwear and clothing) which are under the dominant influence of domestic factors.

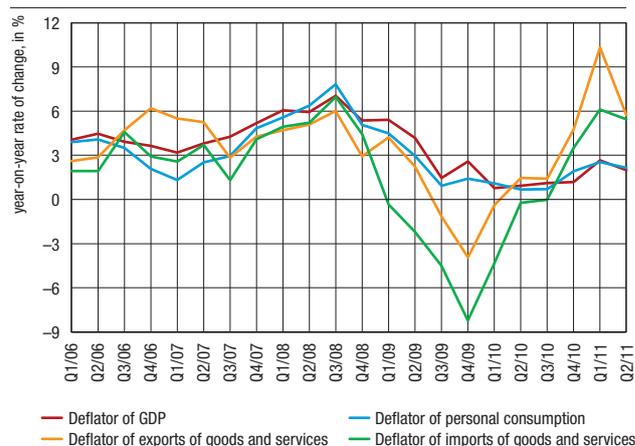
An increase in the rates of change in energy and processed food product prices produced the opposite effect on CPI inflation in the last three months. Boosted by a rise in world crude oil prices, domestic refined petroleum prices grew in August. Electricity prices increased in July due to the repeal of the electricity price subsidy granted to some categories of consumers. A price increase in processed food products was for the most part related to the time-lagged effect of previous increases in the prices

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



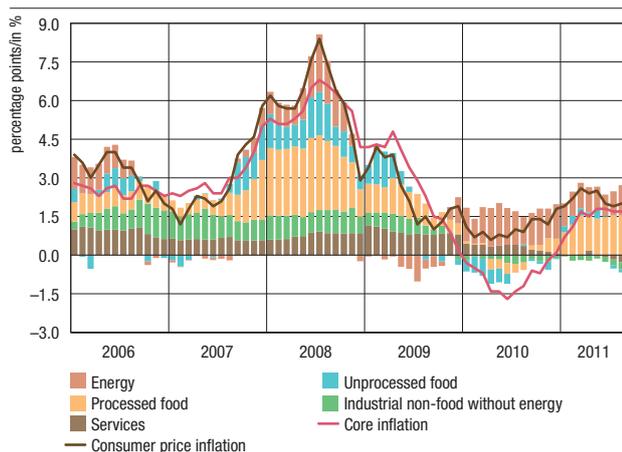
^a The month-on-month rate of change is calculated from the quarterly moving average of seasonally adjusted price indices.
Sources: CBS and CNB calculations.

Figure 21 Deflator of GDP and its individual components



Source: CBS.

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



Sources: CBS and CNB calculations.

of food raw materials and food products in the world market. Tobacco product prices also went up.

Core inflation was in line with overall CPI inflation trends. After having increased in the first five months of 2011, the annual core inflation rate edged down from 1.8% in May to 1.7% in August. This was primarily due to a continued annual decline in the prices of clothing and footwear, caused by a seasonal drop in the prices of these products that was more pronounced than in the same period last year.

Imported inflationary pressures were also reflected in the first half of 2011 in a strong annual growth of the implicit deflator of imports of goods and services, which was especially pronounced in the first quarter. However, as this growth was also relatively strong in the second quarter, trade developments remained favourable, although less favourable than in the first quarter. The annual rate of change of the personal consumption deflator also increased in the same period. Under such conditions, the annual rate of change of the GDP deflator increased to 2.0% in the second quarter, up by 0.7 percentage points from the last quarter of 2010.

6 Foreign trade and competitiveness

A two-year decline in external imbalances was interrupted in the first half of 2011. The current account improvement halted due to a lack of recovery in exports of goods, with the balance offset by a continuing drop in imports.

Exports had already started decelerating in the first quarter, decreasing by 8.2% from the previous three months, according to seasonally adjusted data. Although the decrease was to a large extent due to a fall in exports of ships and of oil and refined petroleum products, exports of other goods also weakened, dropping at an especially high rate of 9.9% in the second quarter. The weakest performance in the second quarter was recorded by exports of electrical machinery, apparatus and appliances, plastics in primary forms, electricity and tobacco.

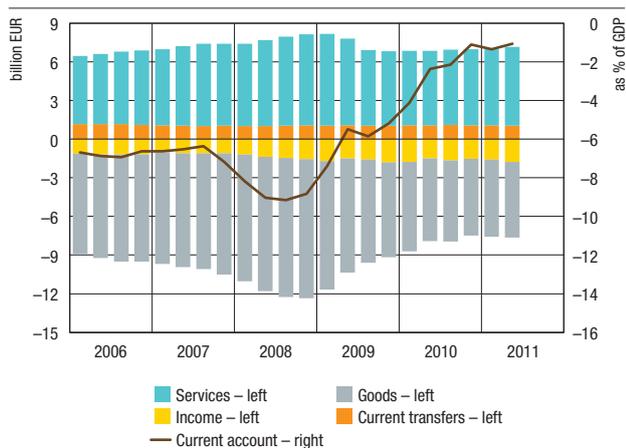
Total imports of goods, which started to show signs of recovery no sooner than in late 2010, once again decreased in the

first quarter of 2011 and continued to decrease at an accelerated pace in the second quarter, dropping by 5.0% (according to seasonally adjusted data, excluding ships and oil). The highest decrease was recorded by imports of capital goods, raw materials for industrial production (mainly iron and steel) and energy products (except oil, as its import value grew, due exclusively to the rise in oil prices).

Trends in trade in goods in July 2011 showed a continued weakening of the recovery in exports and imports of goods. Unfavourable export trends were to some extent alleviated by the strong growth of ship exports, while exports of other goods mostly stagnated or continued to decrease. Imports of most categories of goods also declined, with the steepest decline observed in imports of capital goods and raw materials.

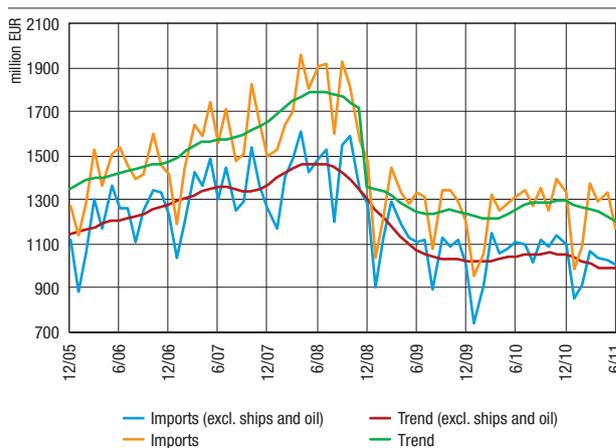
The services account balance improved thanks to an increase

Figure 22 Current account
four-quarter moving average



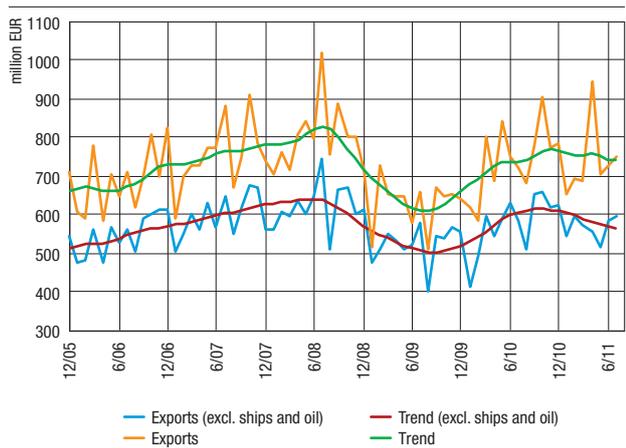
Source: CNB.

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



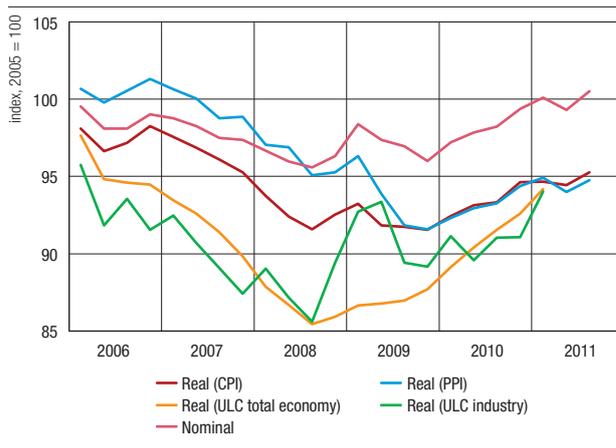
Source: CBS data adjusted by the CNB.

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



Source: CBS data adjusted by the CNB.

Figure 25 Effective exchange rates of the kuna



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

in tourism receipts. The overall deficit was boosted by transactions in the factor income account in the second quarter of 2011, due primarily to the growth of interest expense and foreign direct investment expenditures (dividend payments and reinvested earnings), especially in the oil industry and banking. The current transfers balance also deteriorated mainly due to a decrease in government revenues.

Export price and cost competitiveness started to improve in

early 2010 and continued this trend in early 2011. However, the real effective exchange rates of the kuna based on consumer and producer prices appreciated slightly in the second quarter of 2011, depreciating again early in the third quarter. According to the latest available data for the first quarter of 2011, the real effective kuna exchange rate deflated by unit labour costs also continued to depreciate.

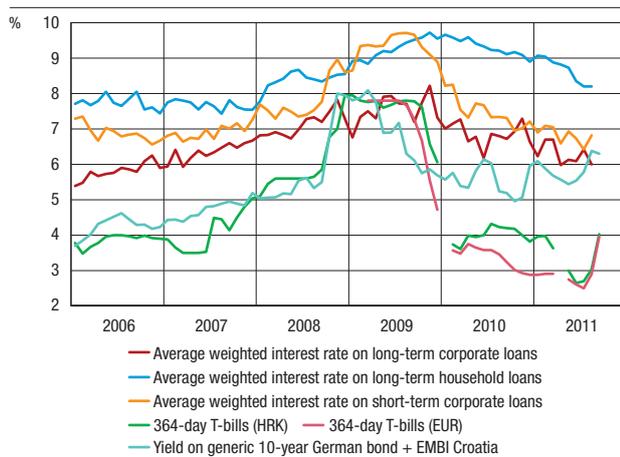
7 Financing conditions and capital flows

Financing conditions

Domestic financing conditions improved slightly from the beginning of 2011, whereas the cost of foreign borrowing, following favourable trends in the first half of the year, increased in the third quarter. Interest rates on long-term household loans dropped by approximately one percentage point in the first eight

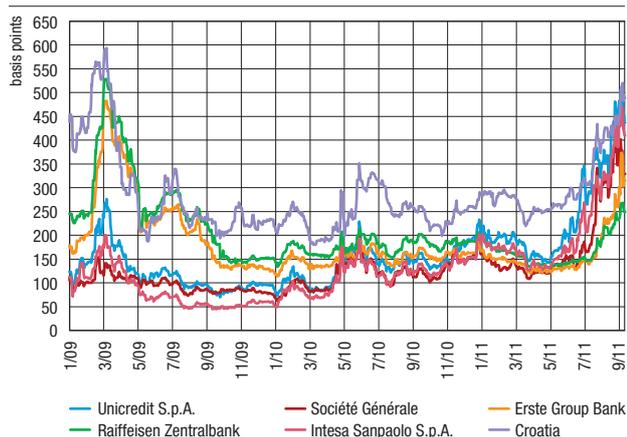
months, partly due to the subsidised home loans granted within a government incentive programme. Trends in the cost of the government short-term domestic borrowing were also favourable until mid-year, that is, until interest rates on MoF T-bills increased in the third quarter. As regards corporate financing, interest rates on long-term and short-term loans to the corporate

Figure 26 Costs of domestic and foreign financing



Sources: CNB and Bloomberg.

Figure 27 CDS spreads for Croatia and selected parent banks of domestic banks



Source: CNB.

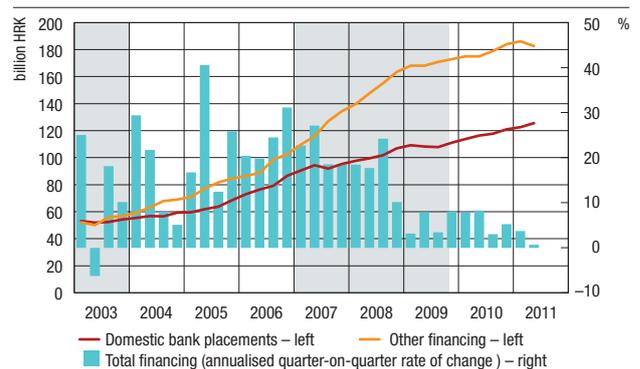
sector, although quite volatile, also decreased slightly.

In contrast with domestic trends, the cost of foreign borrowing increased sharply at mid-year as a result of foreign investors growing increasingly cautious amid rising uncertainty in financial markets caused by the debt crisis in some eurozone countries. Foreign financing conditions worsened both for Croatia and for parent banks of domestic banks. For example, the downgrading of Italy's credit rating in September resulted in an increase in the risk premium for Italian banks affiliated to Croatian banks. These developments are also very likely to lead to the worsening of borrowing conditions for domestic enterprises.

Total corporate financing, which includes financing provided by banks and other financial institutions in Croatia and abroad, slowed down considerably in mid-2011. This was primarily due to enterprises deleveraging their external debt, while their financing with domestic banks continued to grow moderately. The stagnation of total corporate sector debt reflects a lack of domestic investment activity and the resultant drop in corporate demand for loans.

Household loans failed to recover in the first half of 2011, as a consequence of unfavourable conditions in the real sector and

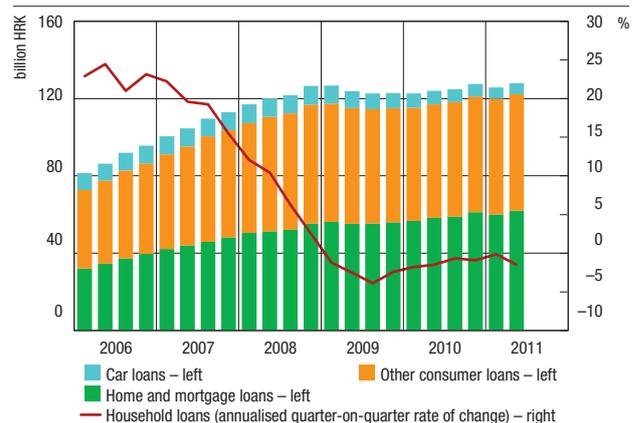
Figure 28 Corporate financing by sources



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. Shaded areas denote periods when banks whose placement growth was in excess of the permissible limit were obliged to purchase compulsory CNB bills. The rate of change in total financing is calculated from seasonally adjusted values.

Sources: CNB, HANFA and CBRD.

Figure 29 Household loans by purpose



Note: Quarter-on-quarter rates of change in loans are calculated from seasonally adjusted values excluding the exchange rate effect.

Source: CNB.

high borrowing costs. Car purchase loans dropped continuously in the first two quarters of 2011, while home loans and other consumer loans continued to stagnate.

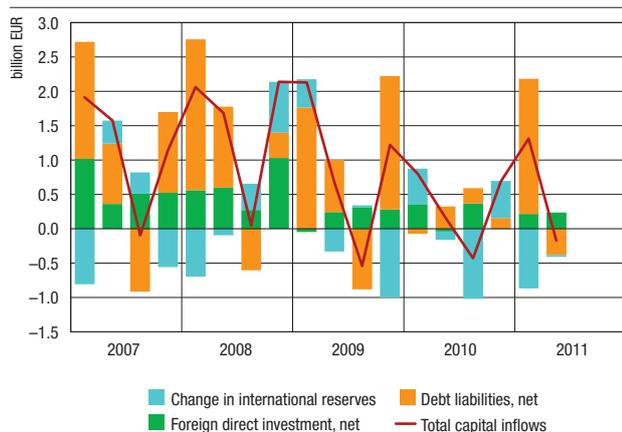
Foreign capital flows

The capital and financial accounts of the balance of payments recorded modest FDI inflows and a slight decrease in foreign liabilities in the second quarter of 2011. In contrast, foreign assets increased, primarily those of investment funds, whereas the assets of banks and the CNB did not change significantly.

FDI in Croatia in the second quarter included only small projects in trade, real estate and tourism. There was also a change in the structure of direct investments, with equity investments prevailing, resulting from the exchange of part of some foreign investors' debt claims for holdings in domestic enterprises. Net of these transactions, new direct equity investments amounted to only EUR 0.1bn, an indication of continued foreign investor reluctance and the high perception of risk.

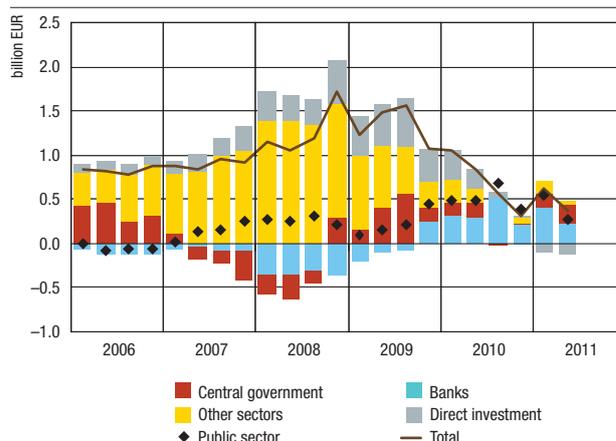
External debt declined by EUR 0.3bn in the second quarter as a result of net transactions and cross-currency changes deriving from the strengthening of the euro. Taking into account only

Figure 30 Current account deficit financing



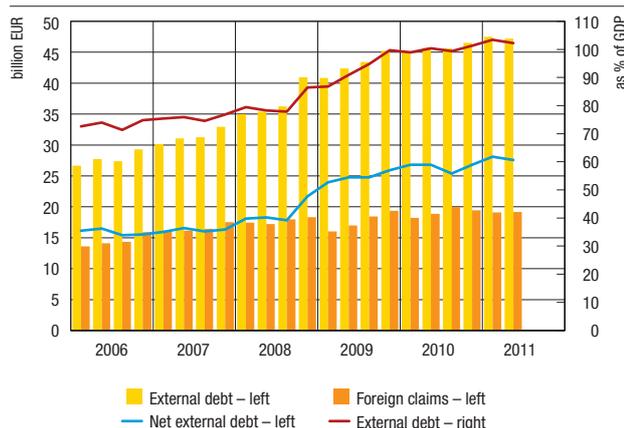
Source: CNB.

Figure 32 Domestic sectors' contributions to the quarterly changes in external debt four-quarter moving average



Source: CNB.

Figure 31 Gross and net external debt



Source: CNB.

net transactions, the external debt decline reflects a decrease in central government and corporate debt, while bank borrowing increased from the same period in the previous year. Despite the small decrease in debt in the second quarter, the central government, public enterprises included, had been a major generator of external debt growth since the beginning of the crisis (Figure 32). In contrast, the contributions of banks, and especially of enterprises, had gradually declined. Central government debt increased again in the third quarter due to a bond issue worth EUR 750m. Corporate sector borrowing continued to stagnate in the same period and the debt of banks recorded a sharp seasonal fall. As a result of these developments, Croatia's gross external debt stood at EUR 46.8bn at the end of July.

The marked slowdown in debt growth, continuing ever since early 2010, resulted in the stagnation of relative indicators of external debt in 2011 (Figure 31). The gross external debt to GDP ratio increased slightly from the previous year, while net debt (gross debt net of foreign claims, comprising mostly bank assets and foreign exchange reserves) edged up, which can be attributed to stagnation in domestic sectors' foreign assets.

8 Monetary policy

Resorting to foreign exchange interventions and raising the reserve requirement rate from 13% to 14%, the central bank eased downward pressures on the domestic currency in the third quarter of 2011. This reduced the high primary liquidity in the monetary system that had marked the previous part of the year.

The central bank sold to banks EUR 238.9m in July and another EUR 180.5m in September, thus withdrawing a total of HRK 3.1bn from the system. The increase in government kuna deposits with the CNB also led to the outflow of kuna funds, so that the average surplus liquidity decreased to HRK 3.5bn in September from a high HRK 6.9bn in the first half of the year. Regarding the impact of foreign exchange transactions on the flows of reserve money creation, it is noteworthy that, despite recent interventions, the CNB created HRK 3.9bn net in the first nine months of 2011 through the purchase of substantial foreign

currency inflows from government foreign borrowing.

The increase in the reserve requirement rate by one percentage point, which will be applied in the October calculation, will further reduce kuna liquidity by around HRK 2.6bn. As regards foreign currency reserve requirements, the higher rate will lead to a withdrawal of some HRK 0.5bn of foreign currency liquidity.

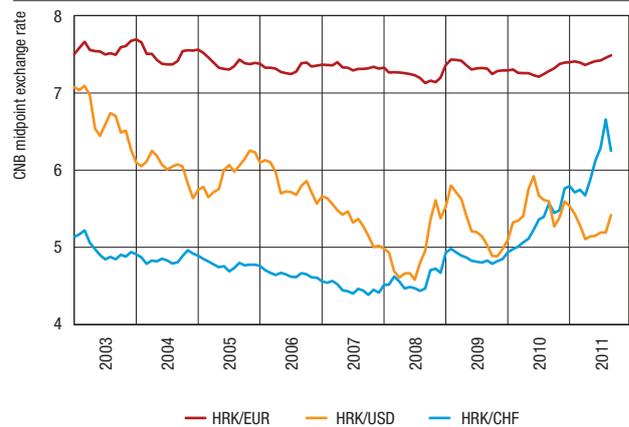
The kuna/euro exchange rate averaged HRK 7.45/EUR in the third quarter, depreciating slightly from HRK 7.39/EUR in the first half of the year. It peaked at HRK 7.50/EUR in mid-September. Downward pressures on the exchange rate of the kuna against the euro were eased by interventions and the announced change in the central bank instrument. After growing steadily in the first eight months of 2011, the exchange rate of the kuna versus the Swiss franc stabilised at around HRK 6.2/

CHF late in the third quarter. In early September, the Swiss central bank imposed a ceiling on the euro/franc exchange rate of 1.2 francs. In the context of a stable HRK/EUR exchange rate, this also determined the movements of the kuna against the Swiss franc.

The increase in gross international reserves in the first nine months of 2011 was largely a result of the purchase of foreign exchange from the government (EUR 1.0bn), while the sale of foreign exchange to banks (EUR 0.4bn) had the opposite effect. A mild growth in foreign currency reserve requirements also added to the rise in international reserves. Gross reserves went up 6.2% from the beginning of the year, standing at EUR 11.3bn in late September. In the same period, net usable reserves grew by 6.3%, to EUR 9.9bn. The level of both gross and net usable reserves continued to be much higher than money (M1) and reserve money (M0) at end-September.

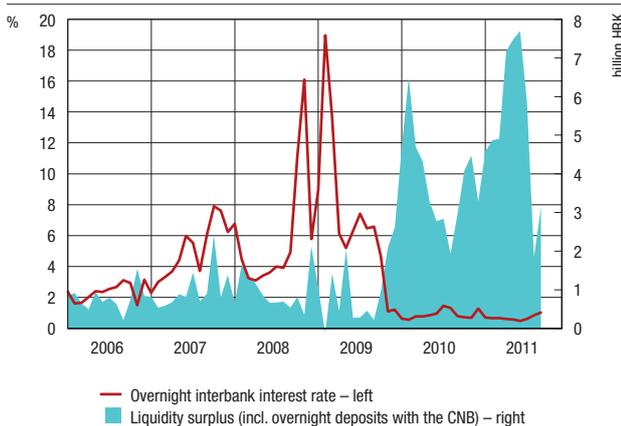
Developments in monetary aggregates largely reflect the sluggish economic recovery. Hence, the real seasonally adjusted value of monetary aggregates in July and August indicates that money (M1) and total liquid assets (M4) held steady, while reserve money (M0) dropped from the end of the second quarter

Figure 35 Nominal exchange rates HRK/EUR, HRK/USD and HRK/CHF



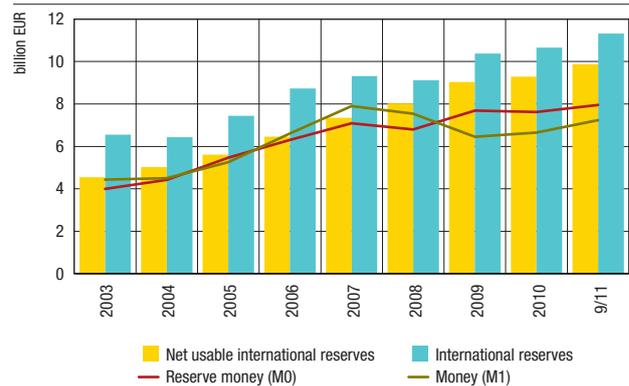
Source: CNB.

Figure 33 Bank liquidity and overnight interbank interest rate



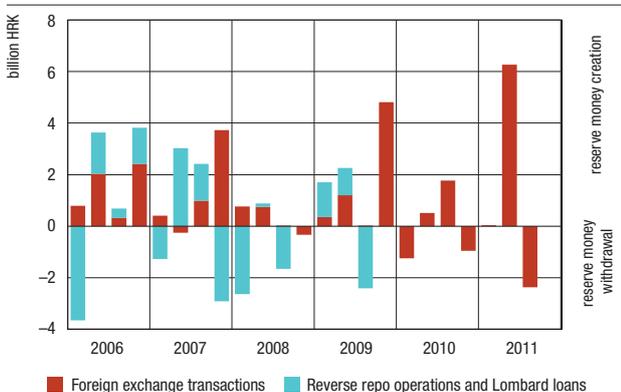
Source: CNB.

Figure 36 International reserves of the CNB and monetary aggregates



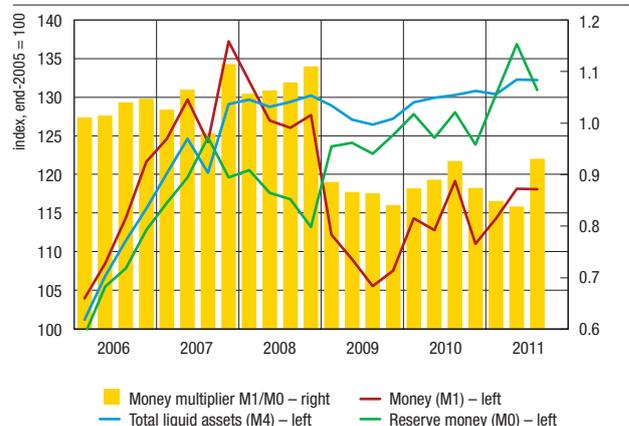
Note: Net usable international reserves are defined as international reserves net of foreign liabilities, reserve requirements in f/c, general and special SDR allocations in 2009, government foreign currency deposits and off-balance sheet liabilities (swaps). The most recent data available refer to the end of August 2011.
Source: CNB.

Figure 34 Flows of reserve money (M0) creation



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

Figure 37 Monetary aggregates and money multiplier index of developments in seasonally adjusted values, deflated by the consumer price index



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

because of a sharp decline in surplus liquidity. Still, compared with the pre-crisis period, reserve money has stayed high due to the maintenance of abundant primary liquidity, while money

has not yet reached the level of end-2008, when it began to fall sharply. Aided by the rise in kuna deposits, monetary aggregate M4 has remained on a slight upward trend in 2011.

