

# BULLETIN



CROATIAN NATIONAL BANK

216

Year XXI • July 2015





HNB

**BULLETIN 216**

**PUBLISHER**

Croatian National Bank  
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[www.hnb.hr](http://www.hnb.hr)

Release dates are disseminated on the advance release calendar posted for Croatia on the IMF's DSBB (<http://dsbb.imf.org>).  
Those using data from this publication are requested to cite the source.  
Any additional corrections that might be required will be made in the website version.

ISSN 1334-0050 (online)



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Zagreb, July 2015

# General information on Croatia

## Economic indicators

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Area (square km)	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594
Population (million)	4.442	4.440	4.436	4.434	4.429	4.418	4.280	4.268	4.256	4.256
GDP (million HRK, current prices) <sup>a</sup>	270,191	294,437	322,310	347,685	330,966	328,041	332,587	330,456	329,571	328,431
GDP (million EUR, current prices)	36,512	40,208	43,935	48,135	45,093	45,022	44,737	43,959	43,516	43,045
GDP per capita (in EUR)	8,220	9,056	9,904	10,856	10,181	10,191	10,453	10,300	10,225	10,114
GDP – real year-on-year rate of growth (in %)	4.2	4.8	5.2	2.1	-7.4	-1.7	-0.3	-2.2	-1.1	-0.4
Average year-on-year CPI inflation rate	3.3	3.2	2.9	6.1	2.4	1.1	2.3	3.4	2.2	-0.2
Current account balance (million EUR) <sup>b</sup>	-1,892	-2,615	-3,138	-4,246	-2,304	-487	-353*	-57*	354*	280*
Current account balance (as % of GDP)	-5.2	-6.5	-7.1	-8.8	-5.1	-1.1	-0.8*	-0.1*	0.8*	0.7*
Exports of goods and services (as % of GDP)	39.4	39.7	39.0	38.5	34.5	37.8	40.5*	41.7*	43.1*	46.5*
Imports of goods and services (as % of GDP)	45.5	46.4	46.3	46.5	38.2	38.1	40.9*	41.2*	42.6*	44.3*
External debt (million EUR, end of year) <sup>b</sup>	25,990	29,725	33,721	40,590	45,600	46,908	46,397	45,297	45,958	46,664
External debt (as % of GDP)	71.2	73.9	76.8	84.3	101.1	104.2	103.7	103.0	105.6	108.4
External debt (as % of exports of goods and services)	180.6	186.1	196.6	218.9	292.7	275.8	256.2*	247.3*	245.0*	233.4*
External debt service (as % of exports of goods and services) <sup>c</sup>	27.7*	41.4*	39.6*	33.3*	52.1*	48.5*	39.5*	42.7*	40.0*	43.1*
Gross international reserves (million EUR, end of year)	7,438	8,725	9,307	9,121	10,376	10,660	11,195	11,236	12,908	12,688
Gross international reserves (in terms of months of imports of goods and services, end of year)	5.4	5.6	5.5	4.9	7.2	7.5	7.3*	7.5*	8.3*	8.0*
National currency: kuna (HRK)										
Exchange rate on 31 December (HRK : 1 EUR)	7.3756	7.3451	7.3251	7.3244	7.3062	7.3852	7.5304	7.5456	7.6376	7.6615
Exchange rate on 31 December (HRK : 1 USD)	6.2336	5.5784	4.9855	5.1555	5.0893	5.5683	5.8199	5.7268	5.5490	6.3021
Average exchange rate (HRK : 1 EUR)	7.4000	7.3228	7.3360	7.2232	7.3396	7.2862	7.4342	7.5173	7.5735	7.6300
Average exchange rate (HRK : 1 USD)	5.9500	5.8392	5.3660	4.9344	5.2804	5.5000	5.3435	5.8509	5.7059	5.7493
Consolidated general government net lending (+)/borrowing (-) (million HRK) <sup>d</sup>	-9,878.2*	-9,514.7*	-7,732.7*	-9,467.7*	-19,102.8*	-19,412.9*	-25,038.4	-17,503.5	-17,672.3	-18,844.5
Consolidated general government net lending (+)/borrowing (-) (as % of GDP)	-3.7*	-3.2*	-2.4*	-2.7*	-5.8*	-5.9*	-7.5	-5.3	-5.4	-5.7
General government debt (as % of GDP) <sup>d</sup>	40.7	38.3	37.1	38.9	48.0	57.0	63.7	69.2	80.8	85.1
Unemployment rate (ILO, persons above 15 years of age) <sup>e</sup>	12.7	11.2	9.9	8.5	9.2	11.6	13.7	15.9	17.3	17.3
Employment rate (ILO, persons above 15 years of age) <sup>e</sup>	43.3	43.6	47.6	48.6	48.2	46.5	44.8	43.2	42.1	43.3

<sup>a</sup> The GDP data are presented according to the ESA 2010 methodology, while 2014 values are preliminary and were obtained on the basis of the preliminary annual accounts.

<sup>b</sup> Balance of payments and external debt data are compiled in accordance with the methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. Balance of payments and external debt data are based on the most recent available balance of payments data up to the first quarter of 2015 and data on the gross external debt position as at the end of March 2015.

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

<sup>d</sup> Fiscal data is shown according to the ESA 2010 methodology.

<sup>e</sup> Data for the 2007–2013 period are revised and therefore no longer comparable to data for the 2000–2006 period.

Sources: CBS, MoF and CNB.

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# Information on economic trends and forecasts



## 1 Summary

Real GDP is expected to increase slightly after six years of recession.

Real GDP could increase 0.5% in 2015. Economic activity dynamics could be primarily determined by continued growth of goods and services exports. Domestic demand could also edge up following a several-year downward trend. Personal consumption is expected to grow only slightly. Although disposable household income increased markedly due to income tax changes, most of the new funds available are expected to be allocated to savings and deleveraging. Gross fixed capital formation could be boosted by the use of EU investment funds, and private sector investments have shown signs of recovery. Government consumption is expected to make a negative contribution to GDP growth as a result of fiscal consolidation under the excessive deficit procedure. The projected GDP growth rate slightly exceeds that from the December