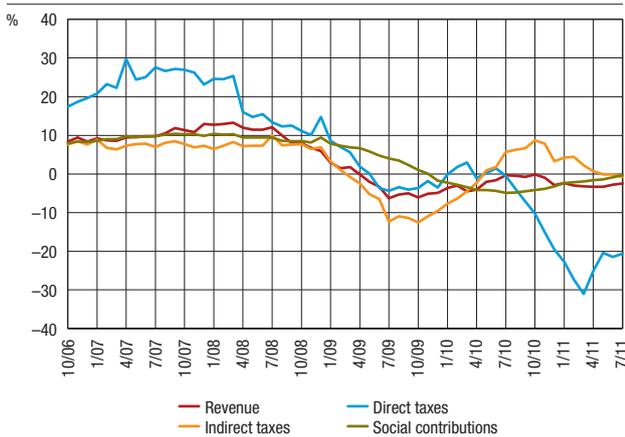
9 Public finance

As shown by preliminary MoF data, consolidated central government revenues decreased by 1.2% in the period from January to July 2011 compared with the same period in the previous year. As most major sources of revenues recorded a slight recovery, the decrease was to a great extent due to the cessation of revenues from the so-called crisis tax and an adverse base effect; debt related to excises on refined petroleum products was collected in the first half of 2010, which significantly increased total revenues. Revenues from direct taxes (crisis tax excluded) grew sharply in the first seven months of 2011, largely thanks to improved profit tax collection. Income tax revenues also recorded

year-on-year growth, probably due to lower tax refunds generated from tax reliefs. A slight upturn in retail trade, due in part to favourable results in tourism, provided a boost to VAT revenues. In addition, revenues from social contributions held steady on an annual basis despite a drop in the gross wage bill.

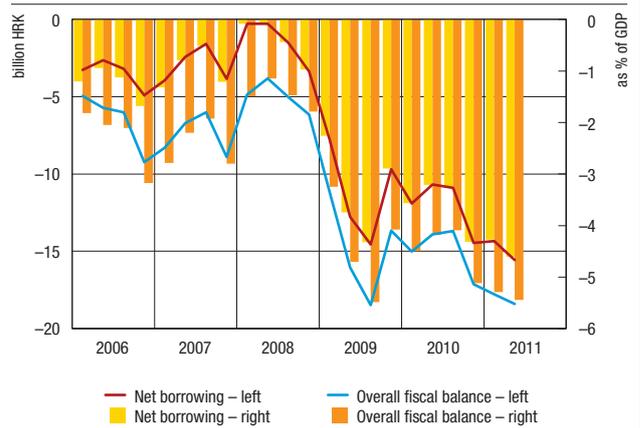
Consolidated central government expenditures edged up in the same period, mostly on account of an increase in interest payments, which can be largely attributed to the high debt level as well as higher interest rates on short- and long-term government borrowing. Expenditures on subsidies also went up, above all subsidies to farmers. This may be due to a different dynamics

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



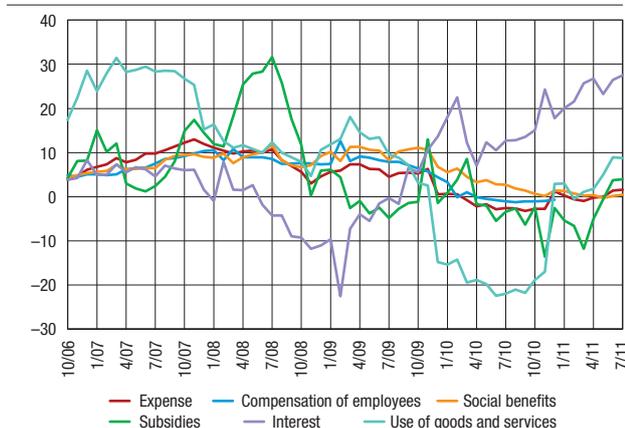
Note: From January 2008 on, CM is excluded from consolidated central government. Sources: MoF and CNB calculations.

Figure 40 Consolidated central government balance
four-quarter moving sums



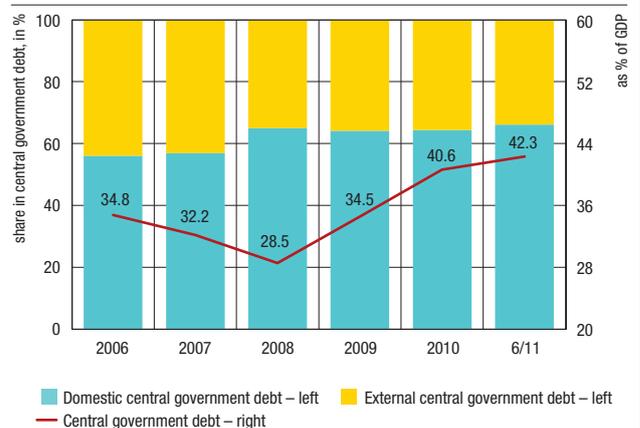
Note: From January 2008 on, CM is excluded from consolidated central government. Sources: MoF and CNB calculations.

Figure 39 Consolidated central government expense
year-on-year rate of change of twelve-month moving sums



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

Figure 41 Central government debt
end-period stock



Note: From January 2008 on, CM is excluded from consolidated central government. Source: CNB.

of state incentive payments on an annual basis since, according to the budget projections, the total amount of subsidies should fall. Expenses for employees also grew slightly, while social contributions levelled off. By contrast, transfers to local government units and Croatian Motorways were reduced. Data on the acquisition of non-financial assets show that government investment rose by more than a quarter on an annual basis. This was a consequence of the increase in investment of Croatian Waters, while capital investment at the state budget level and investment of other extrabudgetary users either held steady or declined.

In line with the described developments, the overall consolidated central government deficit stood at HRK 10.3bn in the first seven months of 2011, which is an increase of HRK 1.4bn

compared with the same period of 2010.

To finance the deficit and secure the funds needed to refinance maturing liabilities, the government borrowed in the domestic and foreign markets in the period under review. Central government debt stood at HRK 150.1bn at end-July 2011, up HRK 14.1bn over the end of 2010. The debt increase was larger than the deficit because the government met most of its financing needs through to the end of the current fiscal year in the observed period. Furthermore, as provisional financing will be applicable in the first quarter of 2012, which means that government options for borrowing in the financial market will be limited, a share of the raised funds will probably be transferred to 2012 in the form of government deposits with the CNB.

10 Comparison between Croatia and selected Central and Eastern European countries

The first half of 2011 saw a continued economic upturn in Central and Eastern European countries. The level of economic activity was higher than in the second half of 2010 in all the observed countries except in Croatia. The pace of recovery was the fastest in the Baltic countries (which experienced the greatest contraction during the crisis) and the slowest in Slovenia and Hungary. The economic upturn in the observed countries was largely driven by export growth, with some countries (Estonia and Lithuania) also recording a sharp increase in domestic demand. Despite the favourable semi-annual trends, economic activity decelerated in most of the countries in the second quarter due to an economic slowdown in Germany and France and the renewed global uncertainty.

In line with these developments, employment increased and the unemployment rate fell in most of the observed countries in the first half of the year. These trends were again the most noticeable in the Baltic countries, while Slovenia, Bulgaria, Romania and Croatia recorded no increase in the number of employed persons.

The recovery in the economy and in employment was accompanied by a nominal wage growth, although this was mostly lower than the price growth increased by the growth in labour productivity.

The relatively stable economic recovery in Central and Eastern European countries continued to affect external sector developments. An improvement in the current account balance

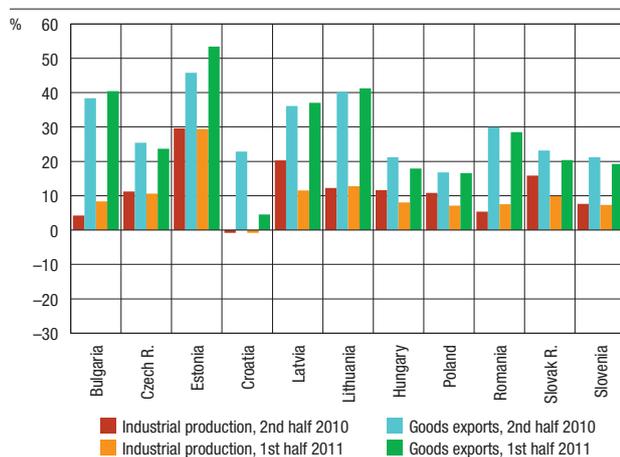
Table 1 Gross domestic product

quarterly rate of change, seasonally adjusted data

	Q1/2010	Q2/2010	Q3/2010	Q4/2010	Q1/2011	Q2/2011
Bulgaria	0.9	1.6	0.7	0.5	0.5	0.3
Czech R.	0.8	0.6	0.8	0.5	0.9	0.1
Estonia	0.0	2.7	1.4	2.0	3.1	1.7
Croatia	-1.4	0.4	0.9	-0.6	-0.6	0.4
Latvia	1.1	0.0	1.1	0.8	1.1	2.0
Lithuania	1.3	1.0	0.3	1.8	3.5	0.4
Hungary	1.0	0.4	0.8	0.2	0.3	0.0
Poland	0.7	1.1	1.3	0.9	1.1	1.1
Romania	0.0	0.1	-0.2	0.4	0.5	0.2
Slovak R.	0.7	0.9	0.8	0.8	0.9	0.9
Slovenia	0.1	1.3	0.3	0.5	0.1	0.1
EU-27	0.4	1.0	0.5	0.2	0.7	0.2

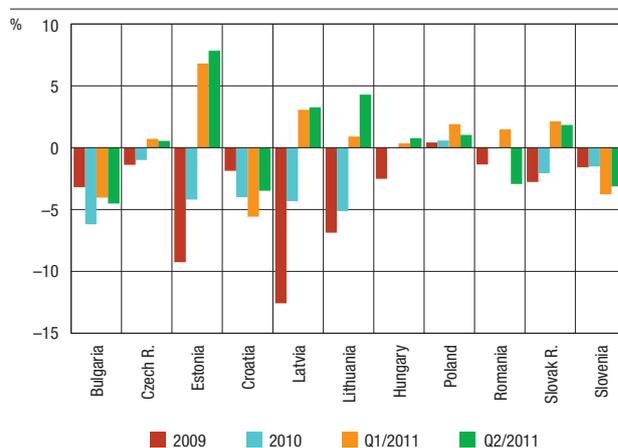
Sources: Eurostat and CBS.

Figure 42 Industrial production and goods exports (original data, in euros)
year-on-year rate of change



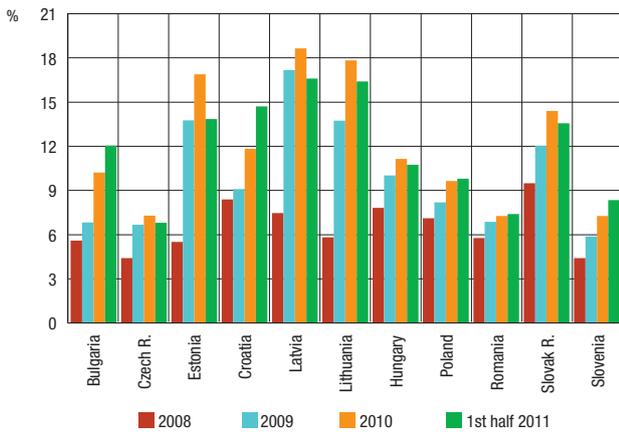
Sources: Eurostat and CBS.

Figure 43 Employment
year-on-year rate of change



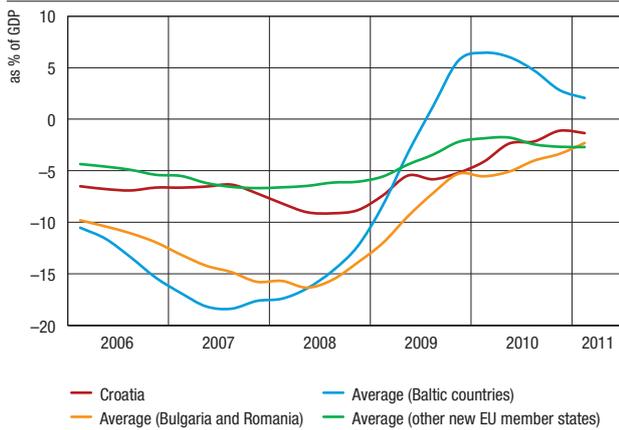
Source: Eurostat.

Figure 44 Labour Force Survey unemployment rate



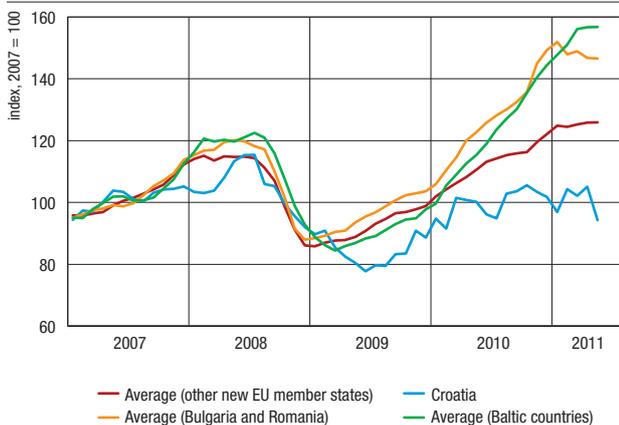
Source: Eurostat.

Figure 45 Current account balance four-quarter moving average



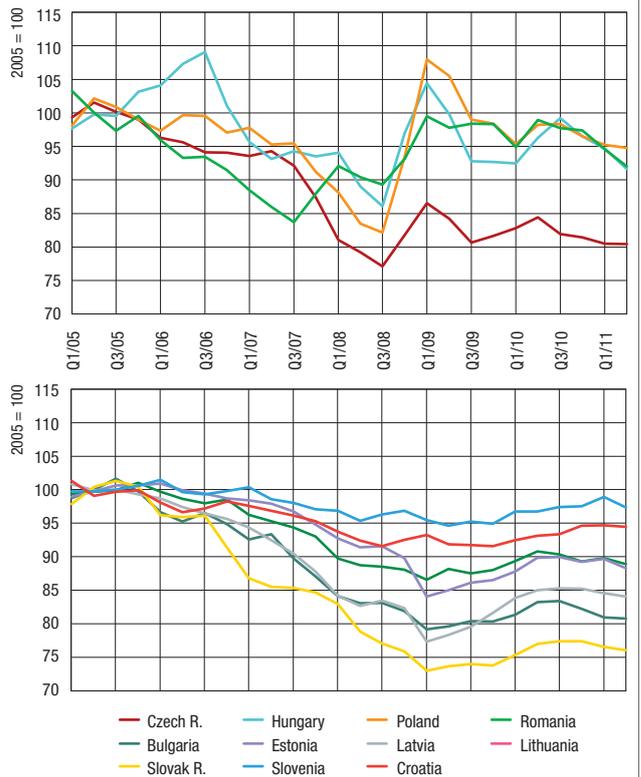
Sources: Eurostat and CNB.

Figure 46 Goods exports seasonally adjusted data



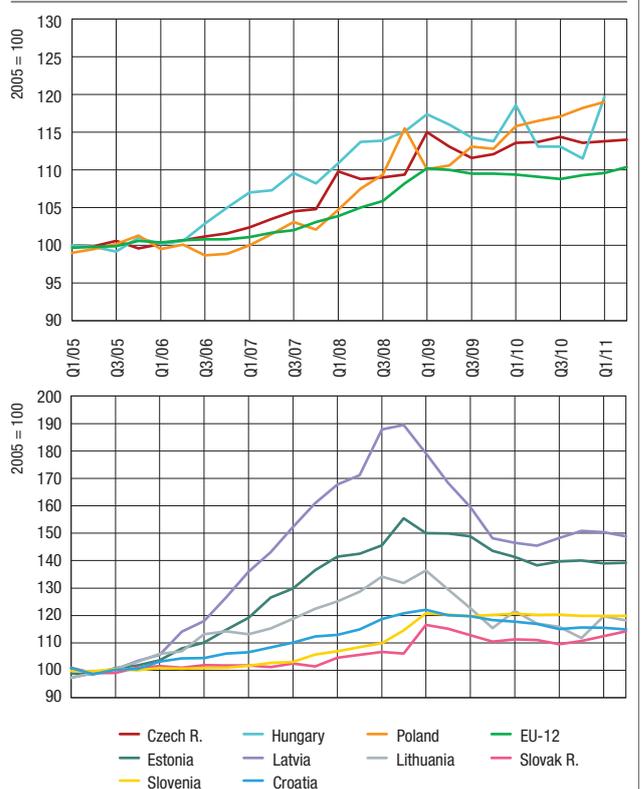
Sources: Eurostat and CNB.

Figure 47 Real effective exchange rate deflated by consumer prices



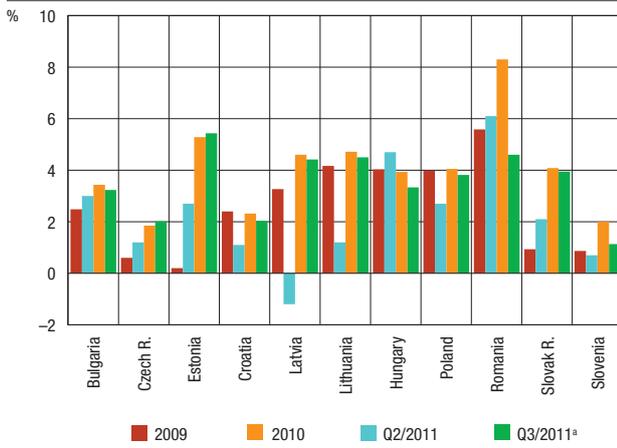
Note: A fall in the index denotes a real effective appreciation. Sources: BIS and CNB.

Figure 48 Nominal unit labour costs



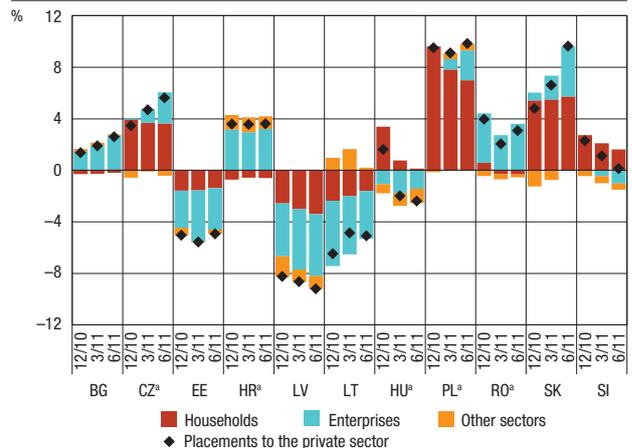
Sources: Eurostat, CBS and CNB calculations.

Figure 49 Consumer price inflation
average year-on-year rate of change



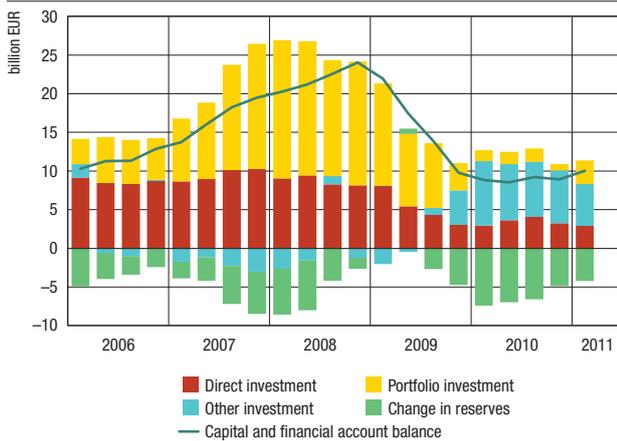
^a Data for the third quarter of 2011 refer to July and August 2011.
Sources: Eurostat and CBS.

Figure 52 Bank placements to the private sector
contribution to the year-on-year rate of change



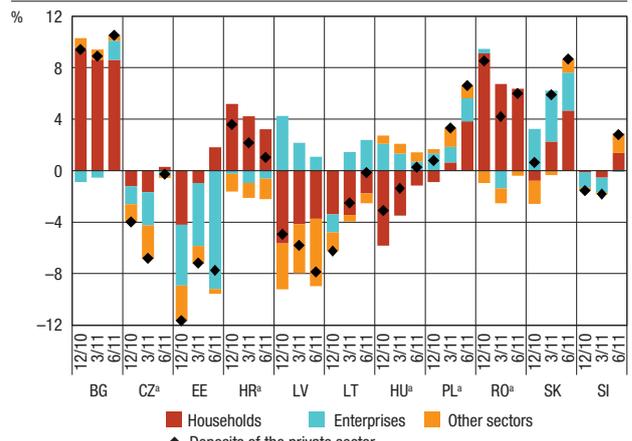
^a Excluding the exchange rate effect.
Source: National central banks.

Figure 50 Total capital inflows in ten Central and Eastern European countries
four-quarter moving average



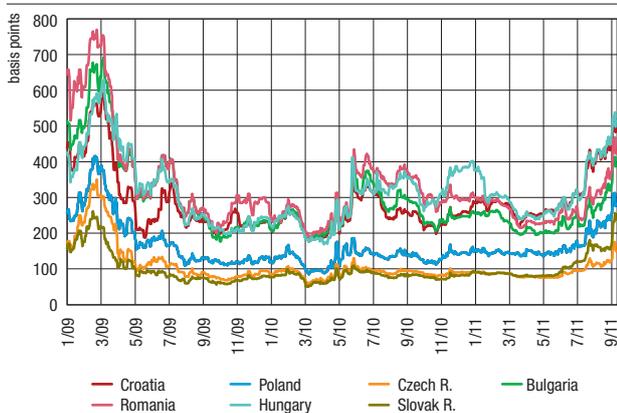
Source: Eurostat.

Figure 53 Deposits of the private sector
contribution to the year-on-year rate of change



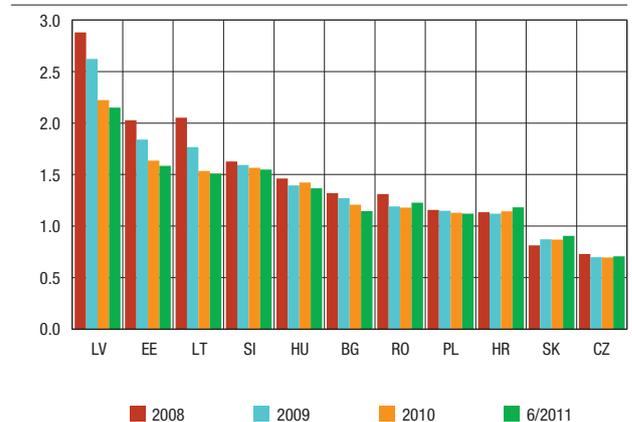
^a Excluding the exchange rate effect.
Source: National central banks.

Figure 51 CDS spreads for 5-year government bonds of selected countries



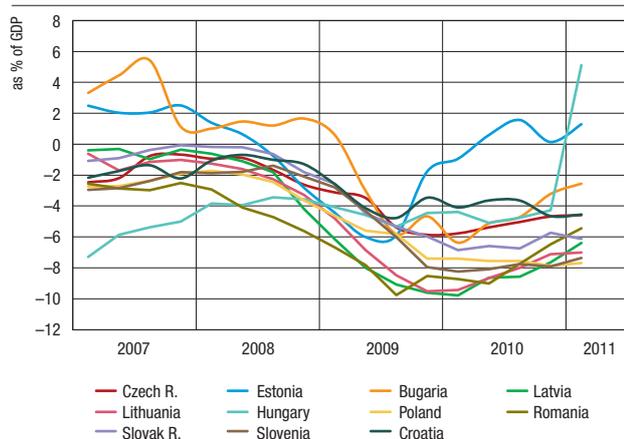
Note: Credit default swaps (CDS) spread is an annual premium that a CDS buyer pays for protection against credit risk associated with an issuer of an instrument.
Source: Bloomberg.

Figure 54 Placement to deposit ratio of the private sector
end of period



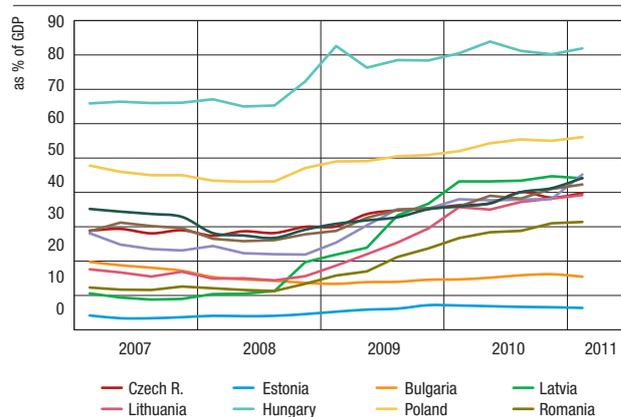
Source: National central banks.

Figure 55 Consolidated general government balance
four-quarter moving sums



Sources: Eurostat, MoF and CNB calculations.

Figure 56 Public debt
end-quarter balance



Sources: Eurostat and CNB.

halted already in the second half of 2010, which was especially noticeable in the Baltic countries, the Czech Republic and Poland, while external imbalances in Bulgaria and Romania continued to decline in early 2011. With the exception of Bulgaria and Romania, most of these countries recorded no significant changes in their balances of payments in the first quarter of 2011, due mainly to a halt in the improvement of the balance of goods. Other balance of payments transactions in the first quarter point to the positive effects on the overall balance produced by trade in services and current transfers, even though the latter decreased markedly in some countries (Poland). In contrast, the factor income account balance declined in most of these countries, primarily reflecting an increased FDI profitability.

The strong recovery of exports of goods in most Central and Eastern European countries in the first quarter of 2011 slowed significantly in the second quarter and even more significantly in July, when demand from old EU member states began to subside. Export growth in the observed countries decelerated from 8.0% in the first quarter to only 0.7% in the following three months, according to seasonally adjusted data, decreasing slightly to -0.7% in July. The slowdown in exports was the most pronounced in Bulgaria, Romania and Hungary. In contrast with Croatian imports, imports of most of the other countries grew at somewhat higher rates than exports in the second quarter, spurred by relatively dynamic domestic demand, although also decelerating from the beginning of the year (1.8% compared with 6.3%). Imports of most of the peer countries decreased in July, at a pace similar to that in Croatia.

The real effective exchange rate based on consumer prices appreciated further in the second quarter of 2011, partly due to cyclical effects and nominal exchange rate appreciation. As in the first quarter, real effective exchange rates based on consumer prices appreciated the most in real terms in Hungary and Romania. At the same time, in Croatia and Slovenia the trend for this indicator to depreciate was halted.

However, export cost competitiveness continued to be supported by trends in nominal unit labour costs, which held steady around the level from late 2009, with a slightly higher increase observed only in Poland and Hungary.

Stemming from an increase in world energy and food prices in the first half of the year, inflationary pressures in Central and Eastern Europe subsided considerably in the third quarter. CPI inflation decelerated in most of the observed countries in the

third quarter and in Romania in particular. Core inflation indicators, mostly determined by domestic factors, primarily personal consumption, profit margins and indirect taxes, remained relatively low in most of the observed countries.

As regards financing, foreign capital inflows, subdued in Central and Eastern Europe ever since the end of 2009, showed almost no signs of recovery in the first quarter of 2011. Only debt financing changed to a small extent, as the private sector debt increased slightly, thus approaching the debt growth of the public sector, which accounted for the bulk of the borrowing during the crisis. However, relative indicators of external debt stagnated in most of the countries and even improved in the most highly indebted countries (the Baltic countries and Hungary). In contrast, the lack of direct investments continued; in most of the countries direct investments were below half the amount reached in the pre-crisis period. Foreign investors, while cautious, were the most inclined to invest in the Baltic countries, Bulgaria and Romania.

The growing uncertainty on the part of foreign investors was reflected in an increase in CDS spreads on government bonds of selected countries. CDS spreads widened for all the observed countries, those for Croatia and Hungary widening the most.

As regards domestic private sector financing, the structure and pace of lending in the observed countries differed considerably in the first half of 2011. Bulgaria, the Czech Republic and Slovakia recorded a stronger recovery in domestic lending, mainly due to corporate lending growth. The corporate sector also accounted for the bulk of demand for loans in Croatia and Romania. Poland continued to have a high annual growth rate of household loans (approximately 10%).

In contrast, lending decelerated markedly from the beginning of the year in Slovenia and Hungary and decreased sharply in the Baltic countries.

Recent private sector deposit trends improved in most of the observed countries. Deposit growth accelerated in Slovakia, Poland, Romania and Bulgaria in the second quarter of 2011 and the decline in deposits ceased in Lithuania, Slovenia and Hungary. In Croatia, however, deposits grew at a decelerated pace ever since the beginning of the year, while the most unfavourable deposit (and loan) trends were observed in two Baltic countries – Estonia and Latvia.

Due to these developments, the private sector's loan to deposit ratio continued to fall in most of the observed countries,

especially in the countries that had a pronounced gap between loans and deposits, i.e. those with the largest pre-crisis credit booms (the Baltic countries). Nevertheless, in almost all of the countries (except in Slovakia and the Czech Republic) the loan to deposit ratio continued to exceed 1, which makes it necessary for these countries to rely on foreign borrowing to finance domestic placements. Against the background of growing uncertainty related to some eurozone countries' debt crisis and the resultant tight financing conditions in international markets, this could constrain the recovery of domestic private sector financing.

The rise in the revenues of general government related to the recovery of economic activity in conjunction with a simultaneous control of expenditure dynamics led in all the countries observed, except in Croatia, to a continuation in the reduction of the budgetary deficit. Bulgaria, Romania and Latvia achieved the largest consolidation, whereas the surplus in Hungary derived from a one-off transfer of part of pension fund assets to the government budget. Although Croatia's cumulative general

government deficit was relatively low in the last four quarters compared with other countries in the region (4.5%), the lack of fiscal consolidation characteristic of countries in the region, but also of more developed European countries, gives cause for concern. As for public debt, it seems that only in Estonia and Bulgaria was a halt made to the rise in general government indebtedness, these two countries in fact standing out for the low level of their debt.

In all other countries, government debt continued to increase. Croatia once again stands out for the severity of adverse changes. At the beginning of 2011, public debt expressed as a percentage of GDP increased in Croatia at an annual level by more than eight percentage points, while the average for the other countries was just a little more than three percentage points. Also worthy of note is that public debt servicing is placing a growing burden on the budgets of the countries under review, not only because of the rising level of debt but also because of the increased costs of borrowing on the international capital market.



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. Institutional sectors are: financial institutions, central government and funds, other domestic sectors and foreign sector.

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

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

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

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

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

Foreign sector includes foreign legal and natural persons.

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

A Monetary and credit aggregates

Table A1 Monetary and credit aggregates

end of period, in million HRK and %

Year	Month	Reserve money	Money M1	Money M1a	Broadest money M4	Net domestic assets	Domestic credit	Monthly rates of growth					
								Reserve money	Money M1	Money M1a	Broadest money M4	Net domestic assets	Domestic credit
1998	December	9,954.2	13,531.4	13,615.2	57,340.3	44,626.8	59,792.0	7.24	6.92	6.59	2.51	3.73	0.25
1999	December ^a	10,310.0	13,858.9	13,965.7	56,659.3	40,003.8	55,875.8	4.53	5.46	5.48	2.28	0.35	-4.58
2000	December	11,717.3	18,030.3	18,256.4	73,061.1	44,043.9	60,883.8	7.32	10.04	9.89	3.66	10.46	2.66
2001	December	17,803.2	23,703.5	23,936.5	106,071.4	57,410.0	74,964.5	8.01	13.00	11.96	11.65	3.40	1.16
2002	December	23,027.9	30,869.8	31,876.7	116,141.8	83,324.4	97,463.7	10.72	6.11	6.79	1.65	7.92	2.15
2003	December	30,586.2	33,888.7	34,630.9	128,893.1	96,121.7	111,661.4	8.90	1.78	1.93	0.14	3.11	0.66
2004	December	33,924.4	34,562.1	35,186.5	139,947.7	108,205.1	127,308.6	8.69	2.86	2.68	0.23	2.15	1.99
2005	December	40,390.8	38,817.1	39,855.4	154,647.0	131,343.2	149,168.3	9.38	4.34	3.87	-0.02	1.84	1.94
2006	December	46,331.2	48,521.0	49,141.7	182,458.6	154,844.1	183,379.5	3.17	4.75	4.07	1.57	3.38	2.99
2007	December	51,923.9	57,878.3	58,663.4	215,822.1	166,375.5	210,828.4	3.73	6.71	6.62	3.95	3.54	2.65
2008	December	49,743.0	55,222.3	56,044.6	225,018.5	183,279.1	232,982.1	-9.89	8.17	8.49	3.17	5.68	1.96
2009	December	56,141.9	47,181.7	47,760.5	223,094.6	178,083.2	231,661.9	4.55	3.13	3.25	-0.23	-0.91	0.10
2010	September	55,881.8	51,734.5	52,434.1	232,683.0	178,595.2	240,940.2	2.15	0.98	0.85	0.47	0.82	-0.02
	October	56,243.4	50,695.8	51,496.0	232,440.6	178,850.5	241,289.8	0.65	-2.01	-1.79	-0.10	0.14	0.15
	November	54,710.8	48,343.0	49,170.1	232,467.4	182,917.1	246,240.0	-2.73	-4.64	-4.52	0.01	2.27	2.05
	December	56,249.1	49,151.7	49,748.5	232,869.6	188,845.0	247,520.2	2.81	1.67	1.18	0.17	3.24	0.52
2011	January	56,847.0	49,467.6	50,086.6	231,800.0	190,919.0	246,211.2	1.06	0.64	0.68	-0.46	1.10	-0.53
	February	57,627.2	49,436.2	50,148.0	231,562.5	192,815.1	247,554.2	1.37	-0.06	0.12	-0.10	0.99	0.55
	March	57,569.9	49,093.2	49,815.0	229,344.9	192,761.5	248,100.5	-0.10	-0.69	-0.66	-0.96	-0.03	0.22
	April	59,632.7	50,362.2	51,258.1	228,898.1	195,543.3	250,233.1	3.58	2.58	2.90	-0.19	1.44	0.86
	May	61,310.3	50,478.9	51,488.7	230,682.4	200,055.9	254,328.8	2.81	0.23	0.45	0.78	2.31	1.64
	June	62,981.2	52,756.8	53,723.4	232,457.5	200,836.6	253,514.2	2.73	4.51	4.34	0.77	0.39	-0.32
	July	57,131.7	53,931.6	54,879.6	236,860.9	198,533.6	258,375.4	-9.29	2.23	2.15	1.89	-1.15	1.92
	August	58,080.3	54,014.2	55,022.2	241,379.1	198,798.8	257,381.7	1.66	0.15	0.26	1.91	0.13	-0.38

^a Domestic credit decreased by a one-off HRK 2,759.4m.

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

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

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

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

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

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

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

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

B Monetary institutions

Table B1 Monetary survey
end of period, in million HRK

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
ASSETS									
1 Foreign assets (net)	27,614.5	49,446.5	41,739.4	45,011.4	44,024.6	36,583.5	31,620.9	38,327.3	42,580.3
2 Domestic credit	200,328.9	226,076.1	254,569.8	253,523.6	272,601.4	276,897.9	286,421.5	286,304.5	286,385.1
2.1 Claims on central government and funds (net)	16,949.4	15,247.7	21,587.7	21,861.7	25,081.2	28,797.5	32,907.3	27,929.1	29,003.4
2.2 Claims on other domestic sectors	181,031.9	207,398.7	231,472.7	229,870.2	244,039.2	244,097.9	249,444.7	253,553.1	252,854.3
2.3 Claims on other banking institutions	1,029.5	1,640.0	441.9	681.7	890.9	1,629.2	1,809.2	1,966.3	1,994.2
2.4 Claims on non-banking financial institutions	1,318.1	1,789.7	1,067.4	1,109.9	2,590.0	2,373.4	2,260.3	2,856.1	2,533.3
Total (1+2)	227,943.3	275,522.6	296,309.2	298,534.9	316,626.0	313,481.4	318,042.4	324,631.8	328,965.4
LIABILITIES									
1 Money	48,521.0	57,878.3	55,222.3	47,181.7	49,151.7	49,093.2	52,756.8	53,931.6	54,014.2
2 Savings and time deposits	44,836.8	53,644.9	50,070.3	39,139.4	34,823.4	36,530.2	37,812.9	37,981.9	39,614.8
3 Foreign currency deposits	88,256.7	103,090.1	117,194.8	135,410.6	147,557.1	142,502.6	140,739.0	143,185.3	145,760.0
4 Bonds and money market instruments	844.1	1,208.8	2,531.1	1,362.8	1,337.4	1,219.0	1,148.8	1,762.2	1,990.1
5 Restricted and blocked deposits	2,504.5	2,280.9	3,094.2	2,598.3	2,389.0	2,749.4	2,784.2	2,800.8	3,067.9
6 Other items (net)	42,980.2	57,419.6	68,196.5	72,842.0	81,367.5	81,387.0	82,800.7	84,970.1	84,518.4
Total (1+2+3+4+5+6)	227,943.3	275,522.6	296,309.2	298,534.9	316,626.0	313,481.4	318,042.4	324,631.8	328,965.4

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

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

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

Money is the sum of currency outside banks, deposits by

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

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

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

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

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

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

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

	2006	2007	2008	2009	2010	2011			
	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Jun.	Jul.	Aug.
5.2 CNB bills in f/c	-	-	-	-	-	-	-	-	-
6 Capital accounts	5,408.8	6,664.5	9,562.4	11,151.3	13,090.1	12,032.9	11,894.8	12,962.3	13,181.5
7 Other items (net)	-515.8	-665.6	-707.1	-735.9	-792.9	-803.1	-829.5	-831.5	-835.5
Total (1+2+3+4+5+6+7)	68,064.6	72,425.1	66,885.8	75,828.3	78,745.2	84,358.8	84,243.4	83,724.1	83,818.6

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

D Banks

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

	2006	2007	2008	2009	2010	2011				
	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Jun.	Jul.	Aug.	
ASSETS										
1 Reserves with the CNB	48,384.7	50,178.9	40,705.6	45,902.1	45,759.6	47,358.7	51,176.6	44,067.8	45,231.3	
1.1 In kuna	31,814.1	35,929.1	32,700.5	40,860.4	40,986.4	42,571.5	46,201.2	39,057.9	40,266.1	
1.2 In f/c	16,570.6	14,249.8	8,005.1	5,041.7	4,773.2	4,787.1	4,975.4	5,009.8	4,965.2	
2 Foreign assets	39,621.2	46,438.5	50,246.6	49,577.0	47,245.4	38,042.0	38,420.2	41,390.7	42,405.2	
3 Claims on central government and funds	27,936.8	28,971.5	37,801.1	44,249.5	50,307.6	57,151.9	55,542.0	54,549.8	54,913.1	
4 Claims on other domestic sectors	180,967.8	207,330.7	231,408.6	229,866.1	244,035.4	244,094.2	249,441.1	253,549.5	252,850.7	
4.1 Claims on local government	1,892.0	2,140.8	2,077.4	2,074.2	2,412.8	2,547.0	2,411.9	2,552.0	2,685.7	
4.2 Claims on enterprises	83,386.5	92,265.1	102,779.8	104,898.1	114,089.7	115,699.3	119,107.2	120,599.2	120,717.8	
4.3 Claims on households	95,689.3	112,924.9	126,551.4	122,893.7	127,532.9	125,847.9	127,921.9	130,398.3	129,447.2	
5 Claims on other banking institutions	1,029.5	1,640.0	441.9	681.7	890.9	1,629.2	1,809.2	1,966.3	1,994.2	
6 Claims on non-banking financial institutions	1,318.1	1,789.7	1,067.4	1,109.9	2,590.0	2,373.4	2,260.3	2,856.1	2,533.3	
Total (1+2+3+4+5+6)	299,258.1	336,349.4	361,671.2	371,386.3	390,829.0	390,649.4	398,649.4	398,380.0	399,927.6	
LIABILITIES										
1 Demand deposits	33,911.7	41,870.8	38,171.2	31,899.6	33,888.9	34,095.0	35,973.9	35,859.3	36,209.7	
2 Savings and time deposits	44,836.8	53,644.9	50,070.3	39,139.4	34,823.4	36,530.2	37,812.9	37,981.9	39,614.8	
3 Foreign currency deposits	88,256.7	103,090.1	117,194.8	135,410.6	147,557.1	142,502.6	140,739.0	143,185.3	145,760.0	
4 Bonds and money market instruments	844.1	1,208.8	2,531.1	1,362.8	1,337.4	1,219.0	1,148.8	1,762.2	1,990.1	
5 Foreign liabilities	76,076.0	65,152.6	75,296.1	80,365.3	81,940.4	85,795.9	91,026.0	86,771.0	83,627.0	
6 Central government and funds' deposits	10,800.4	13,525.8	16,007.5	18,219.3	19,870.3	17,651.8	17,484.2	17,249.4	17,527.0	
7 Credit from central bank	3,911.4	4,178.3	14.0	13.5	12.9	12.8	12.6	12.6	12.6	
8 Restricted and blocked deposits	2,447.6	2,252.3	3,038.4	2,548.4	2,328.3	2,685.0	2,713.7	2,720.7	3,023.9	
9 Capital accounts	40,805.1	53,178.9	60,317.4	66,306.4	71,826.9	73,433.2	74,679.2	75,462.8	75,609.0	
10 Other items (net)	-2,631.7	-1,753.2	-969.7	-3,879.1	-2,756.6	-3,276.0	-2,940.8	-2,625.0	-3,446.4	
Total (1+2+3+4+5+6+7+8+9+10)	299,258.1	336,349.4	361,671.2	371,386.3	390,829.0	390,649.4	398,649.4	398,380.0	399,927.6	

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Capital accounts are share capital, profit or loss for the

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

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

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

Table D2 Banks' foreign assets
end of period, in million HRK

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Foreign assets in f/c	39,454.5	45,837.2	49,705.1	49,230.3	46,920.2	37,742.4	38,117.1	41,031.6	41,586.0
1.1 Claims on foreign financial institutions	30,404.1	37,824.9	38,038.3	34,186.6	32,069.1	24,866.3	23,998.3	28,968.7	30,585.8
Foreign currencies	1,232.1	1,245.5	1,973.2	1,772.6	1,628.4	1,558.7	2,105.1	2,376.0	2,164.0
Demand deposits	870.1	1,305.2	2,109.8	1,338.7	1,584.7	1,317.2	1,928.9	2,004.8	1,651.8
Time and notice deposits	23,509.4	31,726.1	31,444.5	29,254.5	26,728.1	19,814.1	17,993.1	21,484.3	23,719.5
Securities	4,441.5	3,210.4	2,307.1	1,629.0	1,896.5	2,028.4	1,823.7	2,973.5	2,919.3
Loans and advances	339.2	195.9	166.3	117.6	170.1	87.6	89.4	71.4	72.4
Shares and participations	11.8	141.9	37.4	74.2	61.3	60.4	58.0	58.8	58.9
1.2 Claims on foreign non-banks	9,050.4	8,012.3	11,666.8	15,043.7	14,851.2	12,876.1	14,118.8	12,062.9	11,000.2
Claims on foreign governments	8,217.0	6,696.1	9,976.8	13,477.2	13,047.3	10,900.6	11,650.9	9,555.9	8,848.5
Claims on other non-residents	798.1	1,295.2	1,613.5	1,534.5	1,785.9	1,932.1	2,421.3	2,459.7	2,102.1
Securities	141.5	180.9	235.1	205.4	131.0	80.9	55.1	56.5	47.5
Loans and advances	656.6	1,114.3	1,378.4	1,329.1	1,654.9	1,851.3	2,366.2	2,403.2	2,054.6
Shares and participations	35.3	20.9	76.5	32.0	17.9	43.3	46.7	47.3	49.6
2 Foreign assets in kuna	166.7	601.3	541.5	346.7	325.2	299.6	303.1	359.1	819.2
2.1 Claims on foreign financial institutions	96.9	408.1	144.1	86.3	72.4	59.6	64.0	114.8	570.2
2.2 Claims on foreign non-banks	69.8	193.3	397.4	260.3	252.8	240.0	239.1	244.3	249.0
o/w: Loans and advances	69.2	192.7	396.8	260.0	252.5	239.7	238.8	244.0	248.7
Total (1+2)	39,621.2	46,438.5	50,246.6	49,577.0	47,245.4	38,042.0	38,420.2	41,390.7	42,405.2

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

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 In kuna	22,703.0	24,081.8	24,901.6	24,461.9	28,491.6	30,471.0	29,137.3	31,171.1	30,594.7
1.1 Claims on central government	18,361.2	19,057.3	19,899.5	19,230.6	21,461.5	23,320.1	22,232.5	24,218.6	23,717.1
Securities	14,546.7	16,099.8	16,969.0	16,305.4	17,752.1	18,646.9	18,199.4	20,151.3	19,646.3
o/w: Bonds (c'part to f/c savings deposits)	8.3	6.4	6.1	5.2	6.7	6.2	5.6	6.0	5.9
Loans and advances	3,814.5	2,957.5	2,930.4	2,925.1	3,709.4	4,673.3	4,033.1	4,067.4	4,070.8
1.2 Claims on central government funds	4,341.9	5,024.5	5,002.1	5,231.3	7,030.2	7,150.8	6,904.8	6,952.5	6,877.6
Securities	–	–	6.1	–	–	–	–	–	–
Loans and advances	4,341.9	5,024.5	4,996.1	5,231.3	7,030.2	7,150.8	6,904.8	6,952.5	6,877.6
2 In f/c	5,233.8	4,889.7	12,899.5	19,787.7	21,815.9	26,680.9	26,404.7	23,378.6	24,318.4
2.1 Claims on central government	4,624.4	4,388.6	9,843.6	14,793.1	14,901.3	20,114.9	19,862.0	16,786.6	16,985.2
Securities	429.0	268.4	300.7	234.7	207.7	207.6	347.3	1,163.7	1,333.4
Loans and advances	4,195.4	4,120.1	9,542.9	14,558.4	14,693.5	19,907.3	19,514.7	15,622.8	15,651.8
2.2 Claims on central government funds	609.4	501.2	3,055.9	4,994.6	6,914.7	6,566.1	6,542.7	6,592.1	7,333.2
Securities	109.2	82.1	50.9	52.0	84.7	85.3	84.8	85.5	85.7
Loans and advances	500.2	419.1	3,005.1	4,942.6	6,830.0	6,480.8	6,457.9	6,506.6	7,247.5
Total (1+2)	27,936.8	28,971.5	37,801.1	44,249.5	50,307.6	57,151.9	55,542.0	54,549.8	54,913.1

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Claims in kuna	166,755.1	194,476.7	216,530.8	211,273.4	221,988.6	221,959.2	227,301.0	231,240.6	230,409.3
1.1 Money market instruments	1,980.7	2,147.4	2,674.5	2,040.2	1,873.2	1,934.5	2,008.9	1,986.3	1,958.3
1.2 Bonds	1,088.8	1,366.0	1,341.4	1,691.0	1,702.7	1,655.0	1,684.3	1,692.0	1,690.8
1.3 Loans and advances	161,694.2	188,462.5	210,424.0	205,279.3	215,923.2	215,898.3	220,037.3	223,974.9	223,168.9
1.4 Shares and participations	1,991.4	2,500.8	2,090.8	2,262.9	2,489.5	2,471.4	3,570.5	3,587.4	3,591.1
2 Claims in f/c	14,212.8	12,854.0	14,877.8	18,592.7	22,046.8	22,134.9	22,140.1	22,308.8	22,441.4
2.1 Securities	221.1	249.2	109.3	441.1	105.7	144.2	180.6	160.8	214.8
2.2 Loans and advances	13,991.6	12,604.9	14,768.5	18,151.7	21,941.1	21,990.7	21,959.5	22,148.0	22,226.7
Total (1+2)	180,967.8	207,330.7	231,408.6	229,866.1	244,035.4	244,094.2	249,441.1	253,549.5	252,850.7

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011				
						Mar.	Jun.	Jul.	Aug.	
LOANS IN KUNA										
1 Loans to central government and funds	8,156.4	7,982.0	7,926.5	8,156.4	10,739.6	11,824.1	10,937.9	11,019.9	10,948.4	
1.1 Loans to central government	3,814.5	2,957.5	2,930.4	2,925.1	3,709.4	4,673.3	4,033.1	4,067.4	4,070.8	
1.2 Loans to central government funds	4,341.9	5,024.5	4,996.1	5,231.3	7,030.2	7,150.8	6,904.8	6,952.5	6,877.6	
2 Loans to local government	1,720.3	1,867.5	1,786.9	1,795.4	2,168.1	2,305.1	2,145.6	2,288.4	2,421.6	
3 Loans to enterprises	64,666.3	74,001.7	82,431.7	80,913.1	86,564.6	88,097.7	90,321.6	91,640.0	91,643.0	
4 Loans to households	95,307.6	112,593.3	126,205.3	122,570.8	127,190.5	125,495.5	127,570.1	130,046.4	129,104.4	
o/w: Housing loans	36,927.3	45,218.6	52,305.5	52,949.4	57,984.0	56,863.4	58,853.7	60,653.2	60,009.5	
5 Loans to other banking institutions	304.4	213.6	36.1	236.5	293.2	735.2	556.4	737.6	781.3	
6 Loans to non-banking financial institutions	854.4	947.6	741.4	689.0	2,063.0	1,938.4	1,770.6	2,370.0	2,071.1	
A Total (1+2+3+4+5+6)	171,009.4	197,605.7	219,128.0	214,361.3	229,018.9	230,396.1	233,302.1	238,102.2	236,969.7	
LOANS IN F/C										
1 Loans to central government and funds	4,695.6	4,539.2	12,548.0	19,501.0	21,523.5	26,388.1	25,972.6	22,129.4	22,899.2	
1.1 Loans to central government	4,195.4	4,120.1	9,542.9	14,558.4	14,693.5	19,907.3	19,514.7	15,622.8	15,651.8	
1.2 Loans to central government funds	500.2	419.1	3,005.1	4,942.6	6,830.0	6,480.8	6,457.9	6,506.6	7,247.5	
2 Loans to local government	11.3	8.7	5.5	3.0	0.5	0.4	0.4	0.4	0.4	
3 Loans to enterprises	13,598.5	12,264.5	14,416.8	17,825.7	21,598.3	21,637.9	21,607.3	21,795.8	21,883.5	
4 Loans to households	381.8	331.6	346.1	323.0	342.4	352.4	351.8	351.9	342.8	
5 Loans to other banking institutions	68.1	74.0	1.2	31.0	0.6	83.2	62.6	28.7	10.1	
6 Loans to non-banking financial institutions	360.5	668.0	143.5	269.4	341.3	242.2	297.1	299.6	274.7	
B Total (1+2+3+4+5+6)	19,115.9	17,886.0	27,461.1	37,953.0	43,806.5	48,704.2	48,291.8	44,605.8	45,410.7	
TOTAL (A+B)	190,125.3	215,491.7	246,589.1	252,314.3	272,825.4	279,100.3	281,593.9	282,708.0	282,380.4	

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Local government	1,803.8	2,689.4	2,441.1	1,377.7	1,303.3	1,206.2	1,151.0	1,209.7	1,397.9
2 Enterprises	16,668.6	19,599.3	16,896.1	14,893.1	15,860.4	15,959.6	16,129.8	16,780.5	16,839.2
3 Households	14,257.8	17,896.7	17,620.1	14,218.6	15,581.9	15,220.4	16,004.5	16,354.2	16,648.6
4 Other banking institutions	485.1	481.1	293.6	517.1	347.5	633.0	1,439.1	548.6	224.6
5 Non-banking financial institutions	697.6	1,205.2	921.1	893.4	796.0	1,075.8	1,249.6	966.3	1,099.5
6 Less: Checks of other banks and checks in collection	-1.2	-0.9	-0.7	-0.3	-0.2	-0.1	-0.1	-0.1	-0.1
Total (1+2+3+4+5+6)	33,911.7	41,870.8	38,171.2	31,899.6	33,888.9	34,095.0	35,973.9	35,859.3	36,209.7

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

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Savings deposits	2,905.6	3,086.1	2,770.3	2,523.1	2,503.2	2,418.4	2,459.0	2,535.2	2,568.0
1.1 Local government	2.8	2.5	0.0	0.0	0.1	5.9	5.7	5.7	2.0
1.2 Enterprises	110.3	154.7	108.8	203.7	318.9	299.6	351.1	424.8	459.9
1.3 Households	2,792.4	2,929.0	2,657.7	2,268.9	2,167.4	2,101.6	2,083.2	2,088.0	2,091.2
1.4 Other banking institutions	–	–	–	5.0	–	–	–	–	–
1.5 Non-banking financial institutions	0.0	–	3.7	45.5	16.9	11.3	19.0	16.7	15.0
2 Time and notice deposits	41,931.3	50,558.8	47,300.1	36,616.3	32,320.2	34,111.8	35,353.9	35,446.7	37,046.8
2.1 Local government	491.8	549.5	726.0	498.8	355.2	691.5	686.8	681.4	704.1
2.2 Enterprises	14,715.4	18,414.8	16,268.0	11,559.0	8,933.3	9,153.9	9,117.2	9,779.9	10,746.3
2.3 Households	20,755.0	20,479.1	22,721.6	16,910.7	17,188.1	17,840.3	17,810.6	17,987.1	17,967.1
2.4 Other banking institutions	2,697.9	6,386.5	2,563.4	3,039.8	2,448.8	3,166.0	4,433.4	4,213.7	4,615.2
2.5 Non-banking financial institutions	3,271.3	4,728.9	5,021.1	4,608.1	3,394.8	3,260.1	3,305.9	2,784.7	3,014.1
Total (1+2)	44,836.8	53,644.9	50,070.3	39,139.4	34,823.4	36,530.2	37,812.9	37,981.9	39,614.8

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Savings deposits	22,698.6	22,845.0	21,262.2	20,781.0	22,906.1	21,589.9	23,008.1	23,025.9	23,894.5
1.1 Local government	30.8	27.5	22.1	25.5	15.8	16.3	15.5	17.1	16.6
1.2 Enterprises	4,589.7	5,543.6	5,132.0	5,053.6	5,738.5	5,445.5	6,419.9	5,590.3	6,015.4
1.3 Households	17,609.9	16,720.8	15,682.8	15,148.7	16,313.0	15,712.9	16,008.6	16,579.2	17,155.2
1.4 Other banking institutions	276.7	251.7	121.4	150.4	268.5	196.7	229.1	188.2	140.4
1.5 Non-banking financial institutions	191.4	301.5	303.9	402.9	570.2	218.5	335.0	651.0	567.0
2 Time deposits	65,558.1	80,245.1	95,932.6	114,629.6	124,651.0	120,912.7	117,730.9	120,159.5	121,865.5
2.1 Local government	1.9	2.1	2.3	2.5	2.3	2.2	2.9	2.2	3.7
2.2 Enterprises	7,086.2	10,391.9	11,215.5	13,516.9	15,097.8	11,854.3	9,683.9	10,759.8	11,439.9
2.3 Households	57,210.8	66,465.7	80,419.6	95,598.0	104,621.4	105,146.9	105,083.1	106,671.3	107,479.2
2.4 Other banking institutions	366.2	1,038.6	808.2	663.0	1,384.1	952.6	809.2	781.5	864.9
2.5 Non-banking financial institutions	892.9	2,346.8	3,487.0	4,849.1	3,545.4	2,956.7	2,151.8	1,944.6	2,077.8
Total (1+2)	88,256.7	103,090.1	117,194.8	135,410.6	147,557.1	142,502.6	140,739.0	143,185.3	145,760.0

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Money market instruments (net)	0.8	0.8	0.8	0.8	–	–	–	–	–
2 Bonds (net)	340.9	632.0	609.5	765.3	1,016.7	921.8	959.8	1,601.4	1,678.1
3 Other domestic borrowing	502.5	576.0	1,920.8	596.7	320.7	297.1	189.0	160.8	312.1
3.1 Local government	–	–	–	–	–	–	–	–	–
3.2 Enterprises	0.0	152.9	3.5	4.6	2.4	1.8	1.5	1.8	1.8
3.3 Other banking institutions	492.8	266.4	1,719.2	551.8	318.1	295.3	187.5	159.0	310.3
3.4 Non-banking financial institutions	9.6	156.6	198.0	40.4	0.1	–	–	–	–
Total (1+2+3)	844.1	1,208.8	2,531.1	1,362.8	1,337.4	1,219.0	1,148.8	1,762.2	1,990.1

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

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

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Foreign liabilities in f/c	55,114.3	48,461.3	54,726.8	60,046.7	58,715.8	63,439.7	67,454.4	63,531.9	61,998.6
1.1 Liabilities to foreign financial institutions	48,561.3	41,483.1	47,878.5	51,702.3	48,789.0	53,551.7	57,414.1	53,420.2	51,904.7
Demand deposits	195.0	258.8	176.6	221.0	208.3	197.0	175.1	187.4	234.2
Time and notice deposits	12,174.1	10,562.9	14,016.4	21,945.8	20,188.9	24,198.9	25,111.8	22,073.3	22,518.9
Loans and advances	32,903.9	27,373.0	30,408.3	29,535.4	28,391.9	29,155.8	32,127.2	31,159.5	29,151.6
o/w: Subordinated and hybrid instruments	820.7	405.9	1,585.1	2,000.7	2,079.8	2,013.7	2,229.9	2,273.3	2,265.4
Bonds	3,288.3	3,288.4	3,277.1	–	–	–	–	–	–
1.2 Liabilities to foreign non-banks	6,553.0	6,978.2	6,848.4	8,344.4	9,926.7	9,887.9	10,040.4	10,111.7	10,093.8
Savings and time deposits	6,192.4	6,729.9	6,719.0	8,336.3	9,909.3	9,871.1	10,023.9	10,094.9	10,077.1
Sight deposits	1,635.8	1,537.2	1,374.5	1,267.8	1,434.3	1,357.9	1,571.9	1,547.4	1,490.8
Time and notice deposits	4,556.7	5,192.7	5,344.6	7,068.6	8,475.0	8,513.2	8,452.0	8,547.5	8,586.3
Loans and advances	360.5	248.3	129.3	8.0	17.5	16.8	16.5	16.8	16.8
o/w: Subordinated and hybrid instruments	–	–	–	–	11.1	11.1	11.1	11.2	11.2
2 Foreign liabilities in kuna	20,961.8	16,691.3	20,569.2	20,318.6	23,224.6	22,356.2	23,571.6	23,239.0	21,628.4
2.1 Liabilities to foreign financial institutions	20,087.0	16,093.8	20,061.0	19,943.0	22,817.7	21,887.3	23,113.6	22,778.4	21,152.8
Demand deposits	1,438.1	519.0	898.1	359.1	696.3	614.2	947.3	888.3	602.9
Time and notice deposits	11,198.8	11,423.7	15,014.2	14,654.3	15,963.5	15,344.9	17,486.8	17,153.1	15,848.3
Loans and advances	7,450.2	4,151.2	4,148.8	4,929.6	6,158.0	5,928.2	4,679.4	4,736.9	4,701.6
o/w: Subordinated and hybrid instruments	404.0	0.4	–	749.2	899.0	862.4	943.1	995.9	968.8
2.2 Liabilities to foreign non-banks	874.8	597.5	508.2	375.7	406.8	468.9	458.0	460.7	475.6
Demand deposits	170.1	253.2	257.0	222.8	250.3	304.4	298.2	293.7	318.0
Time and notice deposits	703.3	340.6	245.7	144.4	148.0	150.0	151.3	153.8	144.5
Loans and advances	1.4	3.7	5.5	8.5	8.5	14.5	8.5	13.1	13.1
o/w: Subordinated and hybrid instruments	1.4	3.7	5.5	8.5	8.5	14.5	8.5	13.1	13.1
Total (1+2)	76,076.0	65,152.6	75,296.1	80,365.3	81,940.4	85,795.9	91,026.0	86,771.0	83,627.0

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

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

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

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 In kuna	9,030.0	11,535.0	14,185.1	15,124.1	16,089.9	15,701.7	15,512.8	15,372.4	15,621.1
1.1 Central government deposits	497.5	666.4	429.5	356.6	806.8	734.9	674.1	652.1	671.2
Demand deposits	366.2	454.9	176.7	189.3	306.0	411.2	470.6	473.4	492.4
Savings deposits	2.1	1.2	1.1	0.6	0.5	0.6	0.5	0.5	0.5
Time and notice deposits	128.1	209.3	251.6	166.7	485.3	308.1	187.9	173.2	173.3
Loans and advances	1.0	1.0	–	–	15.0	15.0	15.0	5.0	5.0
1.2 Central government funds' deposits	8,532.6	10,868.6	13,755.5	14,767.5	15,283.1	14,966.8	14,838.7	14,720.2	14,949.9
Demand deposits	254.6	330.1	645.6	389.5	290.9	310.6	497.6	474.7	516.1
Savings deposits	14.6	2.4	0.0	0.3	0.0	0.0	–	–	–
Time and notice deposits	496.7	413.6	385.8	410.8	329.0	511.4	562.3	407.0	509.9
Loans and advances	7,766.7	10,122.4	12,724.1	13,966.9	14,663.3	14,144.7	13,778.9	13,838.5	13,923.9
2 In f/c	1,770.4	1,990.8	1,822.5	3,095.2	3,780.4	1,950.1	1,971.4	1,877.1	1,905.9
2.1 Central government deposits	811.7	759.4	1,122.5	1,088.3	1,656.1	1,631.6	1,645.2	1,708.5	1,553.1
Savings deposits	264.8	527.4	666.8	716.8	993.9	875.5	852.9	754.0	710.8
Time and notice deposits	275.0	49.7	330.0	309.4	662.0	755.9	792.1	954.3	842.1
Refinanced loans and advances	271.9	182.3	125.7	62.2	0.2	0.2	0.2	0.2	0.2
2.2 Central government funds' deposits	958.6	1,231.4	699.9	2,006.9	2,124.3	318.6	326.2	168.5	352.8
Savings deposits	93.4	85.7	107.1	106.6	90.2	183.5	171.4	123.8	91.3
Time and notice deposits	356.2	153.8	519.6	256.4	601.3	135.1	154.9	44.7	186.8
Loans and advances	509.0	991.8	73.2	1,643.9	1,432.7	–	–	–	74.7
Total (1+2)	10,800.4	13,525.8	16,007.5	18,219.3	19,870.3	17,651.8	17,484.2	17,249.4	17,527.0

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

Kuna and foreign currency deposits by the Republic of

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

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

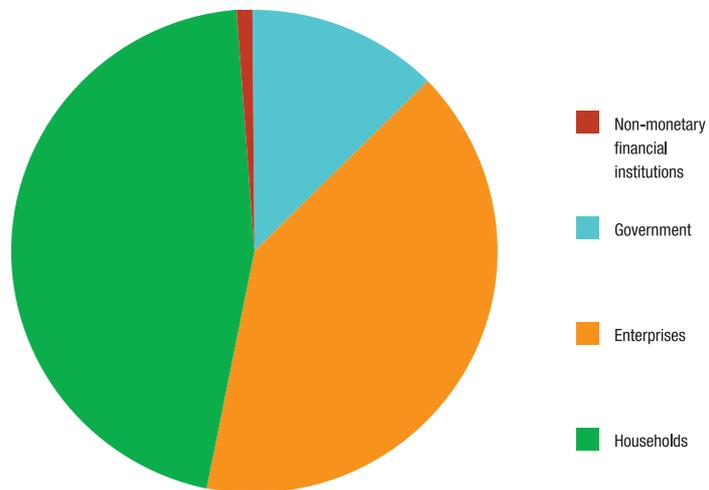
	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
1 Restricted deposits	2,447.6	2,252.3	3,038.4	2,548.4	2,328.3	2,685.0	2,713.7	2,720.7	3,023.9
1.1 In kuna	1,427.0	1,322.8	1,478.8	1,366.0	1,428.9	1,448.6	1,583.1	1,560.8	1,603.0
1.2 In f/c	1,020.5	929.5	1,559.6	1,182.5	899.4	1,236.4	1,130.6	1,159.9	1,421.0
2 Blocked f/c deposits of households	–	–	–	–	–	–	–	–	–
Total (1+2)	2,447.6	2,252.3	3,038.4	2,548.4	2,328.3	2,685.0	2,713.7	2,720.7	3,023.9

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

Blocked foreign currency deposits include households'

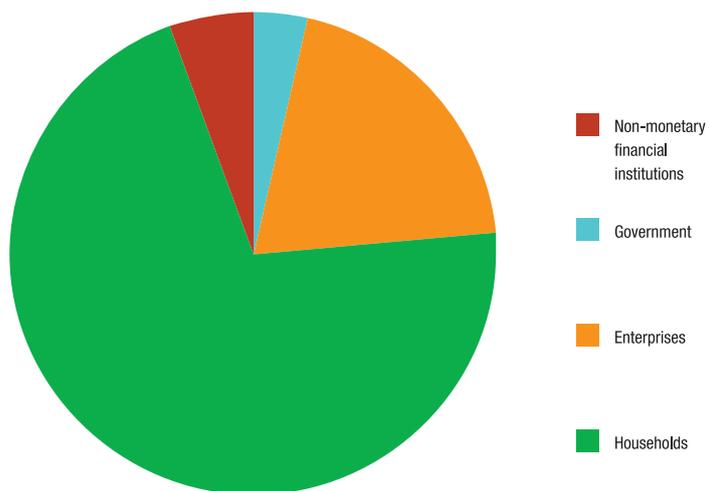
foreign currency deposits, regulated by the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia.

Figure D1

Distribution of banks' loans by domestic institutional sectors

August 2011

Figure D2

Distribution of banks' deposits by domestic institutional sectors

August 2011

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

E Housing savings banks

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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.	2011			
						Mar.	Jun.	Jul.	Aug.
ASSETS									
1 Reserves with the CNB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Claims on central government and funds	4,674.8	4,036.5	3,395.5	3,137.9	3,315.9	3,457.4	3,406.0	3,370.8	3,377.5
3 Claims on other domestic sectors	1,296.0	2,220.4	2,857.9	2,979.1	2,987.3	2,983.0	3,130.0	3,312.2	3,340.4
o/w: Claims on households	1,296.0	2,220.4	2,857.9	2,979.1	2,987.3	2,983.0	3,130.0	3,312.2	3,340.4
4 Claims on banks	181.4	133.6	533.7	294.8	258.5	621.4	701.4	698.1	674.4
5 Claims on other banking institutions	-	-	-	-	-	-	-	-	-
Total (1+2+3+4+5)	6,152.3	6,390.5	6,787.1	6,411.7	6,561.8	7,061.8	7,237.5	7,381.1	7,392.4
LIABILITIES									
1 Time deposits	5,803.6	6,037.9	6,297.6	5,711.8	5,791.5	5,814.4	5,778.5	5,831.1	5,853.5
2 Bonds and money market instruments	61.7	40.1	91.5	230.8	279.7	727.3	673.8	761.8	735.6
3 Capital accounts	244.7	303.0	390.6	478.1	512.1	533.8	544.5	542.9	543.4
4 Other items (net)	42.2	9.6	7.4	-8.9	-21.5	-13.6	240.7	245.4	259.9
Total (1+2+3+4)	6,152.3	6,390.5	6,787.1	6,411.7	6,561.8	7,061.8	7,237.5	7,381.1	7,392.4

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

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

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

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

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

Claims on other banking institutions include investments in investment funds.

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

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

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

F Monetary policy instruments and liquidity

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

Year	Month	CNB discount rate	CNB repo rate ^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
1	2	3	4	5	6	7	8	9	10
1998	December	5.90	–	12.00	19.00	7.00	14.00	19.00	18.00
1999	December	7.90	–	13.00	19.00	–	14.00	19.00	18.00
2000	December	5.90	–	12.00	18.00	–	13.00	18.00	18.00
2001	December	5.90	–	10.00	–	–	11.00	15.00	18.00
2002	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2003	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2004	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2005	December	4.50	3.50	7.50 ^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	15.00
2009	December	9.00	–	9.00	–	–	10.00	15.00	15.00
2010	September	9.00	–	9.00	–	–	10.00	15.00	15.00
	October	9.00	–	9.00	–	–	10.00	15.00	15.00
	November	9.00	–	9.00	–	–	10.00	15.00	15.00
	December	9.00	–	9.00	–	–	10.00	15.00	15.00
2011	January	9.00	–	9.00	–	–	10.00	15.00	15.00
	February	9.00	–	9.00	–	–	10.00	15.00	15.00
	March	9.00	–	9.00	–	–	10.00	15.00	15.00
	April	9.00	–	9.00	–	–	10.00	15.00	15.00
	May	9.00	–	9.00	–	–	10.00	15.00	15.00
	June	7.00 ^e	–	9.00	–	–	10.00	15.00	15.00
	July	7.00	–	9.00	–	–	10.00	15.00	15.00
	August	7.00	–	9.00	–	–	10.00	15.00	15.00

^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 23 June 2011.

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
1998	December	5.90	–	–	9.50	10.50	11.00	–	4.60	3.12	3.08	–	–
1999	December	5.90	–	–	10.50	11.55	12.50	–	4.83	3.56	–	–	–
2000	December	4.50	–	–	6.65	7.00	7.70	–	5.51	4.83	–	–	–
2001	December	2.00	–	–	3.36	4.26	4.85	–	2.62	3.06	–	–	–
2002	December	1.75	–	–	2.08	–	–	2.30	2.68	–	–	–	–
2003	December	1.25	0.50	–	–	–	–	1.75	1.48	–	–	–	–
2004	December	1.25	–	–	–	–	–	–	–	–	–	–	–
2005	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2006	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2007	December	0.75	0.75	–	–	–	–	–	–	–	–	–	0.50
2008	December	0.75	0.25	–	–	–	–	–	–	–	–	–	0.50
2009	December	0.75	0.25	–	–	–	–	–	–	–	–	–	0.50
2010	September	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	October	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	November	0.75	–	–	–	–	–	–	–	–	–	–	0.50
	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2011	January	0.25 ^b	–	–	–	–	–	–	–	–	–	–	0.50
	February	0.25	–	–	–	–	–	–	–	–	–	–	0.50
	March	– ^c	–	–	–	–	–	–	–	–	–	–	0.25 ^c
	April	–	–	–	–	–	–	–	–	–	–	–	0.25
	May	–	–	–	–	–	–	–	–	–	–	–	0.25
	June	–	–	–	–	–	–	–	–	–	–	–	0.25
	July	–	–	–	–	–	–	–	–	–	–	–	0.25
	August	–	–	–	–	–	–	–	–	–	–	–	0.25

^a Breaks in the series of data are explained in notes on methodology. ^b Since 6 January 2011. ^c Since 19 March 2011.

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

Interest rates paid by the CNB for appropriated statutory reserve funds are set by a decision of the Council of the Croatian National Bank. Until April 2005, the appropriated statutory reserve funds included the calculated statutory reserve funds that were deposit in a special statutory reserve account with the CNB, or maintained (in average) in banks' settlement accounts, or deposited in a special account with the CNB for the settlement of net positions in the National Clearing System (NCS). From April 2005, they include the calculated statutory reserve funds allocated to a special statutory reserve account with the CNB. 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, reserve requirements in kuna and in foreign currency were unified, i.e. reserve requirements rate, periods for calculating, allocating

Table F3 Banks' reserve requirements

daily averages and percentages, in million HRK and %

Year	Month	Weighted average res. requirement in % on res. base	Reserve requirement (RR)			Other obligatory deposits with the CNB	Statutory reserves deposited with the CNB		Weighted avg. remuneration rate on immobilised funds in kuna	Weighted avg. remuneration rate on allocated funds in f/c
			Total	In kuna	In f/c		In kuna	In f/c		
1	2	3	4=5+6	5	6	7	8	9	10	11
1998	December	29.57	13,112.7	3,967.2	9,145.4	57.4	3,469.8	1,467.6	5.28	....
1999	December	30.50	13,579.0	4,210.1	9,368.9	37.3	3,695.1	4,606.5	5.62	....
2000	December	23.22	16,245.8	4,646.8	11,599.0	5.0	4,191.6	5,544.6	4.05	....
2001	December	19.67	21,187.1	8,691.5	12,495.5	-	6,287.8	5,950.0	1.97	2.73
2002	December	19.00	25,985.1	11,447.1	14,538.0	-	8,156.7	7,139.9	1.72	2.16
2003	December	19.00	31,009.4	18,023.8	12,985.6	109.4	12,459.8	6,850.2	1.17	1.47
2004	December	18.00	33,615.7	20,040.9	13,574.8	430.1	14,664.1	10,171.3	1.22	1.36
2005	December	18.00	37,424.5	24,997.9	12,426.6	3,940.2	17,497.7	9,271.4	0.52	0.92
2006	December	17.00	40,736.4	28,966.1	11,770.4	7,332.5	20,257.0	8,780.9	0.52	1.06
2007	December	17.00	44,465.9	31,809.1	12,656.8	6,641.1	22,266.4	9,203.5	0.53	1.29
2008	December	14.87	41,474.4	29,179.7	12,294.7	461.9	20,425.8	8,807.0	0.52	0.81
2009	December	14.00	40,423.5	33,693.7	6,729.8	30.9	23,585.6	4,898.0	0.52	-
2010	September	13.00	38,527.9	31,992.5	6,535.5	-	22,394.7	4,740.9	0.52	-
	October	13.00	38,700.5	32,137.0	6,563.5	-	22,495.9	4,737.4	0.52	-
	November	13.00	38,746.3	32,180.9	6,565.4	-	22,526.6	4,710.0	0.52	-
	December	13.00	38,990.6	32,374.8	6,615.8	-	22,662.4	4,736.7	0.52	-
2011	January	13.00	39,248.7	32,581.8	6,666.9	-	22,807.2	4,776.8	0.23	-
	February	13.00	39,528.1	32,839.2	6,688.9	-	22,987.4	4,798.1	0.17	-
	March	13.00	39,709.3	32,999.3	6,710.0	-	23,099.5	4,819.4	0.10	-
	April	13.00	39,924.9	33,156.8	6,768.1	-	23,209.8	4,887.7	-	-
	May	13.00	39,921.5	33,162.8	6,758.8	-	23,213.9	4,910.2	-	-
	June	13.00	40,123.9	33,330.9	6,793.0	-	23,331.6	4,956.0	-	-
	July	13.00	40,592.5	33,739.3	6,853.2	-	23,617.5	5,010.0	-	-
	August	13.00	40,803.2	33,963.0	6,840.2	-	23,774.1	4,991.0	-	-

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 requirement funds (from August 2004 to October 2008). From November 2009 on, the CNB does not pay remuneration on the allocated foreign currency component of reserve requirements.

Table F4 Banks' liquidity indicators

daily averages and percentages, in million HRK and %

Year	Month	Free reserves		Primary liquidity ratio	Secondary liquidity sources	Kuna CNB bills	F/c CNB bills	Kuna MoF treasury bills
		In kuna	In f/c					
1	2	3	4	5	6	7	8	9
1998	December	221.9	....	1.65	445.5	850.4	1,377.4	141.3
1999	December	179.6	....	1.30	1,183.6	1,311.1	1,507.6	373.9
2000	December	638.8	10,721.4	3.32	80.1	2,485.3	1,692.7	2,006.5
2001	December	794.4	17,247.4	3.23	2.6	2,656.2	2,630.8	3,360.9
2002	December	1,225.0	10,398.0	3.53	0.6	4,965.5	1,273.9	4,279.5
2003	December	451.6	20,561.4	0.98	501.6	–	4,316.0	3,073.2
2004	December	1,495.5	26,126.1	2.64	0.0	–	–	4,581.7
2005	December	672.5	20,493.4	0.96	0.2	–	–	4,163.3
2006	December	840.8	20,239.1	0.83	–	–	–	5,993.7
2007	December	1,161.5	30,412.6	1.03	330.4	–	–	4,449.4
2008	December	1,168.7	28,101.4	1.03	289.1	–	–	6,171.2
2009	December	880.0	24,885.6	0.91	–	–	–	4,776.6
2010	September	389.5	31,279.0	0.41	–	–	–	5,840.4
	October	374.0	31,209.0	0.39	–	–	–	6,453.4
	November	357.1	30,479.7	0.37	–	–	–	6,598.1
	December	407.1	30,511.9	0.42	–	–	–	5,705.9
2011	January	318.5	28,629.6	0.33	–	–	–	5,797.1
	February	218.7	26,853.3	0.22	–	–	–	6,567.5
	March	374.9	21,478.6	0.38	–	–	–	7,940.8
	April	412.1	19,231.5	0.42	–	–	–	7,649.0
	May	397.7	18,519.1	0.40	–	–	–	7,266.7
	June	367.6	18,533.1	0.37	–	–	–	7,798.3
	July	448.1	19,926.2	0.44	–	–	–	7,701.8
	August	405.5	22,503.3	0.39	–	–	–	7,497.8

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

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

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

Column 5 shows the primary liquidity ratio as a percentage

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

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

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

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

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

G Financial markets

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

Year	Month	Interest rates on interbank demand deposit trading		Interest rates on kuna credits not indexed to foreign currency									
		On overnight credits	On other credits	Total average	On short-term credits						On long-term credits		
					Total average	Enterprises	Households			Total average	Enterprises	Households	
							Total average	Credit lines	Other				
1	2	3	4	5	6	7	8	9	10	11	12	13	
1998	December	10.00	15.91	16.06	16.22	14.89	20.77	20.80	19.92	11.73	11.48	13.16	
1999	December	9.92	12.78	13.54	13.52	10.55	20.83	20.84	20.39	15.14	15.31	14.16	
2000	December	2.39	4.45	10.45	10.45	6.81	20.30	20.33	19.05	9.90	9.64	12.97	
2001	December	2.49	2.18	9.51	9.49	5.43	18.81	18.85	14.88	11.42	10.06	13.14	
2002	December	1.03	1.59	10.91	11.24	7.44	15.16	15.28	9.84	7.32	6.48	7.88	
2003	December	6.54	6.36	11.45	11.80	8.02	14.89	15.01	12.38	8.51	6.14	10.69	
2004	December	4.87	4.74	11.44	11.71	8.33	14.19	14.27	12.29	9.31	6.90	11.16	
2005	December	3.08	3.91	9.91	9.99	7.71	11.26	13.18	5.35	8.75	6.48	10.35	
2006	December	3.14	2.52	9.07	9.37	6.75	11.84	13.21	4.67	7.53	5.86	9.44	
2007	December	6.23	7.33	9.32	9.74	7.39	12.34	13.19	4.95	7.50	6.66	8.01	
2008	December	5.77	6.77	10.71	10.89	8.98	12.33	12.97	4.96	9.05	8.10	10.35	
2009	December	1.20	1.50	11.12	11.22	9.29	12.68	13.24	4.89	9.77	8.27	11.33	
2010	September	0.79	1.30	10.19	10.29	7.05	12.66	13.17	4.78	8.93	6.59	11.09	
	October	0.71	1.16	10.23	10.29	6.78	12.51	13.03	4.25	9.43	6.44	11.26	
	November	0.68	1.21	10.28	10.29	6.99	12.70	13.18	4.28	10.13	6.36	11.24	
	December	1.28	1.70	9.90	10.05	6.98	12.64	13.17	4.66	8.38	6.45	11.29	
2011	January	0.69	1.34	10.29	10.39	7.08	12.73	13.17	4.25	8.76	5.58	11.55	
	February	0.66	0.83	10.21	10.30	7.01	12.73	13.17	4.14	8.96	5.70	11.31	
	March	0.65	0.83	9.86	9.99	6.88	12.66	13.16	4.34	8.39	5.90	10.94	
	April	0.59	0.98	9.72	9.82	6.49	12.66	13.15	4.59	8.45	5.70	11.16	
	May	0.57	0.74	10.23	10.43	6.85	12.68	13.15	4.22	8.07	5.32	11.21	
	June	0.47	0.75	9.82	10.03	6.60	12.56	13.03	3.99	7.70	5.21	10.34	
	July	0.61	0.95	8.93	9.04	6.37	11.20	11.62	3.94	7.90	5.62	9.92	
	August	0.83	1.40	9.17	9.36	6.62	11.24	11.62	3.76	7.42	5.26	9.87	
Relative significance ^a		–	–	76.12	68.65	27.92	40.73	38.78	1.95	7.47	3.97	3.50	

^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
1998	December	13.04	14.28	14.25	13.64	11.15	10.55	12.12	....	....	6.95	8.37	5.71
1999	December	12.53	13.66	13.54	17.21	10.81	10.46	11.65	....	....	6.75	7.43	6.07
2000	December	10.74	11.17	11.10	13.59	10.52	9.41	11.64	....	....	7.70	7.49	8.05
2001	December	9.29	9.45	9.45	11.30	9.20	7.52	10.79	....	....	5.94	5.70	7.27
2002	December	8.25	9.34	8.72	11.37	7.98	6.37	9.50	7.42	10.11	5.91	6.66	5.44
2003	December	7.07	7.21	7.00	8.66	7.03	5.76	8.04	6.02	9.70	5.62	6.22	5.18
2004	December	6.89	7.25	7.09	8.47	6.77	5.55	7.73	5.71	8.79	5.34	5.92	4.83
2005	December	6.18	6.52	6.34	7.91	6.07	5.18	6.98	4.95	8.10	5.29	5.28	5.30
2006	December	6.30	6.56	6.29	8.33	6.22	6.21	6.22	4.75	7.57	5.65	6.19	5.34
2007	December	6.73	6.86	6.86	6.84	6.66	6.51	6.80	5.12	8.24	6.79	6.59	7.10
2008	December	7.73	8.20	8.18	8.65	7.43	6.92	7.89	6.08	9.02	7.08	7.17	6.83
2009	December	8.28	8.48	8.41	10.23	8.11	7.31	9.02	6.45	9.96	6.98	7.35	6.49
2010	September	8.14	8.60	8.56	9.23	7.94	7.02	8.45	6.33	9.05	6.86	7.93	6.12
	October	8.05	8.05	7.90	9.82	8.04	7.14	8.45	6.15	9.09	6.78	6.69	6.90
	November	8.07	8.07	7.99	8.93	8.07	7.49	8.37	6.16	9.05	6.93	6.48	7.28
	December	7.78	7.95	7.91	8.86	7.67	7.19	8.16	6.02	8.94	6.38	7.12	6.06
2011	January	7.50	7.41	7.28	9.37	7.54	7.00	8.06	6.02	8.85	5.55	6.05	5.10
	February	7.70	7.61	7.52	9.13	7.75	7.04	8.23	6.01	9.00	6.93	6.90	6.98
	March	7.84	7.95	7.89	8.58	7.79	7.20	8.18	5.93	8.95	6.56	6.73	6.42
	April	7.37	7.99	7.85	9.92	7.12	6.22	7.98	5.77	8.72	6.04	6.65	5.61
	May	7.35	7.30	7.25	8.09	7.37	6.74	7.92	5.60	8.72	6.16	6.90	5.52
	June	7.34	7.92	7.92	7.96	7.05	6.46	7.60	5.25	8.67	6.45	6.78	6.11
	July	7.26	7.49	7.40	8.31	7.18	6.68	7.57	5.19	8.64	6.43	6.21	6.74
	August	7.24	7.80	7.78	8.05	6.97	6.39	7.43	5.10	8.68	6.70	6.82	6.49
Relative significance^a		20.03	6.54	6.23	0.31	13.49	5.99	7.50	2.62	4.88	3.84	2.50	1.34

^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
1998	December	4.11	2.31	7.73	7.63	9.47	7.15	10.19	10.72	9.56
1999	December	4.27	2.24	8.87	8.79	9.62	8.38	10.96	11.56	10.18
2000	December	3.40	1.64	7.20	7.13	7.44	7.03	8.89	9.19	8.63
2001	December	2.76	1.40	5.68	5.60	6.35	5.38	7.35	7.93	6.70
2002	December	1.55	0.94	3.64	3.53	4.39	2.86	6.05	7.24	3.23
2003	December	1.66	0.75	4.46	4.46	3.62	4.69	4.58	4.90	2.82
2004	December	1.83	0.74	4.11	4.11	3.93	4.13	4.10	4.65	3.30
2005	December	1.58	0.61	3.36	3.34	3.89	3.23	4.12	5.04	3.49
2006	December	1.91	0.56	2.98	2.94	4.10	2.69	4.32	4.98	3.11
2007	December	2.67	0.49	5.42	5.34	4.47	5.48	6.28	5.45	6.45
2008	December	2.92	0.43	5.65	5.60	5.34	5.64	6.58	5.88	6.85
2009	December	2.22	0.43	2.52	2.49	4.89	2.04	2.76	6.12	2.07
2010	September	1.64	0.37	1.76	1.72	3.92	1.23	1.92	4.90	1.60
	October	1.64	0.40	1.95	1.94	3.85	1.30	1.96	4.81	1.54
	November	1.65	0.38	1.91	1.87	3.75	1.16	2.04	4.66	1.68
	December	1.61	0.34	1.93	1.85	3.66	1.41	4.26	4.76	3.03
2011	January	1.61	0.35	1.90	1.83	3.60	1.14	2.14	4.69	1.73
	February	1.59	0.34	1.47	1.42	3.42	0.98	1.68	4.61	1.32
	March	1.60	0.33	1.66	1.70	3.48	1.16	1.51	4.58	1.13
	April	1.60	0.34	1.37	1.36	3.44	0.90	1.40	4.60	1.17
	May	1.63	0.34	1.31	1.33	3.50	0.88	1.22	4.50	0.91
	June	1.58	0.35	1.60	1.74	3.49	1.06	1.21	4.70	0.87
	July	1.58	0.35	1.67	1.59	3.49	0.98	1.96	4.59	1.67
	August	1.65	0.35	2.07	1.91	3.45	1.45	2.59	4.76	2.39
Relative significance ^a		52.28	35.49	13.98	10.75	2.48	8.27	3.23	0.27	2.97

^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
1998	December	7.47	7.67	5.58	3.98	2.09	2.38	2.40	0.72	0.74
1999	December	6.62	6.91	1.10	4.23	1.80	1.95	2.04	0.78	1.30
2000	December	5.54	5.94	2.16	3.47	1.03	0.99	1.23	0.65	1.29
2001	December	4.58	4.92	2.56	2.60	0.71	0.71	0.81	0.82	0.40
2002	December	2.92	3.45	1.48	2.55	0.50	0.52	0.41	0.52	0.38
2003	December	3.48	3.74	5.55	2.22	0.31	0.35	0.23	0.23	0.15
2004	December	4.17	3.61	5.19	2.65	0.31	0.34	0.22	0.22	0.21
2005	December	3.99	3.63	4.77	2.61	0.27	0.27	0.17	0.27	0.76
2006	December	3.67	3.30	4.07	2.94	0.25	0.23	0.17	0.32	0.44
2007	December	3.98	3.76	4.35	3.44	0.25	0.22	0.15	0.36	0.43
2008	December	4.09	4.05	4.42	3.97	0.21	0.20	0.15	0.26	0.13
2009	December	3.01	3.12	3.31	3.98	0.18	0.22	0.16	0.10	0.07
2010	September	3.38	2.57	3.89	3.13	0.20	0.19	0.17	0.27	0.06
	October	2.66	2.47	3.19	3.13	0.23	0.24	0.17	0.25	0.07
	November	3.01	2.57	4.36	3.08	0.23	0.24	0.17	0.22	0.07
	December	2.91	2.75	3.46	3.09	0.19	0.21	0.14	0.18	0.07
2011	January	2.85	2.51	1.29	2.97	0.18	0.21	0.14	0.13	0.06
	February	2.81	2.84	2.75	2.97	0.18	0.21	0.14	0.12	0.09
	March	3.03	2.86	3.53	2.90	0.18	0.21	0.14	0.13	0.07
	April	2.81	2.61	3.04	2.90	0.19	0.21	0.15	0.16	0.07
	May	3.11	3.00	3.47	2.90	0.19	0.21	0.15	0.16	0.06
	June	2.91	3.08	3.72	2.86	0.20	0.22	0.15	0.16	0.06
	July	3.00	2.67	2.98	2.88	0.19	0.21	0.14	0.16	0.05
	August	2.85 ^b	2.81	3.15	2.89	0.19	0.21	0.14	0.15	0.06
Relative significance ^a		0.27	0.20	0.07	47.45	23.28	15.86	1.83	5.06	0.53

^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, 45.51% 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
		Total average	On short-term deposits				On long-term deposits					
			Total average	Households		Enterprises		Total average	Households		Enterprises	
EUR	USD	EUR		USD	EUR	USD	EUR		USD			
1	2	12	13	14	15	16	17	18	19	20	21	22
1998	December	4.89	4.49	5.42	6.16	2.84	5.37	7.29	7.68	8.59	4.93	6.92
1999	December	5.43	5.17	4.93	6.39	3.97	6.00	6.59	6.64	8.09	3.66	6.77
2000	December	4.57	4.36	3.65	5.15	4.59	6.62	5.56	5.17	6.61	5.97	8.53
2001	December	3.54	3.35	3.42	3.23	3.60	2.44	4.59	4.72	4.42	4.58	0.23
2002	December	3.13	2.96	3.27	2.21	2.89	1.43	4.59	4.69	3.84	3.46	2.30
2003	December	2.64	2.46	2.83	1.65	2.29	1.08	3.69	4.71	3.13	2.85	1.64
2004	December	2.85	2.65	3.01	1.69	2.46	2.28	4.20	4.85	3.13	3.61	2.65
2005	December	3.07	2.94	2.99	1.76	2.63	4.34	3.69	4.25	0.48	4.39	-
2006	December	3.82	3.76	3.16	2.05	4.24	5.84	4.25	4.47	2.26	4.79	4.61
2007	December	4.32	4.25	3.47	2.60	5.10	5.33	4.80	4.83	3.84	5.13	2.19
2008	December	4.15	3.95	4.33	2.69	4.13	1.84	5.51	5.57	3.58	5.52	2.38
2009	December	3.58	3.40	4.33	2.73	2.64	1.77	5.13	5.43	3.86	2.85	0.13
2010	September	2.82	2.62	3.47	2.64	1.94	1.08	4.40	4.46	3.61	2.70	2.45
	October	2.33	2.14	3.36	2.55	1.47	1.13	4.16	4.23	3.62	3.68	3.42
	November	2.20	1.99	3.24	2.49	1.28	0.77	4.24	4.29	3.43	3.92	4.00
	December	2.69	2.15	3.13	2.45	1.63	0.76	5.36	4.28	3.20	6.91	3.80
2011	January	2.57	2.31	3.00	2.43	1.71	0.90	4.24	4.29	3.22	3.77	0.85
	February	2.47	2.19	3.00	2.37	1.69	0.69	4.26	4.30	3.43	3.46	1.10
	March	2.36	2.15	2.97	2.37	1.66	0.73	3.97	4.01	3.21	3.64	2.60
	April	2.45	2.22	2.88	2.38	1.84	0.83	4.03	4.12	3.16	2.46	2.01
	May	2.40	2.20	2.87	2.39	1.90	0.71	3.89	3.96	3.54	3.67	2.42
	June	2.46	2.24	2.85	2.39	1.87	0.79	3.94	4.03	3.34	3.04	2.40
	July	2.51	2.27	2.86	2.45	1.88	0.65	3.88	3.95	3.84	3.52	3.10
	August	2.48	2.23	2.97	2.38	1.69	0.71	4.00	4.04	3.40	3.22	0.00
Relative significance^a		24.17	20.79	10.26	0.63	7.53	2.38	3.38	3.23	0.12	0.03	0.00

^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

	2006	2007	2008	2009	2010	2011			
						Mar.	Jun.	Jul.	Aug.
A Purchase of foreign exchange									
1 Legal persons	14,442.7	26,365.0	33,058.3	19,939.9	21,453.6	1,704.5	1,760.8	1,887.0	1,862.2
2 Natural persons	6,262.7	6,151.3	4,755.3	4,920.3	4,878.0	388.2	466.9	577.9	582.8
2.1 Residents	5,909.4	3,184.0	4,252.9	4,389.6	4,251.3	380.6	415.2	488.5	462.3
2.2 Non-residents	353.2	326.3	502.4	530.7	626.7	7.6	51.7	89.4	120.5
3 Domestic banks	14,380.1	20,141.3	20,017.6	10,964.5	11,171.3	1,091.5	1,306.8	1,260.0	1,070.2
4 Foreign banks	5,056.8	5,194.1	7,342.5	5,681.9	5,548.6	527.6	521.5	610.1	378.7
5 Croatian National Bank	125.5	0.0	420.6	1,899.4	350.1	–	–	238.9	–
Total (1+2+3+4)	40,439.5	57,851.7	65,594.2	43,405.9	43,401.6	3,711.9	4,056.0	4,573.8	3,893.8
B Sale of foreign exchange									
1 Legal persons	17,515.0	28,564.1	35,448.8	21,707.2	21,930.5	1,930.4	1,730.3	2,305.9	2,022.8
2 Natural persons	4,109.1	3,712.5	4,366.4	3,205.5	1,815.9	115.6	101.0	178.6	173.5
2.1 Residents	4,056.4	2,071.3	4,335.2	3,186.0	1,800.5	115.1	97.3	176.4	170.2
2.2 Non-residents	52.6	40.0	31.2	19.5	15.4	0.5	3.8	2.3	3.3
3 Domestic banks	14,380.1	20,141.3	20,017.6	10,964.5	11,171.3	1,091.5	1,306.8	1,260.0	1,070.2
4 Foreign banks	3,526.1	4,072.6	6,615.7	5,281.5	5,455.0	520.6	638.5	764.4	602.0
5 Croatian National Bank	1,329.5	839.0	409.1	2,224.2	363.7	–	–	–	–
Total (1+2+3+4)	40,859.7	57,329.5	66,857.5	43,382.7	40,736.5	3,658.1	3,776.6	4,509.0	3,868.5
C Net purchase (A-B)									
1 Legal persons	–3,072.3	–2,199.1	–2,390.5	–1,767.3	–476.9	–225.9	30.5	–418.9	–160.6
2 Natural persons	2,153.6	2,438.9	388.9	1,714.8	3,062.1	272.6	365.9	399.2	409.3
2.1 Residents	1,853.0	1,112.7	–82.2	1,203.6	2,450.8	265.5	317.9	312.1	292.1
2.2 Non-residents	300.6	286.3	471.1	511.2	611.2	7.1	48.0	87.2	117.2
3 Foreign banks	1,530.7	1,121.4	726.8	400.4	93.6	7.0	–116.9	–154.4	–223.4
4 Croatian National Bank	–1,204.0	–839.0	11.5	–324.8	–13.6	–	–	238.9	–
Total (1+2+3)	–592.1	522.2	–1,263.3	23.2	2,665.2	53.7	279.4	64.9	25.3
Memo items: Other Croatian National Bank transactions									
Purchase of foreign exchange	3.1	5.1	265.4	664.6	238.5	2.4	0.6	101.2	2.9
Sale of foreign exchange	441.3	176.7	83.7	98.3	233.1	–	–	–	–

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

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

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

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

H International economic relations

Table H1 Balance of payments – summary^{a,b}
in million EUR

	2006	2007	2008	2009	2010 ^c	2010				2011	
						Q1 ^c	Q2 ^c	Q3 ^c	Q4 ^c	Q1 ^e	Q2 ^d
A CURRENT ACCOUNT (1+6)	-2,635.7	-3,118.8	-4,216.5	-2,368.7	-512.5	-1,334.9	-67.0	1,907.9	-1,018.5	-1,440.8	54.5
1 Goods, services, and income (2+5)	-3,743.1	-4,161.8	-5,287.0	-3,405.0	-1,595.5	-1,587.6	-354.7	1,647.8	-1,301.0	-1,671.9	-213.9
1.1 Credit	17,917.5	19,658.1	21,303.8	16,966.5	18,515.3	3,024.0	4,656.7	7,024.1	3,810.4	3,024.5	4,918.1
1.2 Debit	-21,660.6	-23,819.8	-26,590.8	-20,371.5	-20,110.7	-4,611.6	-5,011.5	-5,376.3	-5,111.4	-4,696.4	-5,132.0
2 Goods and services (3+4)	-2,568.0	-3,067.4	-3,719.2	-1,617.0	-65.5	-1,139.5	-60.2	2,141.1	-1,007.0	-1,178.2	275.5
2.1 Credit	16,990.4	18,307.2	19,904.6	16,157.1	17,591.8	2,821.1	4,385.2	6,791.3	3,594.3	2,816.9	4,644.2
2.2 Debit	-19,558.4	-21,374.6	-23,623.8	-17,774.1	-17,657.4	-3,960.5	-4,445.4	-4,650.2	-4,601.3	-3,995.1	-4,368.7
3 Goods	-8,344.2	-9,434.0	-10,793.8	-7,386.9	-5,952.0	-1,283.5	-1,497.0	-1,717.6	-1,453.8	-1,348.6	-1,358.3
3.1 Credit	8,463.6	9,192.5	9,814.0	7,703.2	9,102.3	2,033.2	2,325.2	2,242.9	2,501.1	2,075.6	2,411.1
3.2 Debit	-16,807.8	-18,626.5	-20,607.8	-15,090.1	-15,054.3	-3,316.7	-3,822.2	-3,960.5	-3,954.9	-3,424.2	-3,769.4
4 Services	5,776.2	6,366.6	7,074.6	5,769.9	5,886.5	144.0	1,436.8	3,858.8	446.9	170.4	1,633.8
4.1 Credit	8,526.8	9,114.7	10,090.6	8,453.9	8,489.5	787.9	2,060.0	4,548.4	1,093.3	741.3	2,233.1
4.2 Debit	-2,750.6	-2,748.1	-3,016.0	-2,684.1	-2,603.0	-643.9	-623.2	-689.6	-646.4	-570.9	-599.2
5 Income	-1,175.1	-1,094.4	-1,567.8	-1,787.9	-1,530.0	-448.2	-294.5	-493.3	-294.0	-493.7	-489.4
5.1 Credit	927.1	1,350.9	1,399.1	809.5	923.4	202.9	271.6	232.9	216.1	207.6	274.0
5.2 Debit	-2,102.2	-2,445.3	-2,967.0	-2,597.4	-2,453.4	-651.1	-566.1	-726.1	-510.1	-701.3	-763.4
6 Current transfers	1,107.4	1,043.0	1,070.5	1,036.3	1,083.0	252.7	287.8	260.1	282.4	231.1	268.4
6.1 Credit	1,639.5	1,576.1	1,684.4	1,607.8	1,680.8	394.6	451.3	393.6	441.3	380.2	398.2
6.2 Debit	-532.1	-533.1	-613.9	-571.5	-597.8	-141.9	-163.5	-133.5	-158.8	-149.1	-129.8
B CAPITAL AND FINANCIAL ACCOUNT	4,031.4	4,525.4	5,771.1	3,474.8	1,221.8	800.8	160.2	-430.6	691.4	1,311.2	-174.4
B1 Capital account	-134.9	28.5	14.9	43.1	34.5	12.6	11.8	12.8	-2.6	-1.4	-4.1
B2 Financial account, excl. reserves	5,578.5	5,218.6	5,425.8	4,328.1	1,271.1	270.6	270.0	577.0	153.6	2,181.5	-142.8
1 Direct investment	2,561.5	3,467.8	3,245.9	1,176.6	337.3	508.7	-118.8	272.9	-325.5	-12.7	438.9
1.1 Abroad	-206.8	-211.2	-972.7	-888.9	104.8	-60.6	-156.0	-72.7	394.1	-102.1	43.0
1.2 In Croatia	2,768.3	3,679.0	4,218.6	2,065.5	232.5	569.2	37.3	345.6	-719.5	89.4	395.8
2 Portfolio investment	-197.3	391.1	-811.3	398.2	402.4	-733.5	249.3	1,143.4	-256.8	266.9	-723.7
2.1 Assets	-459.8	-404.7	-307.1	-580.8	-362.9	-122.3	32.2	-91.4	-181.5	-42.0	-292.4
2.2 Liabilities	262.5	795.8	-504.3	979.1	765.3	-611.2	217.1	1,234.7	-75.3	308.9	-431.3
3 Financial derivatives	0.0	0.0	0.0	0.0	-252.7	-61.1	-72.4	-74.4	-44.8	-6.9	-45.8
4 Other investment	3,214.3	1,359.7	2,991.2	2,753.3	784.0	556.5	211.8	-764.9	780.7	1,934.1	187.9
4.1 Assets	-692.3	-1,653.3	-1,621.6	750.7	648.1	678.8	-46.5	-385.6	401.4	794.1	-27.0
4.2 Liabilities	3,906.6	3,012.9	4,612.8	2,002.6	136.0	-122.3	258.3	-379.4	379.3	1,140.0	214.9
B3 Reserve assets	-1,412.2	-721.6	330.4	-896.4	-83.8	517.5	-121.5	-1,020.4	540.5	-868.8	-27.5
C NET ERRORS AND OMISSIONS	-1,395.7	-1,406.6	-1,554.6	-1,106.1	-709.3	534.2	-93.3	-1,477.3	327.1	129.7	119.9

^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 Revised data. ^d 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

	2006	2007	2008	2009	2010 ^a	2010				2011	
						Q1 ^a	Q2 ^a	Q3 ^a	Q4 ^a	Q1 ^a	Q2 ^b
Goods	-8,344.2	-9,434.0	-10,793.8	-7,386.9	-5,952.0	-1,283.5	-1,497.0	-1,717.6	-1,453.8	-1,348.6	-1,358.3
1 Credit	8,463.6	9,192.5	9,814.0	7,703.2	9,102.3	2,033.2	2,325.2	2,242.9	2,501.1	2,075.6	2,411.1
1.1 Exports (f.o.b.) in trade statistics	8,251.6	9,001.6	9,585.1	7,529.4	8,905.2	2,000.1	2,279.4	2,170.3	2,455.4	2,029.1	2,365.8
1.2 Adjustments for coverage	212.0	191.0	228.9	173.8	197.1	33.1	45.7	72.6	45.7	46.5	45.3
2 Debit	-16,807.8	-18,626.5	-20,607.8	-15,090.1	-15,054.3	-3,316.7	-3,822.2	-3,960.5	-3,954.9	-3,424.2	-3,769.4
2.1 Imports (c.i.f.) in trade statistics	-17,104.7	-18,826.6	-20,817.1	-15,220.1	-15,137.0	-3,338.0	-3,849.6	-3,968.6	-3,980.7	-3,454.6	-3,800.7
2.2 Adjustments for coverage	-341.1	-370.4	-421.4	-331.1	-376.0	-79.8	-89.2	-112.2	-94.8	-74.3	-83.9
2.3 Adjustments for classification	638.0	570.4	630.8	461.2	458.7	101.1	116.6	120.2	120.6	104.7	115.2
Services	5,776.2	6,366.6	7,074.6	5,769.9	5,886.5	144.0	1,436.8	3,858.8	446.9	170.4	1,633.8
1 Transportation	547.8	641.3	625.3	349.2	399.5	57.5	110.1	148.6	83.3	71.2	94.8
1.1 Credit	1,037.5	1,165.4	1,209.4	752.0	813.3	145.8	219.3	262.0	186.2	165.2	201.2
1.2 Debit	-489.7	-524.0	-584.1	-402.8	-413.7	-88.3	-109.2	-113.5	-102.8	-94.0	-106.5
2 Travel	5,708.7	6,035.2	6,694.0	5,655.8	5,600.8	188.1	1,317.3	3,690.5	404.9	143.5	1,514.3
2.1 Credit	6,293.3	6,752.6	7,459.4	6,379.7	6,230.0	324.7	1,476.3	3,867.8	561.1	274.5	1,683.7
2.1.1 Business	388.4	389.2	386.4	255.7	236.3	39.0	80.9	72.8	43.6	29.7	78.8
2.1.2 Personal	5,904.9	6,363.4	7,073.1	6,124.0	5,993.6	285.7	1,395.4	3,795.0	517.6	244.8	1,604.9
2.2 Debit	-584.6	-717.3	-765.5	-724.0	-629.2	-136.6	-159.0	-177.3	-156.2	-131.0	-169.3
2.2.1 Business	-229.5	-266.9	-261.3	-240.8	-180.6	-39.1	-55.4	-40.0	-46.1	-45.9	-46.6
2.2.2 Personal	-355.1	-450.4	-504.2	-483.1	-448.6	-97.6	-103.6	-137.3	-110.1	-85.1	-122.7
3 Other services	-480.3	-310.0	-244.6	-235.1	-113.9	-101.5	9.4	19.6	-41.4	-44.3	24.7
3.1 Credit	1,196.0	1,196.8	1,421.8	1,322.2	1,446.3	317.4	364.4	418.5	346.0	301.6	348.2
3.2 Debit	-1,676.3	-1,506.7	-1,666.4	-1,557.3	-1,560.1	-419.0	-355.0	-398.9	-387.3	-345.9	-323.4

^a Revised data. ^b Preliminary data.

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

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

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

Transportation, travel and other services are reported separately under service account. Revenues and expenditures on the basis of transportation, in the 1993-1998 period, were adopted from the ITRS. From 1999 on, revenues and expenditures arising from transportation of goods and passengers, as well as the value of accompanying services, which together constitute the total value of these services, are compiled on the basis of the results of the Research on transactions related to international transportation services, carried out by the CNB. Owing to an exceptionally large population of road carriers, revenues and expenditures on the basis of road freight transportation are not adopted from that research. They are compiled by using ITRS data. Starting from January 2011, as the ITRS was abolished, the position of revenues from road freight transportation is compiled on the basis of the econometric model having the volume of trade in goods as a 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

	2006	2007	2008	2009	2010 ^a	2010				2011	
						Q1 ^a	Q2 ^a	Q3 ^a	Q4 ^a	Q1 ^a	Q2 ^b
Income	-1,175.1	-1,094.4	-1,567.8	-1,787.9	-1,530.0	-448.2	-294.5	-493.3	-294.0	-493.7	-489.4
1 Compensation of employees	373.2	494.2	564.1	586.5	620.8	142.7	155.1	158.4	164.5	154.8	181.1
1.1 Credit	404.3	527.8	599.7	624.2	657.1	151.0	164.4	167.8	173.9	162.6	188.4
1.2 Debit	-31.1	-33.6	-35.5	-37.6	-36.3	-8.3	-9.3	-9.4	-9.3	-7.8	-7.3
2 Direct investment income	-1,011.1	-921.6	-1,137.1	-1,147.0	-1,053.6	-326.5	-176.3	-377.8	-173.1	-349.2	-353.2
2.1 Credit	80.2	174.5	194.6	-62.6	87.6	6.7	64.9	19.3	-3.3	4.7	32.1
o/w: Reinvested earnings	63.5	123.3	118.6	-114.9	8.5	-2.6	18.5	6.3	-13.7	-9.2	0.4
2.2 Debit	-1,091.3	-1,096.1	-1,331.7	-1,084.4	-1,141.2	-333.1	-241.2	-397.1	-169.8	-353.9	-385.3
o/w: Reinvested earnings	-721.0	-483.3	-508.5	-313.2	-487.2	-135.3	83.3	-330.2	-105.0	-206.4	44.0
3 Portfolio investment income	-185.5	-179.7	-177.9	-163.3	-282.1	-70.6	-67.2	-71.6	-72.7	-73.3	-81.8
3.1 Credit	65.7	97.5	87.5	83.6	63.0	14.0	15.9	16.7	16.4	16.9	20.5
3.2 Debit	-251.2	-277.2	-265.4	-246.9	-345.1	-84.6	-83.1	-88.3	-89.1	-90.2	-102.3
4 Other investment income	-351.6	-487.3	-817.0	-1,064.2	-815.1	-193.9	-206.2	-202.3	-212.8	-226.0	-235.5
4.1 Credit	377.0	551.0	517.4	164.3	115.6	31.2	26.3	29.1	29.1	23.3	33.0
4.2 Debit	-728.6	-1,038.4	-1,334.3	-1,228.5	-930.7	-225.0	-232.5	-231.4	-241.8	-249.4	-268.5
Current transfers	1,107.4	1,043.0	1,070.5	1,036.3	1,083.0	252.7	287.8	260.1	282.4	231.1	268.4
1 General government	-8.6	-16.7	-20.0	-30.0	-41.9	-19.5	-9.8	-22.0	9.5	-27.2	-32.3
1.1 Credit	255.7	260.2	342.6	309.0	303.8	63.0	93.1	55.8	91.9	44.5	40.9
1.2 Debit	-264.4	-276.8	-362.7	-339.0	-345.6	-82.5	-102.9	-77.8	-82.3	-71.7	-73.2
2 Other sectors	1,116.0	1,059.6	1,090.5	1,066.3	1,124.9	272.3	297.6	282.1	272.9	258.3	300.7
2.1 Credit	1,383.8	1,316.0	1,341.7	1,298.8	1,377.0	331.6	358.2	337.8	349.4	335.7	357.3
2.2 Debit	-267.7	-256.3	-251.2	-232.5	-252.2	-59.4	-60.6	-55.7	-76.5	-77.4	-56.6

^a Revised data. ^b 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 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 it 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 it 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 statistics. The

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

in million EUR

	2006	2007	2008	2009	2010 ^c	2010				2011	
						Q1 ^c	Q2 ^c	Q3 ^c	Q4 ^c	Q1 ^c	Q2 ^d
Direct investment	2,561.5	3,467.8	3,245.9	1,176.6	337.3	508.7	-118.8	272.9	-325.5	-12.7	438.9
1 Abroad	-206.8	-211.2	-972.7	-888.9	104.8	-60.6	-156.0	-72.7	394.1	-102.1	43.0
1.1 Equity capital and reinvested earnings	-210.5	-265.3	-1,078.4	-894.3	259.3	-56.5	-112.6	-87.4	515.8	-75.1	-36.6
1.1.1 Claims	-210.5	-268.4	-1,078.4	-1,009.3	243.0	-59.2	-112.6	-87.4	502.1	-84.4	-36.6
1.1.2 Liabilities	0.0	3.1	0.0	114.9	16.3	2.6	0.0	0.0	13.7	9.2	0.0
1.2 Other capital	3.7	54.1	105.7	5.4	-154.5	-4.0	-43.5	14.7	-121.7	-27.0	79.6
1.1.1 Claims	-13.9	20.3	106.8	-30.9	-385.2	-23.3	-45.6	9.0	-325.4	-30.5	83.4
1.2.2 Liabilities	17.6	33.9	-1.1	36.3	230.6	19.3	2.1	5.7	203.6	3.5	-3.9
2 In Croatia	2,768.3	3,679.0	4,218.6	2,065.5	232.5	569.2	37.3	345.6	-719.5	89.4	395.8
2.1 Equity capital and reinvested earnings	2,468.6	2,671.6	2,708.0	1,013.8	865.6	413.3	440.9	455.3	-443.9	289.3	610.4
2.1.1 Claims	-0.1	0.0	-6.9	-108.5	-83.3	0.0	-83.3	0.0	0.0	0.0	-44.0
2.1.2 Liabilities	2,468.7	2,671.6	2,714.8	1,122.4	948.9	413.3	524.2	455.3	-443.9	289.3	654.4
2.2 Other capital	299.7	1,007.4	1,510.6	1,051.6	-633.1	155.9	-403.6	-109.7	-275.7	-199.9	-214.5
2.2.1 Claims	12.4	20.3	-26.4	-29.1	-21.5	-12.7	-27.5	13.9	4.8	25.1	-3.7
2.2.2 Liabilities	287.3	987.2	1,537.0	1,080.7	-611.6	168.6	-376.1	-123.6	-280.5	-224.9	-210.9
Portfolio investment	-197.3	391.1	-811.3	398.2	402.4	-733.5	249.3	1,143.4	-256.8	266.9	-723.7
1 Assets	-459.8	-404.7	-307.1	-580.8	-362.9	-122.3	32.2	-91.4	-181.5	-42.0	-292.4
1.1 Equity securities	-320.5	-844.2	148.9	-111.4	-474.3	-245.4	-149.9	14.0	-92.9	-176.5	-189.2
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	2.6	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	-323.1	-844.2	148.9	-111.4	-474.3	-245.4	-149.9	14.0	-92.9	-176.5	-189.2
1.2 Debt securities	-139.3	439.4	-456.0	-469.4	111.4	123.1	182.1	-105.3	-88.5	134.5	-103.2
1.2.1 Bonds	118.2	329.7	-355.2	-132.3	234.9	216.0	11.0	85.6	-77.7	-126.2	-79.3
1.2.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.1.2 Banks	161.9	267.8	-226.5	-53.4	163.5	220.6	-75.9	103.5	-84.7	18.2	-50.7
1.2.1.3 Other sectors	-43.7	61.9	-128.7	-78.9	71.4	-4.6	86.9	-17.9	7.0	-144.4	-28.6
1.2.2 Money market instruments	-257.4	109.7	-100.8	-337.0	-123.5	-92.9	171.1	-191.0	-10.8	260.7	-23.9
1.2.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2.2 Banks	-257.4	109.7	-100.9	-337.0	-123.5	-92.9	171.1	-191.0	-10.8	260.7	-23.9
1.2.2.3 Other sectors	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Liabilities	262.5	795.8	-504.3	979.1	765.3	-611.2	217.1	1,234.7	-75.3	308.9	-431.3
2.1 Equity securities	325.7	315.9	-85.1	16.4	88.0	-7.2	0.2	77.5	17.5	115.6	-76.7
2.1.1 Banks	28.0	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	297.7	315.9	-85.1	16.4	88.0	-7.2	0.2	77.5	17.5	115.6	-76.7
2.2 Debt securities	-63.3	480.0	-419.2	962.7	677.3	-604.0	216.9	1,157.2	-92.8	193.3	-354.6
2.2.1 Bonds	-63.3	480.0	-419.2	817.3	380.8	-691.1	-21.4	1,079.0	14.4	113.4	-128.3
2.2.1.1 General government	-463.7	-276.4	-208.0	862.9	389.0	-683.2	-11.3	1,071.4	12.1	277.7	-108.9
2.2.1.2 Banks	333.5	385.9	-156.5	-447.2	-0.2	0.0	0.3	-0.3	-0.1	-8.9	0.0
2.2.1.3 Other sectors	66.9	370.5	-54.7	401.7	-8.1	-8.0	-10.4	7.9	2.4	-155.4	-19.4
2.2.2 Money market instruments	0.0	0.0	0.0	145.3	296.5	87.1	238.3	78.3	-107.2	79.9	-226.2
2.2.2.1 General government	0.0	0.0	0.0	145.4	296.5	87.1	238.3	78.3	-107.2	79.9	-226.2
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	0.0	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 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 Revised data. ^d Preliminary data.

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 general 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 it was abolished. As of 2011, transfers of the general government sector are recorded on the basis of the

Table H5 Balance of payments – other investment^a

in million EUR

	2006	2007	2008	2009	2010 ^b	2010				2010	
						Q1 ^b	Q2 ^b	Q3 ^b	Q4 ^b	Q1 ^b	Q2 ^c
Other investment (net)	3,214.3	1,359.7	2,991.2	2,753.3	784.0	556.5	211.8	-764.9	780.7	1,934.1	187.9
1 Assets	-692.3	-1,653.3	-1,621.6	750.7	648.1	678.8	-46.5	-385.6	401.4	794.1	-27.0
1.1 Trade credits	-33.3	-99.4	-126.5	138.4	80.1	45.9	14.0	80.5	-60.3	-98.4	27.5
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	-33.3	-99.4	-126.5	138.4	80.1	45.9	14.0	80.5	-60.3	-98.4	27.5
1.1.2.1 Long-term	-4.9	-63.5	26.7	58.0	22.2	7.1	5.4	6.4	3.2	-2.6	-1.4
1.1.2.2 Short-term	-28.4	-35.9	-153.2	80.5	57.9	38.7	8.6	74.1	-63.6	-95.8	28.9
1.2 Loans	-153.1	-4.5	-107.5	41.5	-75.1	-8.0	-19.9	-19.2	-28.0	-11.2	-67.6
1.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	-80.4	-32.6	-66.7	20.5	-55.4	0.8	-9.6	-11.4	-35.1	-29.9	-78.2
1.2.2.1 Long-term	-58.9	-25.4	-26.8	-28.7	-46.9	5.0	-8.5	-3.9	-39.4	-27.7	-68.7
1.2.2.2 Short-term	-21.5	-7.3	-39.9	49.2	-8.5	-4.2	-1.1	-7.5	4.3	-2.3	-9.5
1.2.3 Other sectors	-72.7	28.1	-40.8	21.0	-19.7	-8.8	-10.3	-7.8	7.1	18.8	10.6
1.2.3.1 Long-term	-73.0	28.1	-37.6	20.9	17.4	-6.6	2.5	9.1	12.3	4.5	7.0
1.2.3.2 Short-term	0.3	0.0	-3.2	0.1	-37.1	-2.2	-12.8	-16.9	-5.2	14.3	3.6
1.3 Currency and deposits	-505.9	-1,549.4	-1,387.5	570.8	643.0	640.9	-40.7	-446.9	489.7	903.8	13.2
1.3.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.2 Banks	-462.1	-1,317.1	-1,364.4	426.5	417.5	521.1	-127.4	-431.4	455.2	926.2	77.4
1.3.3 Other sectors	-43.8	-232.3	-1,251.2	144.3	225.5	119.8	86.8	-15.5	34.5	-22.4	-64.2
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	3,906.6	3,012.9	4,612.8	2,002.6	136.0	-122.3	258.3	-379.4	379.3	1,140.0	214.9
2.1 Trade credits	18.5	313.5	32.0	-143.7	60.2	-212.5	153.5	325.1	-205.9	-267.9	8.0
2.1.1 General government	-0.7	-0.6	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.1.1 Long-term	-0.7	-0.6	-0.5	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	19.2	314.2	32.5	-143.7	60.2	-212.5	153.5	325.1	-205.9	-267.9	8.0
2.1.2.1 Long-term	-3.7	165.0	34.9	-58.0	-25.4	0.3	-19.2	47.8	-54.2	3.1	-42.2
2.1.2.2 Short-term	22.9	149.2	-2.4	-85.7	85.6	-212.8	172.8	277.4	-151.7	-271.0	50.2
2.2 Loans	3,059.2	2,890.3	3,703.9	969.3	93.7	411.9	-117.9	-285.0	84.7	889.5	-206.2
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	165.0	161.0	96.7	-7.4	134.4	198.0	-32.9	19.7	-50.4	162.6	2.2
2.2.2.1 Long-term	165.0	161.0	65.0	24.3	134.4	198.0	-32.9	19.7	-50.4	-12.5	2.2
2.2.2.1.1 Drawings	477.8	523.5	330.1	306.0	368.9	232.8	40.8	64.4	30.9	21.9	80.4
2.2.2.1.2 Repayments	-312.8	-362.5	-265.2	-281.7	-234.5	-34.8	-73.7	-44.7	-81.4	-34.3	-78.2
2.2.2.2 Short-term	0.0	0.0	31.7	-31.7	0.0	0.0	0.0	0.0	0.0	175.1	0.0
2.2.3 Banks	541.2	-1,065.0	115.2	-166.5	-192.7	218.8	63.1	-545.6	71.1	116.1	150.2
2.2.3.1 Long-term	419.5	-630.8	-276.1	158.1	-322.9	-59.6	99.9	-339.9	-23.3	304.5	13.0
2.2.3.1.1 Drawings	2,833.6	1,216.2	609.4	1,219.2	849.3	73.8	264.2	120.0	391.3	360.8	306.3
2.2.3.1.2 Repayments	-2,414.1	-1,847.0	-885.4	-1,061.1	-1,172.2	-133.4	-164.3	-459.9	-414.7	-56.3	-293.2
2.2.3.2 Short-term	121.7	-434.2	391.3	-324.6	130.2	278.4	-36.8	-205.8	94.4	-188.4	137.1
2.2.4 Other sectors	2,353.0	3,794.4	3,492.0	1,143.2	152.0	-4.9	-148.1	240.9	64.1	610.8	-358.6
2.2.4.1 Long-term	2,264.1	3,184.9	3,175.7	866.9	-39.3	-23.2	-162.8	188.5	-41.8	203.4	-216.7
2.2.4.1.1 Drawings	4,266.4	5,960.8	6,700.9	4,804.5	4,431.7	959.2	1,076.1	1,094.4	1,302.0	905.8	831.0
2.2.4.1.2 Repayments	-2,002.3	-2,775.9	-3,525.2	-3,937.5	-4,470.9	-982.4	-1,238.8	-905.9	-1,343.9	-702.4	-1,047.7
2.2.4.2 Short-term	88.9	609.5	316.2	276.2	191.2	18.3	14.6	52.4	105.9	407.4	-141.9

	2006	2007	2008	2009	2010 ^b	2010				2010	
						Q1 ^b	Q2 ^b	Q3 ^b	Q4 ^b	Q1 ^b	Q2 ^c
2.3 Currency and deposits	826.2	-193.6	875.7	1,175.0	-19.0	-321.9	222.4	-419.8	500.3	518.2	412.9
2.3.1 General government	0.1	-0.1	-0.1	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3.2 Banks	826.0	-193.6	867.1	1,197.2	-19.0	-321.9	222.4	-419.8	500.3	518.2	412.9
2.3.3 Other sectors	0.1	0.1	8.7	-21.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4 Other liabilities	2.7	2.7	1.3	2.0	1.1	0.3	0.3	0.3	0.3	0.2	0.2

^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 Revised data. ^c Preliminary data.

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 central 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 general government sector also include data on exports and imports of goods without a payment obligation, provided by the CBS. In the 1993-1998 period, current transfers of other sectors also encompassed an estimate 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.

Until the end of 2010, capital account in the part relating to capital transfers was compiled on the basis of the ITRS. As of the beginning of 2011, data of the Ministry of Finance and data from the survey on trade in international services, containing a special part for possible transfers from and to foreign countries, are used for compiling the capital transfers account. Data on possible debt forgiveness also constitute a part of the capital account.

Foreign direct investments include equity capital, reinvested earnings and debt relations between ownership-related residents and non-residents. Direct investments are investments whereby a foreign owner acquires a minimum of 10% interest in equity capital of a company, regardless of whether a resident invests abroad or a non-resident invests in Croatian residents. The CNB Research on foreign direct investments started in 1997 when companies included in the survey also delivered data on direct investments for the 1993-1996 period. For the same period, no data are available on reinvested earnings and other capital under direct investment position, where all debt relations between related residents and non-residents are classified (excluding the banking sector). Such data actually became available only after the stated research 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 were compiled on the basis of the ITRS until the end of 2010, whereas in 2011, monitoring through the obligatory reporting to the CNB's Statistics Department was introduced. 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).

Other investment encompasses all other debt investments that have not been mentioned, apart from investment constituting reserve assets. Other investments are classified by instruments, maturity and sectors. Trade credits, in the 1996-2002 period, included the CNB estimates of advance payment and deferred payments, made on the basis of the sample of the largest and large importers and exporters. Data on advance payments have been estimated since 1996, while data on short-term deferred payments (first up to 90 days, then up to 150 days, and today from 8 days to 1 year) have been collected since 1999. In 2003, this research was replaced by a new one, where the selected companies, regardless of their size (stratified sample), are obliged to submit data. Data on deferred payments with the original maturity of more than one year are adopted from the CNB foreign credit relations statistics. Credits granted by residents to non-residents, i.e. foreign loans utilised by residents and granted by non-residents, which cannot be classified into direct investments or trade credits, are classified by the institutional sector and maturity under the corresponding positions of other investment. The CNB foreign credit relations statistics represent the data source for these positions. Currency and deposit position shows residents' claims on foreign countries for foreign cash

Table H6 Balance of payments – summary^a

in million HRK

	2006	2007	2008	2009	2010 ^b	2010				2011	
						Q1 ^b	Q2 ^b	Q3 ^b	Q4 ^b	Q1 ^b	Q2 ^c
A CURRENT ACCOUNT (1+6)	-19,528.6	-23,134.3	-30,679.6	-17,629.7	-4,073.5	-9,755.6	-523.9	13,764.6	-7,558.5	-10,618.4	472.2
1 Goods, services, and income (2+5)	-27,577.4	-30,665.3	-38,287.7	-25,101.9	-11,805.9	-11,567.4	-2,571.9	11,916.4	-9,583.0	-12,327.6	-1,505.5
1.1 Credit	131,008.7	144,064.9	153,759.9	124,445.4	135,085.2	22,018.7	34,044.6	50,975.3	28,046.7	22,392.5	36,373.1
1.2 Debit	-158,586.1	-174,730.2	-192,047.6	-149,547.3	-146,891.1	-33,586.0	-36,616.5	-39,058.9	-37,629.7	-34,720.2	-37,878.6
2 Goods and services (3+4)	-18,996.5	-22,614.7	-26,928.9	-11,960.4	-657.9	-8,298.0	-430.9	15,490.6	-7,419.6	-8,679.9	2,107.6
2.1 Credit	124,216.9	134,156.6	143,655.7	118,500.3	128,368.1	20,544.5	32,081.8	49,286.7	26,455.1	20,851.2	34,345.7
2.2 Debit	-143,213.4	-156,771.3	-170,584.7	-130,460.7	-129,025.9	-28,842.4	-32,512.8	-33,796.0	-33,874.7	-29,531.1	-32,238.1
3 Goods	-61,083.9	-69,218.6	-77,984.3	-54,248.2	-43,366.5	-9,353.2	-10,853.3	-12,447.0	-10,713.0	-9,979.5	-10,042.7
3.1 Credit	61,988.6	67,424.8	70,856.8	56,546.0	66,326.2	14,806.0	16,851.6	16,258.7	18,410.0	15,358.7	17,807.2
3.2 Debit	-123,072.5	-136,643.4	-148,841.1	-110,794.2	-109,692.7	-24,159.2	-27,704.9	-28,705.7	-29,123.0	-25,338.2	-27,849.9
4 Services	42,087.4	46,603.9	51,055.4	42,287.8	42,708.6	1,055.2	10,422.3	27,937.6	3,293.4	1,299.6	12,150.2
4.1 Credit	62,228.3	66,731.8	72,798.9	61,954.3	62,041.8	5,738.5	15,230.2	33,028.0	8,045.2	5,492.4	16,538.5
4.2 Debit	-20,140.9	-20,127.8	-21,743.5	-19,666.5	-19,333.2	-4,683.3	-4,807.8	-5,090.4	-4,751.8	-4,192.9	-4,388.3
5 Income	-8,580.9	-8,050.6	-11,358.7	-13,141.5	-11,148.0	-3,269.4	-2,140.9	-3,574.3	-2,163.4	-3,647.7	-3,613.0
5.1 Credit	6,791.8	9,908.3	10,104.2	5,945.1	6,717.2	1,474.2	1,962.8	1,688.6	1,591.6	1,541.4	2,027.4
5.2 Debit	-15,372.7	-17,958.9	-21,462.9	-19,086.6	-17,865.2	-4,743.6	-4,103.8	-5,262.9	-3,754.9	-5,189.1	-5,640.5
6 Current transfers	8,048.8	7,531.0	7,608.1	7,472.2	7,732.4	1,811.7	2,048.0	1,848.2	2,024.5	1,709.2	1,977.7
6.1 Credit	12,005.6	11,562.1	12,159.5	11,797.8	12,198.2	2,876.1	3,262.1	2,839.7	3,220.4	2,812.8	2,938.0
6.2 Debit	-3,956.8	-4,031.1	-4,551.4	-4,325.6	-4,465.9	-1,064.4	-1,214.1	-991.5	-1,195.9	-1,103.6	-960.3
B CAPITAL AND FINANCIAL ACCOUNT	29,574.3	33,111.6	41,378.9	25,590.6	9,021.9	5,903.4	1,128.2	-3,048.9	5,039.2	9,751.7	-1,381.0
B1 Capital account	-981.8	209.1	108.2	314.1	252.6	92.0	85.5	92.3	-17.2	-12.5	-34.3
B2 Financial account, excl. reserves	40,869.5	38,217.5	38,962.4	31,787.7	9,231.2	2,035.5	1,921.8	4,207.4	1,066.5	16,188.1	-1,143.5
1 Direct investment	18,762.5	25,485.8	23,037.7	8,668.0	2,429.4	3,709.7	-863.1	1,980.2	-2,397.3	-94.0	3,225.7
1.1 Abroad	-1,515.1	-1,552.6	-6,999.5	-6,511.1	818.1	-440.3	-1,130.6	-528.5	2,917.5	-755.6	316.2
1.2 In Croatia	20,277.5	27,038.4	30,037.2	15,179.1	1,611.3	4,150.0	267.5	2,508.7	-5,314.9	661.5	2,909.5
2 Portfolio investment	-1,478.0	2,884.0	-5,733.9	2,800.4	2,827.6	-5,272.2	1,773.4	8,302.1	-1,975.7	2,018.7	-5,399.4
2.1 Assets	-3,391.6	-2,984.9	-2,153.4	-4,233.7	-2,637.5	-813.7	202.1	-609.1	-1,416.9	-262.3	-2,207.0
2.2 Liabilities	1,913.5	5,868.9	-3,580.5	7,034.0	5,465.2	-4,458.5	1,571.3	8,911.2	-558.8	2,281.0	-3,192.4
3 Financial derivatives	0.0	0.0	0.0	0.0	-1,838.9	-445.5	-524.5	-538.8	-330.1	-51.3	-338.5
4 Other investment	23,585.1	9,847.7	21,658.6	20,319.3	5,813.1	4,043.5	1,536.1	-5,536.1	5,769.6	14,314.7	1,368.8
4.1 Assets	-5,121.6	-12,078.3	-11,592.5	5,611.6	4,764.6	4,948.3	-332.3	-2,803.8	2,952.4	5,871.5	-209.9
4.2 Liabilities	28,706.7	21,926.0	33,251.1	14,707.8	1,048.6	-904.7	1,868.4	-2,732.3	2,817.2	8,443.2	1,578.7
B3 Reserve assets (CNB)	-10,313.4	-5,315.0	2,308.3	-6,511.2	-462.0	3,775.9	-879.1	-7,348.6	3,989.9	-6,423.9	-203.2
C NET ERRORS AND OMISSIONS	-10,045.7	-9,977.3	-10,699.3	-7,960.9	-4,948.4	3,852.2	-604.3	-10,715.7	2,519.3	866.7	908.8

^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 Revised data. ^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.

and deposits with foreign banks, as well as obligations of the Croatian banks for deposits owned by non-residents. Monetary statistics represent a data source for the general government sector and banks sector. Data on balance and currency structure of foreign assets and liabilities, contained in monetary statistics, are used to assess transactions from which the exchange rate effect was eliminated. In the 1993-1998 period, data on other sectors' claims under this position were compiled on the basis of the CNB estimate of a portion of net foreign currency inflows of the household sector which is not classified under current transfers. Since 1999, this position has included only the data based on the Bank for International Settlement quarterly data, while

data in the fourth quarter of 2001 and in the first two quarters of 2002 also relate to the effect of the EMU countries' currencies changeover to the euro. Data for the fourth quarter of 2008 were modified by estimates of currency and deposit withdrawals from the financial system driven by fears of the effects of the global financial crisis.

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

Table 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	
1998	December	2,400.2	197.1	0.1	–	2,203.0	1,642.6	560.4	1,607.0
1999	December	3,012.7	188.7	0.2	–	2,823.7	2,449.8	373.9	1,344.7
2000	December	3,783.2	158.5	0.2	–	3,624.5	2,763.0	861.5	2,310.7
2001	December	5,333.6	122.9	0.2	–	5,210.5	3,469.7	1,740.7	4,056.0
2002	December	5,651.3	2.3	0.2	–	5,648.8	3,787.8	1,861.0	2,581.6
2003	December	6,554.1	0.7	0.2	–	6,553.2	3,346.0	3,207.2	3,927.1
2004	December	6,436.2	0.6	0.2	–	6,435.4	3,173.3	3,262.0	4,220.1
2005	December	7,438.4	0.9	0.2	–	7,437.3	3,834.5	3,602.8	2,938.4
2006	December	8,725.3	0.7	0.2	–	8,724.4	4,526.9	4,197.5	3,315.0
2007	December	9,307.4	0.8	0.2	–	9,306.5	4,533.9	4,772.5	4,388.9
2008	December	9,120.9	0.7	0.2	–	9,120.0	2,001.8	7,118.2	4,644.5
2009	December	10,375.8	331.7	0.2	–	10,043.9	2,641.4	7,402.6	4,293.9
2010	October	11,076.9	345.3	0.2	–	10,731.4	3,708.7	7,022.7	3,978.5
	November	11,044.2	351.2	0.2	–	10,692.9	3,656.1	7,036.7	3,790.3
	December	10,660.3	356.7	0.2	–	10,303.4	3,274.9	7,028.5	3,828.9
2011	January	10,456.2	345.4	0.2	–	10,110.6	3,141.2	6,969.4	3,596.5
	February	10,464.0	346.4	0.2	–	10,117.4	2,871.5	7,245.9	3,662.9
	March	11,423.8	342.0	0.2	–	11,081.6	4,058.9	7,022.8	2,926.6
	April	11,336.3	331.5	0.2	–	11,004.6	4,007.4	6,997.1	2,748.5
	May	11,394.4	340.4	0.2	–	11,053.8	2,992.3	8,061.6	2,714.7
	June	11,422.3	338.0	0.2	–	11,084.1	2,883.2	8,200.8	2,836.0
	July	11,232.9	338.7	0.2	–	10,894.0	3,154.1	7,739.9	3,442.2
	August	11,217.3	339.2	0.2	–	10,877.9	3,055.6	7,822.3	3,560.6
	September ^b	11,323.8	347.8	0.2	–	10,975.8	3,097.7	7,878.1	3,670.2

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

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

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

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

		2006	2007	2008	2009	2010	2011			
		Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Jun.	Jul.	Aug.
	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)		-650.5	-521.1	-1,084.1	-989.3	-1,234.9	-685.3	-673.8	-517.3	-500.8
III Contingent short-term net drains on f/c assets (nominal value)										
1 Contingent liabilities in foreign currency		-2,734.9	-2,607.4	-1,896.1	-1,351.6	-1,734.2	-1,495.2	-1,579.8	-1,644.3	-1,649.1
(a) Collateral guarantees on debt falling due within 1 year		-478.9	-662.1	-803.2	-661.5	-1,087.9	-846.8	-905.0	-972.0	-984.5
– Croatian National Bank		-	-	-	-	-	-	-	-	-
– Central government (excl. central government funds)		-478.9	-662.1	-803.2	-661.5	-1,087.9	-846.8	-905.0	-972.0	-984.5
Up to 1 month		-71.9	-54.3	-91.8	-30.3	-0.2	-27.0	-8.4	-4.0	-94.1
More than 1 and up to 3 months		-84.8	-42.4	-58.4	-101.3	-438.5	-143.6	-139.4	-173.3	-247.3
More than 3 months and up to 1 year		-322.2	-565.3	-652.9	-529.8	-649.2	-676.2	-757.2	-794.7	-643.2
(b) Other contingent liabilities		-2,256.0	-1,945.3	-1,092.9	-690.1	-646.3	-648.4	-674.7	-672.3	-664.6
– Croatian National Bank		-2,256.0	-1,945.3	-1,092.9	-690.1	-646.3	-648.4	-674.7	-672.3	-664.6
Up to 1 month		-	-	-	-	-	-	-	-	-
More than 1 and up to 3 months		-2,256.0	-1,945.3	-1,092.9	-690.1	-646.3	-648.4	-674.7	-672.3	-664.6
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)		-2,734.9	-2,607.4	-1,896.1	-1,351.6	-1,734.2	-1,495.2	-1,579.8	-1,644.3	-1,649.1
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	-	-	-9.5	-	-	-
– 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		559.5	389.7	478.6	766.5	1,458.5	1,631.9	664.7	567.2	-
(e) Financial derivative assets (net, marked to market)		-	-	-	-	-	-	-	-	-
(f) Currency composition of official reserves assets										
– Currencies in SDR basket		8,725.0	9,307.1	9,120.8	10,375.7	10,660.0	11,423.8	11,422.2	11,232.8	11,217.2
– Currencies not in SDR basket		0.3	0.3	0.1	0.1	0.3	0.1	0.1	0.1	0.1
– By individual currencies										
USD		1,266.0	1,357.2	2,064.6	2,461.8	2,451.0	2,200.9	2,346.3	2,315.8	2,301.7
EUR		7,458.0	7,944.2	7,054.9	7,581.5	7,851.8	8,880.5	8,737.4	8,577.7	8,575.8
Other		1.3	6.0	1.5	332.5	357.5	342.5	338.5	339.3	339.8

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.

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

Year	Month	HRK/EUR	HRK/ATS	HRK/FRF	HRK/100 ITL	HRK/CHF	HRK/GBP	HRK/USD	HRK/DEM
1998		7.139159	0.514631	1.080018	0.366853	4.396452	10.537622	6.362284	3.620795
1999		7.581823	0.550993	1.155840	0.391568	4.739965	11.514804	7.122027	3.876528
2000		7.633852	0.554774	1.163773	0.394256	4.903244	12.530514	8.287369	3.903127
2001		7.471006	0.542939	1.138947	0.385845	4.946810	12.010936	8.339153	3.819865
2002		7.406976				5.049125	11.793108	7.872490	
2003		7.564248				4.978864	10.943126	6.704449	
2004		7.495680				4.854986	11.048755	6.031216	
2005		7.400047				4.780586	10.821781	5.949959	
2006		7.322849				4.656710	10.740292	5.839170	
2007		7.336019				4.468302	10.731537	5.365993	
2008		7.223178				4.553618	9.101622	4.934417	
2009		7.339554				4.861337	8.233112	5.280370	
2010		7.286230				5.285859	8.494572	5.500015	
2010	October	7.320596				5.447765	8.357430	5.270324	
	November	7.373159				5.479414	8.605358	5.384240	
	December	7.392766				5.761629	8.730161	5.594845	
2011	January	7.396420				5.794304	8.724773	5.537878	
	February	7.410873				5.710786	8.753128	5.431365	
	March	7.393749				5.746383	8.546276	5.285354	
	April	7.362212				5.671406	8.340644	5.105235	
	May	7.391226				5.882541	8.407499	5.142271	
	June	7.412196				6.121611	8.368008	5.148899	
	July	7.419738				6.288996	8.367082	5.193281	
	August	7.454965				6.657745	8.505480	5.192441	
	September	7.486844				6.250744	8.578141	5.420572	

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 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

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

Year	Month	HRK/EUR	HRK/ATS	HRK/FRF	HRK/100 ITL	HRK/CHF	HRK/GBP	HRK/USD	HRK/DEM
1998		7.329100	0.531546	1.114954	0.377700	4.567584	10.451000	6.247500	3.739700
1999		7.679009	0.558055	1.170657	0.396588	4.784268	12.340257	7.647654	3.926215
2000		7.598334	0.552192	1.158359	0.392421	4.989712	12.176817	8.155344	3.884966
2001		7.370030	0.535601	1.123554	0.380630	4.977396	12.101856	8.356043	3.768237
2002		7.442292				5.120256	11.451442	7.145744	
2003		7.646909				4.901551	10.860544	6.118506	
2004		7.671234				4.971314	10.824374	5.636883	
2005		7.375626				4.744388	10.753209	6.233626	
2006		7.345081				4.571248	10.943208	5.578401	
2007		7.325131				4.412464	9.963453	4.985456	
2008		7.324425				4.911107	7.484595	5.155504	
2009		7.306199				4.909420	8.074040	5.089300	
2010		7.385173				5.929961	8.608431	5.568252	
2010	October	7.339273				5.374394	8.443710	5.311386	
	November	7.420325				5.618904	8.761749	5.623588	
	December	7.385173				5.929961	8.608431	5.568252	
2011	January	7.407203				5.709707	8.566211	5.393333	
	February	7.414820				5.786951	8.648029	5.376954	
	March	7.382807				5.688709	8.424015	5.244216	
	April	7.354349				5.706354	8.245710	4.947426	
	May	7.431895				6.123338	8.573944	5.203315	
	June	7.373946				6.163961	8.205125	5.127205	
	July	7.452071				6.512340	8.488519	5.215980	
	August	7.470858				6.333383	8.463643	5.183776	
	September	7.492023				6.137481	8.611521	5.493894	

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) • 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	Producer price index	Unit labour costs in industry	Unit labour costs in the total economy
1998	December	100,05	104,33	106,43		
1999	December	107,42	110,58	110,78		
2000	December	107,39	108,02	104,30	117,11	107,51
2001	December	104,41	104,92	103,86	111,96	107,85
2002	December	102,98	103,92	101,67	112,07	105,89
2003	December	103,17	104,36	102,21	105,47	105,19
2004	December	101,23	102,11	99,97	102,79	101,60
2005	December	100,26	99,62	100,99	100,35	100,40
2006	December	98,76	98,03	101,09	91,55	94,48
2007	December	97,20	94,18	98,64	87,43	89,84
2008	December	96,12	92,10	94,82	89,42	85,93
2009	December	96,36	91,83	92,00	89,15	87,70
2010	October	98,53	93,78	93,37		
	November	99,43	94,47	94,62		
	December	100,14	95,58	95,16	91,08	92,61
2011	January	100,31	94,78	95,66		
	February	100,30	94,72	94,83		
	March	99,66	94,46	94,30	94,02 ^b	94,20 ^b
	April	98,78	93,92	93,81		
	May	99,41	94,33	93,79		
	June	99,72	95,02	94,36		
	July	99,97	95,26	94,81		
	August	100,55	96,11 ^b	94,52 ^b		
	September	101,05				

^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). Producer price indices, consumer price indices and the harmonised consumer price indices for EU member states, unit labour costs in the total economy and in industry are used as deflators. The time series for consumer prices in Croatia is constructed in the following manner: retail price indices are used for the period until and including December 1997 and consumer price indices for the period as of January 1998. Unit labour costs in Croatia are calculated as the ratio of compensation per employee at current prices to labour productivity at constant prices (for more details on the calculation of unit labour costs, see Box 1 in CNB Bulletin No. 141, 2008). Data on the real effective exchange rate for the last month are preliminary. The historical data may be corrected for the subsequent changes in the data on deflators used in the calculation of the index of the real effective exchange rate of the kuna.

	2006	2007	2008	2009	2010	2011				
	Dec.	Dec. ^b	Dec. ^{c,d}	Dec. ^e	Dec. ^f	Mar.*	Apr.*	May*	Jun.*	Jul.
Long-term	9,818.9	13,350.1	18,975.7	20,028.1	19,955.3	20,260.8	20,177.7	20,229.5	20,030.0	20,065.2
Bonds	857.4	1,293.4	1,251.6	1,665.8	1,590.1	1,437.5	1,442.8	1,443.9	1,413.0	1,399.4
Credits	8,816.1	11,766.9	17,391.3	18,069.6	18,077.2	18,533.3	18,479.5	18,526.3	18,369.6	18,398.2
Currency and deposits	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	145.4	289.8	322.2	292.6	287.9	289.9	255.4	259.3	247.3	267.6
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	2,878.4	3,932.8	5,835.9	7,440.3	7,581.5	7,207.0	7,126.1	6,888.2	6,934.6	6,954.6
Short-term	233.9	540.4	1,415.7	446.8	933.8	963.7	927.3	950.0	1,023.5	1,021.3
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	51.2	216.8	1,314.0	343.2	765.3	770.1	735.5	749.3	818.3	809.8
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	182.7	323.6	101.6	103.6	168.5	193.6	191.8	200.7	205.2	211.5
Principal arrears	158.2	293.9	85.8	73.5	130.6	154.7	151.9	161.5	165.0	168.2
Interest arrears	24.5	29.7	15.8	30.1	37.9	38.9	40.0	39.2	40.2	43.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	2,644.5	3,392.5	4,420.2	6,993.4	6,647.7	6,243.2	6,198.8	5,938.2	5,911.1	5,933.3
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	2,618.1	3,374.5	4,414.7	6,992.4	6,644.7	6,240.2	6,104.0	5,845.7	5,816.9	5,841.4
Trade credits	26.4	18.0	5.5	1.0	3.0	3.0	94.7	92.5	94.2	91.9
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)	29,725.0	33,720.8	40,590.0	45,244.3	46,508.4	47,506.6	47,269.4	47,643.2	47,216.5	46,905.8
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, published in Bulletin No. 146, 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. ^d The relevant comparable data as at 31 December 2008, published in Bulletin No. 161, should be used for the calculation of the external debt growth rate in 2009. ^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 (published in Bulletin No. 161).

Table H12 Gross external debt by domestic sectors • External debt is defined as the external debt liabilities of residents on the basis of debt securities issued in the foreign markets (at face value), credits (repo agreements included) regardless of their contractual maturity, deposits of non-residents, and trade credits granted by non-residents with contractual maturity of more than 180 days (90 days up to 11 July 2001 and 150 days up to 31 December 2002) and, from December 2005 on, non-resident investment in debt securities issued in the domestic market.

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

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

maturity. Data for the previous periods are reported only on a long-term basis.

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

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

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

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

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

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

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

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

Table H13 Public sector gross external debt, and publicly guaranteed and non-publicly guaranteed private sector gross external debt^a
in million EUR

	2006 Dec.	2007 Dec. ^b	2008 Dec. ^{c,d}	2009 Dec. ^e	2010 Dec. [*]	2011				
						Mar. [*]	Apr. [*]	May [*]	Jun. [*]	Jul.
1 Public sector	8,673.8	9,986.7	10,852.7	12,820.6	14,363.8	14,682.6	14,469.5	14,480.9	14,157.4	14,543.8
Short-term	165.5	116.2	209.2	429.9	651.2	1,150.1	985.1	963.1	780.7	619.1
Money market instruments	123.9	43.7	24.6	170.3	468.3	547.9	521.5	475.3	321.4	323.2
Credits	15.2	35.4	164.1	215.6	108.7	530.1	392.1	415.6	385.5	221.3
Currency and deposits	2.6	2.3	2.3	1.1	1.2	0.4	0.1	0.1	0.1	0.1
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	23.9	34.7	18.2	42.9	73.1	71.7	71.4	72.2	73.7	74.6
Principal arrears	20.6	29.9	17.1	39.4	69.3	68.0	67.6	68.3	69.8	70.6
Interest arrears	3.3	4.8	1.1	3.6	3.8	3.8	3.9	3.9	3.9	4.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	8,506.8	9,868.8	10,641.8	12,207.3	13,547.6	13,518.6	13,470.4	13,503.8	13,362.7	13,910.6
Bonds	3,933.7	4,543.3	4,294.8	5,326.8	5,579.9	5,440.7	5,325.8	5,384.3	5,297.2	5,817.7
Credits	4,485.2	5,120.3	6,068.5	6,608.2	7,696.3	7,806.7	7,907.4	7,878.3	7,835.4	7,842.3
Currency and deposits	0.0	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	87.9	205.2	267.9	272.3	271.4	271.2	237.1	241.2	230.1	250.6
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment	1.5	1.8	1.7	183.4	165.0	13.9	14.0	14.1	13.9	14.0
2 Publicly guaranteed private sector	204.2	139.9	80.3	9.2	5.4	3.9	3.9	3.9	3.9	3.8
Short-term	17.2	11.3	7.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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	17.2	11.3	7.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	14.4	9.4	7.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	2.8	1.9	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	187.0	128.6	73.2	9.2	5.4	3.9	3.9	3.9	3.9	3.8
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	187.0	128.6	73.2	9.2	5.4	3.9	3.9	3.9	3.9	3.8
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	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	20,847.0	23,594.3	29,657.1	32,414.6	32,139.2	32,820.2	32,796.0	33,158.4	33,055.3	32,358.3
Short-term	4,008.7	3,763.3	4,564.9	4,180.2	4,443.5	4,266.6	4,346.8	4,540.7	4,810.7	4,343.5
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	1,290.2	1,356.4	1,641.6	1,268.9	1,350.5	1,230.9	1,259.0	1,321.9	1,327.7	1,047.6
Currency and deposits	2,211.1	1,648.8	2,670.3	2,283.9	2,073.0	2,187.1	2,230.7	2,354.6	2,572.1	2,381.0
Trade credits	35.9	31.1	39.5	28.2	30.9	33.0	32.6	32.7	30.9	30.1
Other debt liabilities	471.5	727.0	213.5	599.2	989.2	815.7	824.5	831.4	880.0	884.8
Principal arrears	425.6	645.4	150.2	484.4	821.6	675.9	683.5	692.1	730.7	732.8
Interest arrears	45.8	81.7	63.3	114.9	167.6	139.7	141.1	139.3	149.3	152.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	13,961.4	15,899.9	19,258.0	20,977.5	20,279.1	21,360.4	21,337.1	21,743.5	21,323.9	21,074.2
Bonds	798.4	628.8	585.5	324.4	332.2	464.7	466.4	462.7	433.9	440.0
Credits	10,919.0	12,691.4	16,162.4	16,590.1	15,538.1	16,112.9	15,993.9	16,135.7	16,002.5	16,106.5
Currency and deposits	2,184.7	2,493.9	2,455.0	4,042.7	4,384.9	4,734.0	4,828.4	5,096.7	4,840.3	4,480.6
Trade credits	59.4	85.8	55.0	20.3	23.8	48.8	48.4	48.4	47.3	47.1

	2006 Dec.	2007 Dec. ^b	2008 Dec. ^{c,d}	2009 Dec. ^e	2010 Dec. ^f	2011				
						Mar.*	Apr.*	May*	Jun.*	Jul.
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment	2,876.9	3,931.1	5,834.2	7,256.9	7,416.6	7,193.1	7,112.1	6,874.2	6,920.7	6,940.6
Total (1+2+3)	29,725.0	33,720.8	40,590.0	45,244.3	46,508.4	47,506.6	47,269.4	47,643.2	47,216.5	46,905.8
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, published in Bulletin No. 146, 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. ^d The relevant comparable data as at 31 December 2008, published in Bulletin No. 161, should be used for the calculation of the external debt growth rate in 2009. ^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 (published in Bulletin No. 161).

Table H14 Gross external debt by domestic sectors and projected future payments^a

in million EUR

	Gross external debt 31/7/2011	Imme- diate	Projected future principal payments												
			Q3/11	Q4/11	Q1/12	Q2/12	2011	2012	2013	2014	2015	2016	2017	2018	Other
1 Government	6,980.1	0.0	267.5	171.9	62.0	89.1	439.4	238.2	288.4	648.9	968.9	130.4	104.7	597.0	3,564.2
Short-term	323.4	0.0	163.1	106.5	41.4	12.4	269.6	53.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	323.2	0.0	163.1	106.3	41.4	12.4	269.4	53.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.2	0.0	0.0	0.2	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	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	6,656.7	0.0	104.4	65.4	20.6	76.7	169.8	184.4	288.4	648.9	968.9	130.4	104.7	597.0	3,564.2
Bonds	4,857.9	0.0	62.8	0.0	0.2	24.7	62.8	25.1	118.6	485.4	693.5	8.6	13.5	521.6	2,928.7
Credits	1,798.8	0.0	41.6	65.4	20.4	52.0	107.0	159.3	169.8	163.5	275.3	121.8	91.2	75.4	635.5
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	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Banks	11,264.9	0.2	2,579.3	1,157.6	976.1	798.0	3,737.0	2,653.7	1,110.0	705.2	553.5	532.5	1,146.7	704.3	121.8
Short-term	2,998.2	0.2	2,036.5	263.6	309.1	324.1	2,300.1	698.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	617.1	0.0	595.8	6.3	0.0	15.0	602.1	15.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	2,381.0	0.0	1,440.8	257.2	309.1	309.1	1,698.0	683.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.2	0.2	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	0.0	0.0	0.0	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	0.2	0.2	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
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	8,266.6	0.0	542.8	894.1	667.1	473.9	1,436.9	1,955.7	1,110.0	705.2	553.5	532.5	1,146.7	704.3	121.8
Bonds	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0

	Gross external debt 31/7/2011	Imme-diate	Projected future principal payments												
			Q3/11	Q4/11	Q1/12	Q2/12	2011	2012	2013	2014	2015	2016	2017	2018	Other
Credits	3,785.7	0.0	63.1	530.4	274.1	80.9	593.6	628.0	502.1	592.7	114.8	348.1	947.2	20.6	38.8
Currency and deposits	4,480.6	0.0	479.7	363.7	393.0	393.0	843.3	1,327.7	607.9	112.5	438.8	184.4	199.2	683.7	83.1
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	21,706.1	959.2	1,186.6	2,188.3	919.6	1,332.8	3,374.9	3,855.4	2,690.1	1,625.1	1,339.5	1,465.8	1,501.1	741.1	4,153.8
Short-term	1,640.9	959.2	103.9	432.9	114.5	23.6	536.8	145.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	651.6	0.0	103.9	432.9	84.4	23.6	536.8	114.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	30.1	0.0	0.0	0.0	30.1	0.0	0.0	30.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	959.2	959.2	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	803.3	803.3	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
Interest arrears	155.9	155.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	20,065.2	0.0	1,082.7	1,755.4	805.1	1,309.1	2,838.1	3,710.4	2,690.1	1,625.1	1,339.5	1,465.8	1,501.1	741.1	4,153.8
Bonds	1,399.4	0.0	21.8	16.9	0.0	0.5	38.7	282.3	42.7	30.4	30.4	461.7	509.4	0.0	3.9
Credits	18,398.2	0.0	980.3	1,650.1	802.1	1,307.4	2,630.4	3,381.8	2,599.3	1,593.6	1,308.1	1,003.1	990.9	741.1	4,149.9
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	267.6	0.0	80.7	88.3	3.0	1.2	169.0	46.4	48.2	1.1	1.0	1.0	0.9	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	6,954.6	211.5	575.7	1,786.9	275.8	473.4	2,362.6	1,369.2	491.4	363.7	352.7	262.3	224.5	106.9	1,209.9
Short-term	1,021.3	211.5	92.6	426.7	109.1	170.2	519.3	290.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	809.8	0.0	92.6	426.7	109.1	170.2	519.3	290.5	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	211.5	211.5	0.0	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	168.2	168.2	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	43.3	43.3	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	5,933.3	0.0	483.1	1,360.2	166.6	303.2	1,843.3	1,078.6	491.4	363.7	352.7	262.3	224.5	106.9	1,209.9
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	5,841.4	0.0	481.4	1,359.9	166.6	302.7	1,841.3	1,076.2	491.1	363.7	265.5	262.3	224.5	106.9	1,209.9
Trade credits	91.9	0.0	1.8	0.2	0.0	0.6	2.0	2.4	0.2	0.0	87.2	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
Total (1+2+3+4+5)	46,905.8	1,170.8	4,609.3	5,304.7	2,233.5	2,693.2	9,914.0	8,116.4	4,580.0	3,342.9	3,214.7	2,391.0	2,977.1	2,149.2	9,049.8
Supplement: Projected interest payments			109.3	304.5	277.6	338.6	413.7	1,207.8	1,031.4	888.9	766.2	670.1	548.9	436.8	2,132.1

^a As from Bulletin No. 170 the stock and the planned repayments of gross external debt include data on non-resident investment in debt securities issued by Croatian issuers in the Croatian market.

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

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

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

Table H15 Gross external debt by other sectors
in million EUR

	2006 Dec.	2007 Dec. ^a	2008 Dec. ^{b,c}	2009 Dec. ^d	2010 Dec. ^e	2011				
						Mar.*	Apr.*	May*	Jun.*	Jul.
1 Other sectors	10,519.7	14,828.3	19,901.0	21,374.8	21,571.1	22,021.3	21,757.6	21,827.3	21,669.6	21,706.1
Short-term	700.9	1,478.2	925.3	1,346.7	1,615.8	1,760.6	1,580.0	1,597.8	1,639.6	1,640.9
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	155.0	681.0	652.9	677.7	523.9	840.4	651.8	661.6	655.1	651.6
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	35.9	31.1	39.5	28.2	30.9	33.0	32.6	32.7	30.9	30.1
Other debt liabilities	510.0	766.0	232.9	640.9	1,061.0	887.1	895.6	903.5	953.5	959.2
Principal arrears	460.6	683.4	170.4	523.6	890.2	743.9	751.0	760.4	800.5	803.3
Interest arrears	49.4	82.6	62.5	117.2	170.8	143.2	144.6	143.1	153.0	155.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	9,818.9	13,350.1	18,975.7	20,028.1	19,955.3	20,260.8	20,177.7	20,229.5	20,030.0	20,065.2
Bonds	857.4	1,293.4	1,251.6	1,665.8	1,590.1	1,437.5	1,442.8	1,443.9	1,413.0	1,399.4
Credits	8,816.1	11,766.9	17,401.9	18,069.6	18,077.2	18,533.3	18,479.5	18,526.3	18,369.6	18,398.2
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	145.4	289.8	322.2	292.6	287.9	289.9	255.4	259.3	247.3	267.6
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 Other banking institutions	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
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Non-banking financial institutions	2,871.4	3,922.0	4,949.7	5,396.1	4,642.3	4,328.8	4,177.4	4,189.2	4,137.9	4,151.2
Short-term	60.1	201.6	155.4	436.3	109.1	161.9	121.2	119.2	165.3	171.5
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	46.5	184.5	144.5	431.8	94.1	156.2	115.0	113.0	150.9	157.0
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	13.6	17.1	10.9	4.5	15.0	5.8	6.2	6.2	14.4	14.5
Principal arrears	6.4	2.9	4.2	1.3	11.6	2.2	2.4	2.5	9.2	9.2
Interest arrears	7.2	14.2	6.7	3.2	3.4	3.6	3.8	3.8	5.2	5.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	2,811.3	3,720.4	4,794.3	4,959.8	4,533.2	4,166.9	4,056.1	4,070.0	3,972.6	3,979.7
Bonds	531.4	806.7	791.5	1,014.7	936.4	647.0	649.8	653.5	650.6	647.3
Credits	2,279.9	2,913.7	3,992.3	3,945.1	3,596.9	3,519.9	3,406.4	3,416.5	3,322.0	3,332.4
Currency and deposits	0.0	0.0	10.6	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
1.3 Public enterprises	1,168.5	2,031.6	3,985.5	5,214.0	5,980.2	6,302.0	6,194.0	6,184.1	6,137.7	6,162.3
Short-term	31.6	48.3	145.1	77.7	180.8	426.7	287.8	311.3	284.1	295.7
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	15.2	35.4	132.4	34.8	108.6	354.9	216.3	239.1	210.3	221.1
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	16.4	12.9	12.7	42.8	72.2	71.7	71.4	72.2	73.7	74.6

	2006 Dec.	2007 Dec. ^a	2008 Dec. ^{b,c}	2009 Dec. ^d	2010 Dec. ^e	2011				
						Mar.*	Apr.*	May*	Jun.*	Jul.
Principal arrears	14.5	12.5	11.8	39.3	68.6	68.0	67.6	68.3	69.8	70.6
Interest arrears	1.9	0.5	0.9	3.6	3.7	3.8	3.9	3.9	3.9	4.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	1,136.9	1,983.3	3,840.5	5,136.4	5,799.4	5,875.4	5,906.3	5,872.8	5,853.6	5,866.6
Bonds	0.0	330.4	341.3	335.6	330.4	325.8	326.6	327.6	328.6	312.5
Credits	1,066.8	1,470.2	3,254.7	4,528.5	5,197.6	5,278.4	5,342.5	5,304.0	5,295.0	5,303.6
Trade credits	70.1	182.7	244.5	272.3	271.4	271.2	237.1	241.2	230.1	250.6
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4 Mixed enterprises	416.5	594.9	741.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	6.3	16.5	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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	6.3	16.5	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	6.1	16.4	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.2	0.1	0.2	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	410.2	578.4	740.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	394.3	557.1	717.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits	15.9	21.3	22.7	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
1.5 Other enterprises	5,948.7	8,113.0	9,958.6	10,484.8	10,734.1	11,182.6	11,154.8	11,221.9	11,164.5	11,164.4
Short-term	578.8	1,174.3	619.2	800.4	1,319.0	1,167.1	1,166.0	1,162.2	1,186.2	1,169.6
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credits	86.9	451.2	373.8	178.7	314.3	324.4	315.5	304.4	289.8	269.4
Trade credits	35.9	31.1	39.5	28.2	30.9	33.0	32.6	32.7	30.9	30.1
Other debt liabilities	456.0	692.0	205.9	593.5	973.8	809.6	818.0	825.0	865.4	870.1
Principal arrears	420.3	630.2	151.2	483.0	810.0	673.8	681.1	689.6	721.5	723.6
Interest arrears	35.7	61.8	54.7	110.5	163.8	135.9	136.9	135.4	143.9	146.5
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	5,369.9	6,938.8	9,339.3	9,684.4	9,415.1	10,015.6	9,988.8	10,059.6	9,978.3	9,994.8
Bonds	326.0	156.3	118.9	315.5	323.4	464.7	466.4	462.7	433.8	439.6
Credits	4,989.1	6,701.7	9,168.7	9,349.0	9,075.3	9,532.1	9,504.1	9,578.7	9,527.2	9,538.2
Trade credits	54.8	80.8	51.7	20.0	16.4	18.7	18.3	18.2	17.2	17.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.6 Non-profit institutions	5.3	5.4	3.8	3.6	2.6	2.2	2.2	2.2	2.2	2.2
1.7 Craftsmen and sole traders	26.8	24.1	17.1	11.5	7.2	6.5	6.3	6.2	5.9	5.8
1.8 Households	82.7	137.2	244.7	264.8	204.7	199.1	223.0	223.8	221.4	220.2

^a The relevant comparable data as at 31 December 2007, published in Bulletin No. 146, should be used for the calculation of the external debt growth rate in 2008. ^b From January 2008 on, the data of non-financial enterprises are estimated on the basis of the data collected from the sample. ^c The relevant comparable data as at 31 December 2008, published in Bulletin No. 161, should be used for the calculation of the external debt growth rate in 2009. ^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 (published in Bulletin No. 161).

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

in million EUR

	2006	2007	2008	2009 ^c	2010 ^c	2010				2011	
						Q1 ^c	Q2 ^c	Q3 ^c	Q4 ^c	Q1 ^c	Q2 ^d
1 International investment position (net)	-30,453.2	-40,180.2	-34,976.1	-39,011.9	-42,417.1	-40,072.5	-39,731.8	-38,730.1	-42,417.1	-44,415.4	-43,669.7
2 Assets	18,154.1	21,642.8	22,507.7	24,460.0	23,128.4	23,739.2	24,538.2	25,574.1	23,128.4	23,390.8	23,342.7
2.1 Direct investment abroad	1,833.3	2,580.3	3,750.4	4,556.6	3,106.5	4,748.6	4,884.1	4,846.2	3,106.5	3,479.8	3,364.8
2.2 Portfolio investment	2,486.9	3,250.9	2,646.0	3,240.9	3,554.2	3,386.1	3,310.6	3,334.9	3,554.2	3,539.0	3,657.4
2.2.1 Equity securities	559.3	1,745.5	656.7	800.3	1,255.6	1,077.4	1,151.2	1,079.3	1,255.6	1,501.6	1,507.3
2.2.2 Debt securities	1,927.6	1,505.4	1,989.3	2,440.6	2,298.7	2,308.7	2,159.4	2,255.6	2,298.7	2,037.4	2,150.0
Bonds	1,536.2	1,225.0	1,606.9	1,732.0	1,465.7	1,508.9	1,530.5	1,436.8	1,465.7	1,469.4	1,556.1
Money market instruments	391.4	280.4	382.4	708.6	832.9	799.8	628.9	818.8	832.9	567.9	593.9
2.3 Financial derivatives	0.0	0.0	0.0	24.1	16.5	20.7	28.9	31.6	16.5	38.5	26.3
2.4 Other investment	5,108.5	6,504.2	6,990.5	6,262.5	5,790.9	5,734.7	6,009.3	6,207.0	5,790.9	4,909.6	4,871.9
2.4.1 Trade credits	230.5	248.9	224.7	123.3	80.5	113.6	106.6	84.5	80.5	87.0	91.7
2.4.2 Loans	239.5	296.4	435.9	384.5	458.7	393.5	421.3	432.3	458.7	463.6	531.7
2.4.3 Currency and deposits	4,638.3	5,958.9	6,329.8	5,754.6	5,251.7	5,227.6	5,481.4	5,690.2	5,251.7	4,359.0	4,248.5
2.4.4 Other assets	0.4	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)	8,725.3	9,307.4	9,120.9	10,375.8	10,660.2	9,849.0	10,305.2	11,154.4	10,660.2	11,423.9	11,422.3
3 Liabilities	48,607.2	61,823.1	57,483.8	63,471.9	65,545.5	63,811.7	64,269.9	64,304.2	65,545.5	67,806.3	67,012.4
3.1 Direct investment in Croatia	20,782.0	30,611.5	22,190.9	24,958.1	25,681.0	25,572.4	25,164.0	25,146.4	25,681.0	26,570.9	25,812.0
3.2 Portfolio investment	5,834.6	6,639.5	5,443.7	6,479.1	7,118.5	5,804.8	6,055.5	7,070.8	7,118.5	7,289.8	6,793.4
3.2.1 Equity securities	1,012.8	1,522.3	613.8	657.6	738.0	697.9	617.5	664.5	738.0	836.4	740.9
3.2.2 Debt securities	4,821.8	5,117.1	4,829.9	5,821.5	6,380.5	5,107.0	5,438.0	6,406.3	6,380.5	6,453.4	6,052.5
Bonds	4,698.0	5,073.5	4,805.3	5,651.2	5,912.1	4,849.8	4,943.1	5,831.9	5,912.1	5,905.5	5,731.0
Money market instruments	123.9	43.7	24.6	170.3	468.3	257.2	494.8	574.4	468.3	547.9	321.4
3.3 Financial derivatives	-	-	-	-	197.5	72.3	181.9	149.3	197.5	98.2	202.3
3.4 Other investment	21,990.6	24,572.1	29,849.2	31,982.6	32,548.5	32,362.2	32,868.5	31,937.6	32,548.5	33,847.3	34,204.7
3.4.1 Trade credits	244.9	337.8	367.5	344.4	369.7	359.2	354.0	388.9	369.7	372.6	329.6
3.4.2 Loans	17,347.4	20,088.8	24,343.4	25,310.1	25,719.3	25,944.1	26,128.3	25,629.2	25,719.3	26,552.9	26,462.4
3.4.3 Currency and deposits	4,398.4	4,145.5	5,138.3	6,328.1	6,459.5	6,058.9	6,386.2	5,919.5	6,459.5	6,921.8	7,412.7
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.

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

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

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

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

funds at book value method).

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

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

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

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

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

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

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

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

Table H17 International investment position – direct investment^a
in million EUR

	2006	2007	2008	2009 ^b	2010 ^b	2010				2011	
						Q1 ^b	Q2 ^b	Q3 ^b	Q4 ^b	Q1 ^b	Q2 ^c
Direct investment (net)	-18,948.7	-28,031.2	-18,440.6	-20,401.5	-22,574.6	-20,823.7	-20,279.9	-20,300.3	-22,574.6	-23,091.1	-22,447.3
1 Abroad	1,833.3	2,580.3	3,750.4	4,556.6	3,106.5	4,748.6	4,884.1	4,846.2	3,106.5	3,479.8	3,364.8
1.1 Equity capital and reinvested earnings	1,725.2	2,479.3	3,560.6	4,463.4	2,865.8	4,652.7	4,756.2	4,727.2	2,865.8	3,170.0	3,020.5
1.1.1 Claims	1,725.2	2,479.3	3,560.6	4,463.4	2,865.8	4,652.7	4,756.2	4,727.2	2,865.8	3,170.0	3,020.5
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	108.2	101.0	189.7	93.2	240.7	95.9	128.0	119.0	240.7	309.8	344.3
1.1.1 Claims	144.8	175.4	220.2	217.0	606.5	239.7	277.9	274.0	606.5	667.0	695.1
1.2.2 Liabilities	36.6	74.4	30.5	123.8	365.8	143.8	149.9	155.0	365.8	357.2	350.8
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	20,782.0	30,611.5	22,190.9	24,958.1	25,681.0	25,572.4	25,164.0	25,146.4	25,681.0	26,570.9	25,812.0
2.1 Equity capital and reinvested earnings	17,961.2	26,777.2	16,409.8	17,694.6	18,532.2	18,213.9	18,018.6	18,116.4	18,532.2	19,764.1	19,278.4
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	17,961.2	26,777.2	16,409.8	17,694.6	18,532.2	18,213.9	18,018.6	18,116.4	18,532.2	19,764.1	19,278.4
2.2 Other capital	2,820.7	3,834.3	5,781.1	7,263.5	7,148.9	7,358.4	7,145.4	7,030.0	7,148.9	6,806.8	6,533.7
2.2.1 Claims	21.1	24.2	24.3	52.9	68.3	67.5	99.2	79.9	68.3	41.2	44.8
2.2.2 Liabilities	2,841.8	3,858.5	5,805.4	7,316.4	7,217.2	7,425.9	7,244.6	7,109.9	7,217.2	6,848.0	6,578.5
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

	2006	2007	2008	2009 ^b	2010 ^b	2010				2011	
						Q1 ^b	Q2 ^b	Q3 ^b	Q4 ^b	Q1 ^b	Q2 ^c
Portfolio investment (net)	-3,347.7	-3,388.6	-2,797.7	-3,238.1	-3,564.3	-2,418.7	-2,744.8	-3,735.9	-3,564.3	-3,750.8	-3,136.0
1 Assets	2,486.9	3,250.9	2,646.0	3,240.9	3,554.2	3,386.1	3,310.6	3,334.9	3,554.2	3,539.0	3,657.4
1.1 Equity securities	559.3	1,745.5	656.7	800.3	1,255.6	1,077.4	1,151.2	1,079.3	1,255.6	1,501.6	1,507.3
1.1.1 Banks	6.7	8.3	11.6	12.8	11.1	8.1	13.2	10.7	11.1	14.7	15.3
1.1.2 Other sectors	552.6	1,737.2	645.1	787.5	1,244.5	1,069.4	1,138.0	1,068.7	1,244.5	1,486.9	1,492.1
1.2 Debt securities	1,927.6	1,505.4	1,989.3	2,440.6	2,298.7	2,308.7	2,159.4	2,255.6	2,298.7	2,037.4	2,150.0
2 Liabilities	5,834.6	6,639.5	5,443.7	6,479.1	7,118.5	5,804.8	6,055.5	7,070.8	7,118.5	7,289.8	6,793.4
2.1 Equity securities	1,012.8	1,522.3	613.8	657.6	738.0	697.9	617.5	664.5	738.0	836.4	740.9
2.1.1 Banks	143.2	164.7	66.5	62.4	56.8	64.2	64.0	65.1	56.8	57.8	61.4
2.1.2 Other sectors	869.5	1,357.6	547.3	595.2	681.2	633.7	553.5	599.4	681.2	778.6	679.6
2.2 Debt securities	4,821.8	5,117.1	4,829.9	5,821.5	6,380.5	5,107.0	5,438.0	6,406.3	6,380.5	6,453.4	6,052.5
2.2.1 Bonds	4,698.0	5,073.5	4,805.3	5,651.2	5,912.1	4,849.8	4,943.1	5,831.9	5,912.1	5,905.5	5,731.0
2.2.1.1 General government	3,402.3	3,406.2	3,162.1	3,976.4	4,313.1	3,251.4	3,357.9	4,241.4	4,313.1	4,467.9	4,318.0
2.2.1.2 Banks	457.9	459.0	456.8	9.0	8.9	8.9	9.1	8.9	8.9	0.0	0.0
2.2.1.3 Other sectors	837.8	1,208.3	1,186.4	1,665.8	1,590.1	1,589.5	1,576.1	1,581.6	1,590.1	1,437.5	1,413.0
2.2.2 Money market instruments	123.9	43.7	24.6	170.3	468.3	257.2	494.8	574.4	468.3	547.9	321.4
2.2.2.1 General government	123.9	43.7	24.6	170.3	468.3	257.1	494.8	574.4	468.3	547.9	321.4
2.2.2.2 Other sectors	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.

Table H19 International investment position – other investment^a

in million EUR

	2006	2007	2008	2009	2010 ^b	2010				2011	
						Q1	Q2	Q3	Q4 ^b	Q1 ^b	Q2 ^c
Other investment (net)	-16,882.1	-18,067.8	-22,858.7	-25,720.0	-26,757.6	-26,627.5	-26,859.2	-25,730.6	-26,757.6	-28,937.7	-29,332.7
1 Assets	5,108.5	6,504.2	6,990.5	6,262.5	5,790.9	5,734.7	6,009.3	6,207.0	5,790.9	4,909.6	4,871.9
1.1 Trade credits	230.5	248.9	224.7	123.3	80.5	113.6	106.6	84.5	80.5	87.0	91.7
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
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	230.5	248.9	224.7	123.3	80.5	113.6	106.6	84.5	80.5	87.0	91.7
Long-term	177.5	228.8	202.6	96.3	61.4	90.7	86.3	64.1	61.4	62.9	64.0
Short-term	53.0	20.1	22.1	27.0	19.2	22.9	20.3	20.4	19.2	24.1	27.8
1.2 Loans	239.5	296.4	435.9	384.5	458.7	393.5	421.3	432.3	458.7	463.6	531.7
1.2.1 Croatian National Bank	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Long-term	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
1.2.2 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	188.5	214.8	285.3	270.1	329.7	272.4	286.3	294.3	329.7	355.8	435.3
Long-term	140.0	160.0	193.6	233.7	284.6	231.1	243.1	244.6	284.6	308.9	379.1
Short-term	48.5	54.8	91.7	36.5	45.1	41.3	43.2	49.7	45.1	46.9	56.3
1.2.4 Other sectors	50.4	81.1	150.0	113.8	128.4	120.5	134.4	137.4	128.4	107.2	95.8
Long-term	50.2	81.0	146.8	113.6	90.7	118.0	119.1	109.3	90.7	86.0	78.4
Short-term	0.2	0.1	3.3	0.2	37.7	2.4	15.3	28.1	37.7	21.2	17.4
1.3 Currency and deposits	4,638.3	5,958.9	6,329.8	5,754.6	5,251.7	5,227.6	5,481.4	5,690.2	5,251.7	4,359.0	4,248.5
1.3.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.2 Banks	3,499.9	4,715.1	4,863.6	4,442.9	4,060.1	3,952.7	4,166.9	4,493.6	4,060.1	3,081.9	2,993.3
1.3.3 Other sectors	1,138.3	1,243.8	1,466.2	1,311.7	1,191.6	1,274.9	1,314.5	1,196.6	1,191.6	1,277.1	1,255.2
1.4 Other assets	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Liabilities	21,990.6	24,572.1	29,849.2	31,982.6	32,548.5	32,362.2	32,868.5	31,937.6	32,548.5	33,847.3	34,204.7
2.1 Trade credits	244.9	337.8	367.5	344.4	369.7	359.2	354.0	388.9	369.7	372.6	329.6
2.1.1 General government	1.9	1.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	1.9	1.2	0.7	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	243.0	336.6	366.7	344.4	369.7	359.2	354.0	388.9	369.7	372.6	329.6
Long-term	207.0	305.5	327.2	316.2	338.8	321.6	313.5	349.0	338.8	339.6	296.6
Short-term	35.9	31.1	39.5	28.2	30.9	37.6	40.5	39.9	30.9	33.0	33.0
2.2 Loans	17,347.4	20,088.8	24,343.4	25,310.1	25,719.3	25,944.1	26,128.3	25,629.2	25,719.3	26,552.9	26,462.4
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	2,559.0	2,613.7	1,574.6	1,592.7	1,820.2	1,845.9	1,837.8	1,834.2	1,820.2	1,972.4	1,972.2
Long-term	2,559.0	2,613.7	1,542.9	1,592.7	1,820.1	1,845.9	1,837.8	1,834.2	1,820.1	1,797.2	1,797.0
Short-term	0.0	0.0	31.7	0.0	0.1	0.0	0.0	0.0	0.1	175.2	175.2
2.2.3 Banks	5,368.9	4,276.8	4,496.7	4,352.8	4,288.8	4,604.3	4,746.5	4,184.1	4,288.8	4,371.5	4,584.3
Long-term	4,217.4	3,565.2	3,374.7	3,545.3	3,353.7	3,518.6	3,695.3	3,342.1	3,353.7	3,626.1	3,701.4
Short-term	1,151.6	711.7	1,122.0	807.5	935.1	1,085.7	1,051.1	842.0	935.1	745.4	882.9
2.2.4 Other sectors	9,419.4	13,198.2	18,272.0	19,364.6	19,610.3	19,493.9	19,544.1	19,610.9	19,610.3	20,209.0	19,905.9
Long-term	9,187.2	12,371.2	17,589.5	18,625.9	18,993.6	18,772.4	18,937.6	19,017.1	18,993.6	19,253.6	19,154.2
Short-term	232.2	827.1	682.5	738.7	616.7	721.5	606.5	593.7	616.7	955.4	751.6
2.3 Currency and deposits	4,398.4	4,145.5	5,138.3	6,328.1	6,459.5	6,058.9	6,386.2	5,919.5	6,459.5	6,921.8	7,412.7
2.3.1 Croatian National Bank	2.6	2.3	2.3	1.1	1.2	1.2	1.3	1.1	1.2	0.4	0.1
2.3.2 Banks	4,395.8	4,143.2	5,125.5	6,327.0	6,458.4	6,057.7	6,384.9	5,918.4	6,458.4	6,921.4	7,412.6
2.3.3 Other sectors	0.0	0.0	10.6	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.

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

^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 I2 Budgetary central government operations^a
in million HRK

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

^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

	2006 Dec.	2007 Dec.	2008 Dec.	2009 Dec.	2010 Dec.*	2011				
						Mar.*	Apr.*	May*	Jun.*	Jul.
1 Domestic debt of central government	56,672.8	58,271.5	64,029.1	74,241.4	87,556.8	94,996.4	94,038.6	95,739.1	94,604.9	98,310.3
1.1 Domestic debt of the Republic of Croatia	51,474.8	51,913.7	60,994.0	70,447.0	82,952.1	90,579.7	89,609.8	91,145.1	90,075.8	93,728.0
Treasury bills	11,503.1	11,420.6	14,260.3	17,558.3	16,886.5	18,882.5	18,210.1	19,300.6	18,280.7	17,797.4
Money market instruments	–	–	10.7	19.3	20.5	20.5	20.5	20.6	20.6	20.6
Bonds	33,143.8	34,624.1	35,519.3	36,586.8	48,862.5	48,456.5	48,728.9	48,910.4	49,507.4	57,419.6
Credits from the CNB	0.9	1.0	2.2	2.9	0.3	2.4	2.0	5.1	–	–
Credits from banks	6,827.0	5,867.9	11,201.5	16,279.8	17,182.3	23,217.8	22,648.3	22,908.4	22,267.2	18,490.4
1.2 Domestic debt of central government funds	5,198.0	6,357.8	3,035.0	3,794.4	4,604.7	4,416.7	4,428.8	4,594.0	4,529.0	4,582.3
Money market instruments	–	–	–	–	–	–	–	–	–	–
Bonds	–	–	–	–	–	–	–	–	–	–
Credits from banks	5,198.0	6,357.8	3,035.0	3,794.4	4,604.7	4,416.7	4,428.8	4,594.0	4,529.0	4,582.3
2 External debt of central government	44,510.6	44,191.3	34,445.5	41,527.8	48,428.1	51,302.6	50,349.8	50,940.1	48,525.7	51,787.7
2.1 External debt of the Republic of Croatia	35,572.4	34,190.6	32,619.4	39,812.5	46,443.9	49,322.8	48,389.3	48,963.1	46,579.2	49,820.5
Money market instruments	909.8	320.0	180.3	1,244.3	3,458.6	4,045.2	3,835.4	3,532.1	2,370.3	2,408.6
Bonds	24,942.2	25,046.1	22,991.6	28,884.2	31,684.5	32,818.8	31,850.2	32,585.3	31,702.9	36,064.5
Credits	9,720.4	8,824.5	9,447.4	9,684.1	11,300.8	12,458.9	12,703.8	12,845.7	12,506.1	11,347.3
2.2 External debt of central government funds	8,938.2	10,000.7	1,826.1	1,715.3	1,984.2	1,979.8	1,960.4	1,977.0	1,946.5	1,967.3
Money market instruments	–	–	–	–	–	–	–	–	–	–
Bonds	–	–	–	–	–	–	–	–	–	–
Credits	8,938.2	10,000.7	1,826.1	1,715.3	1,984.2	1,979.8	1,960.4	1,977.0	1,946.5	1,967.3
3 Total (1+2)	101,183.4	102,462.8	98,474.5	115,769.2	135,985.0	146,299.1	144,388.4	146,679.1	143,130.6	150,098.0
Supplement: Central government guaranteed debt										
– guarantees for domestic debt	7,660.3	8,110.6	13,299.2	15,692.5	20,052.8	19,571.1	19,959.2	20,294.7	19,634.7	19,649.1
– guarantees for external debt	14,303.7	18,925.2	31,371.9	35,275.2	39,333.9	37,583.2	37,292.9	37,865.0	38,348.2	38,942.7

^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, 2005 = 100			Chain indices				Monthly year-on-year indices			
		Consumer price indices			Consumer price indices ^a			Producer prices ^b	Consumer price indices ^c			Producer prices ^d
		Total	Goods	Services	Total	Goods	Services		Total	Goods	Services	
1998	December	82.1	84.6	73.7	100.3	100.4	100.0	100.0	105.4	104.3	109.2	97.9
1999	December	85.3	87.2	78.5	100.6	100.8	100.0	100.3	103.9	103.1	106.5	105.9
2000	December	90.0	92.0	82.8	100.4	100.4	100.1	100.2	105.5	105.5	105.5	111.2
2001	December	92.1	93.2	88.5	100.4	100.4	100.5	99.0	102.4	101.3	106.8	96.9
2002	December	93.8	94.2	92.6	100.4	100.6	99.6	99.9	101.8	101.1	104.6	102.3
2003	December	95.4	95.7	94.6	100.3	100.2	100.5	100.0	101.7	101.6	102.2	101.0
2004	December	98.0	98.0	98.0	100.7	100.9	100.2	99.3	102.7	102.5	103.6	104.8
2005	December	101.6	101.4	102.0	100.5	100.5	100.5	99.7	103.6	103.5	104.1	102.7
2006	December	103.7	102.8	106.4	100.0	100.0	100.2	100.0	102.0	101.4	104.2	101.9
2007	December	109.7	109.5	110.0	101.2	101.2	101.3	100.4	105.8	106.6	103.4	105.9
2008	December	112.8	112.2	114.7	99.4	99.1	100.5	98.7	102.9	102.4	104.3	104.3
2009	December	114.9	114.5	117.3	99.4	99.3	100.2	100.0	101.9	101.3	103.9	101.6
2010	October	116.7	116.6	117.9	100.1	100.3	99.5	100.4	101.4	101.6	100.9	105.0
	November	117.0	117.0	117.8	100.3	100.3	99.9	99.9	101.2	101.4	100.6	104.7
	December	117.1	117.1	117.6	100.0	100.1	99.9	101.0	101.8	102.2	100.3	105.7
2011	January	117.7	117.9	117.8	100.6	100.7	100.1	100.8	101.9	102.4	100.1	105.1
	February	118.3	118.6	118.0	100.5	100.6	100.2	101.6	102.2	102.8	100.1	106.9
	March	119.2	119.7	118.0	100.8	101.0	99.9	100.8	102.6	103.2	100.2	106.7
	April	119.5	120.0	118.2	100.2	100.3	100.2	100.6	102.4	102.8	100.9	106.7
	May	119.9	120.6	117.9	100.3	100.5	99.8	100.6	102.5	103.1	100.1	106.7
	June	119.3	119.6	118.7	99.5	99.2	100.7	99.7	102.0	102.7	99.7	106.0
	July	118.7	118.6	119.8	99.5	99.1	100.9	100.1	101.9	102.7	99.2	106.1
	August	118.6	118.6	119.4	99.9	100.0	99.7	100.7	102.0	102.9	98.7	106.6
	September	119.1	119.8	117.4	100.4	101.0	98.3	100.0	102.2	103.0	99.0	106.1

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

Source: CBS.

Table J1 Consumer price and producer price indices • The Central Bureau of Statistics (CBS) introduced the consumer price index (CPI) in early 2004. This indicator of price movements was compiled in accordance with the methodological principles laid down by the ILO and Eurostat. In its First Release, issued on 17 February 2004, the CBS published the data on movements in the CPI in January 2004 and the time series for the CPI as of January 2001. The CBS subsequently constructed the time series for the consumer price index encompassing the period from January 1998 to December 2000. As expected following the introduction of the new index, the CBS ceased to publish the retail price index (RPI) and the cost of living index, whose calculation methodologies have not been adequately harmonised with internationally accepted standards. The main features of the CPI are

described in the CNB Bulletin No. 91 (see Box 1). The data on the average year-on-year consumer price inflation rate are shown in the Bulletin table on Economic indicators.

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

Table J2 Core consumer price indices

Year	Month	Basic indices, 2005 = 100 ^a			Chain indices			Year-on-year indices		
		Total	Goods	Services	Total	Goods	Services	Total	Goods	Services
1998	December	87.3	88.6	80.0	99.9	99.9	100.0	....	....	....
1999	December	89.8	91.1	82.3	100.1	100.1	100.1	102.9	102.9	103.0
2000	December	92.8	93.9	86.5	100.4	100.4	100.2	103.3	103.0	105.0
2001	December	93.9	94.6	89.8	99.8	99.7	100.3	101.2	100.8	103.8
2002	December	95.0	95.6	91.9	100.0	100.1	99.4	101.2	101.0	102.4
2003	December	96.2	96.4	94.7	100.2	100.1	101.0	101.2	100.9	103.0
2004	December	98.4	98.5	97.4	100.1	100.1	100.4	102.3	102.2	102.9
2005	December	101.3	101.4	101.0	100.1	100.0	100.5	103.0	102.9	103.7
2006	December	103.6	103.6	103.6	99.8	99.7	100.3	102.3	102.2	102.5
2007	December	108.8	109.1	107.2	100.8	100.8	100.4	105.0	105.3	103.5
2008	December	113.3	113.5	112.5	99.4	99.3	100.2	104.2	104.0	105.0
2009	December	113.6	113.3	115.2	98.8	98.6	100.2	100.2	99.8	102.4
2010	October	114.3	114.1	115.4	100.2	100.4	99.1	99.3	99.1	100.7
	November	114.7	114.6	115.2	100.4	100.5	99.8	99.8	99.7	100.2
	December	113.7	113.4	114.9	99.1	99.0	99.7	100.1	100.1	99.8
2011	January	113.6	113.3	115.2	99.9	99.9	100.2	100.7	100.8	99.8
	February	114.1	113.8	115.5	100.4	100.4	100.3	101.1	101.4	99.6
	March	115.0	115.0	115.4	100.8	101.0	99.9	101.7	102.1	99.9
	April	115.4	115.4	115.5	100.3	100.4	100.1	101.5	101.7	100.5
	May	116.2	116.2	116.3	100.7	100.7	100.6	101.8	102.1	100.5
	June	116.2	115.9	117.8	100.0	99.7	101.3	101.8	102.1	100.1
	July	115.8	115.0	119.8	99.6	99.2	101.7	101.7	102.2	99.3
	August	115.6	114.8	120.1	99.9	99.8	100.3	101.7	102.2	99.2
	September	116.3	116.2	117.0	100.6	101.2	97.4	102.0	102.3	100.4

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

Source: CBS.

Table J3 Average monthly net wages

in current prices, in kuna

Year	Month	Nominal amount in kuna	Chain indices	Monthly year-on-year indices	Cumulative year-on-year indices
1998	December	2,935.0	104.6	115.4	112.8
1999	December	3,262.0	100.9	111.2	114.0
2000	December	3,499.0	99.9	107.3	108.9
2001	December	3,582.0	96.6	102.4	106.5
2002	December	3,839.0	98.0	107.2	105.0
2003	December	4,045.0	99.8	105.4	105.9
2004	December	4,312.0	99.1	106.6	105.9
2005	December	4,473.0	97.3	103.7	104.9
2006	December	4,735.0	97.0	105.9	105.2
2007	December	4,958.0	96.6	104.7	105.2
2008	December	5,410.0	100.3	109.1	107.0
2009	December	5,362.0	99.6	99.1	102.6
2010	October	5,351.0	101.1	101.4	100.2
	November	5,584.0	104.4	103.7	100.5
	December	5,450.0	97.6	101.7	100.6
2011	January	5,342.0	98.0	101.6	101.6
	February	5,242.0	98.1	101.7	101.6
	March	5,480.0	104.5	102.3	101.8
	April	5,396.0	98.5	102.9	102.1
	May	5,425.0	100.5	102.8	102.2
	June	5,498.0	101.4	101.5	102.1
	July	5,365.0	97.6	100.8	101.9

Source: CBS.

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

Year	Month	Composite indices			Response indices (I)						
		Consumer confidence index	Consumer expectations index	Consumer sentiment index	I1	I2	I3	I4	I7	I8	I11
1999	October	-33.7	-14.9	-46.3	-38.4	-12.1	-49.9	-17.6	35.5	-50.7	-69.7
2000	October	-20.9	3.5	-32.2	-26.2	1.2	-22.0	5.7	26.9	-48.3	-63.6
2001	October	-27.0	-11.4	-35.6	-29.6	-10.0	-35.9	-12.7	22.9	-41.3	-62.3
2002	October	-25.2	-8.3	-29.3	-22.6	-5.1	-31.2	-11.5	20.1	-34.1	-64.0
2003	October	-22.2	-4.5	-25.0	-21.5	-2.6	-26.5	-6.4	14.7	-27.1	-65.2
2004	October	-23.9	-7.9	-22.0	-19.1	-4.1	-30.5	-11.6	22.5	-16.5	-57.3
2005	December	-26.4	-13.7	-25.6	-16.4	-5.9	-34.4	-21.5	27.6	-25.9	-50.6
2006	December	-18.9	-4.7	-15.4	-10.9	1.1	-22.4	-10.5	16.9	-12.9	-49.4
2007	December	-24.7	-15.5	-24.5	-16.8	-9.8	-31.8	-21.2	12.8	-25.0	-54.8
2008	December	-42.0	-33.3	-40.9	-30.7	-25.9	-51.8	-40.6	43.4	-40.3	-57.9
2009	December	-46.8	-32.7	-47.6	-35.7	-22.6	-64.5	-42.8	63.9	-42.5	-58.0
2010	October	-44.4	-32.5	-46.0	-37.0	-21.4	-64.8	-43.6	53.5	-36.1	-58.9
	November	-44.7	-31.4	-48.9	-36.9	-21.0	-68.2	-41.8	60.8	-41.5	-55.1
	December	-42.9	-30.6	-48.7	-40.7	-21.7	-65.9	-39.4	55.7	-39.4	-54.8
2011	January	-40.0	-26.4	-47.8	-37.7	-16.2	-67.3	-36.6	48.4	-38.5	-58.6
	February	-41.2	-27.8	-50.5	-37.2	-18.4	-70.3	-37.2	48.0	-44.1	-61.0
	March	-47.6	-37.2	-58.6	-46.4	-27.0	-79.4	-47.3	53.9	-50.1	-62.0
	April	-37.8	-27.9	-49.0	-37.9	-16.9	-69.7	-38.9	34.2	-39.5	-61.0
	May	-38.2	-28.4	-49.8	-38.5	-19.2	-70.5	-37.6	33.8	-40.4	-62.2
	June	-36.0	-24.7	-45.3	-34.2	-15.5	-64.4	-33.8	36.7	-37.2	-57.8
	July	-33.6	-20.8	-42.1	-32.1	-13.4	-55.8	-28.1	35.3	-38.4	-57.5
	August	-38.0	-27.3	-45.2	-36.5	-20.1	-61.3	-34.5	43.6	-37.7	-53.9
	September	-35.9	-25.2	-43.6	-32.4	-16.7	-60.1	-33.6	39.6	-38.3	-53.8

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The components of composite indices are as follows:

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

CEI: I2, I4

CSI: I1, I3, I8.

List of banks and savings banks

1 October 2011

Authorised banks

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

Authorised savings banks

- 1 Tesla štedna banka d.d., Zagreb

Authorised housing savings banks

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

Other institutions

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

Representative offices of foreign banks

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

Banks and savings banks undergoing bankruptcy proceedings

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

Banks and savings banks undergoing winding-up proceedings

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

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

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

Management of the Croatian National Bank

1 October 2011

Members of the Council of the Croatian National Bank

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

Management of the CNB

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

Executive directors

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

Abbreviations and symbols

Abbreviations

BIS	– Bank for International Settlements
bn	– billion
b.p.	– basis points
BOP	– balance of payments
c.i.f.	– cost, insurance and freight
CBRD	– Croatian Bank for Reconstruction and Development
CBS	– Central Bureau of Statistics
CCI	– consumer confidence index
CDCC	– Central Depository and Clearing Company Inc.
CDS	– credit default swap
CEE	– Central and Eastern European
CEFTA	– Central European Free Trade Agreement
CEI	– consumer expectations index
CES	– Croatian Employment Service
CM	– Croatian Motorways
CIHI	– Croatian Institute for Health Insurance
CLVPS	– Croatian Large Value Payment System
CNB	– Croatian National Bank
CPF	– Croatian Privatisation Fund
CPI	– consumer price index
CPIA	– Croatian Pension Insurance Administration
CR	– Croatian Roads
CSI	– consumer sentiment index
DAB	– State Agency for Deposit Insurance and Bank Rehabilitation
dep.	– deposit
DVP	– delivery versus payment
EC	– European Commission
ECB	– European Central Bank
EFTA	– European Free Trade Association
EMU	– Economic and Monetary Union
ESI	– economic sentiment index
EU	– European Union
excl.	– excluding
f/c	– foreign currency
FDI	– foreign direct investment
Fed	– Federal Reserve System
FINA	– Financial Agency
f.o.b.	– free on board
GDP	– gross domestic product
GVA	– gross value added
HANFA	– Croatian Financial Services Supervisory Agency
HICP	– harmonised index of consumer prices
ILO	– International Labour Organization
IMF	– International Monetary Fund
incl.	– including
IPO	– initial public offering
m	– million
MIGs	– main industrial groupings
MM	– monthly maturity
MoF	– Ministry of Finance
NCEA	– National Classification of Economic Activities
NCS	– National Clearing System
n.e.c.	– not elsewhere classified
OECD	– Organisation for Economic Co-Operation and Development

OG	– Official Gazette
R	– Republic
o/w	– of which
PPI	– producer price index
RTGS	– Real-Time Gross Settlement
Q	– quarterly
RR	– reserve requirement
SDR	– special drawing rights
SITC	– Standard International Trade Classification
VAT	– value added tax
WTO	– World Trade Organization
ZMM	– Zagreb Money Market
ZSE	– Zagreb Stock Exchange

Three-letter currency codes

ATS	– Austrian schilling
CHF	– Swiss franc
DEM	– German mark
EUR	– euro
FRF	– French franc
GBP	– pound sterling
HRK	– Croatian kuna
ITL	– Italian lira
JPY	– Japanese yen
USD	– US dollar

Two-letter country codes

AT	– Austria
BE	– Belgium
BG	– Bulgaria
CZ	– Czech Republic
EE	– Estonia
DK	– Denmark
ES	– Spain
HR	– Croatia
HU	– Hungary
FI	– Finland
FR	– France
IE	– Ireland
IT	– Italy
LV	– Latvia
LT	– Lithuania
NL	– Netherlands
PL	– Poland
PT	– Portugal
RO	– Romania
SE	– Sweden
SI	– Slovenia
SK	– Slovak Republic

Symbols

–	– no entry
....	– data not available
0	– value is less than 0.5 of the unit of measure being used
∅	– average
a, b, c,...	– indicates a note beneath the table and figure
*	– corrected data
()	– incomplete or insufficiently verified data



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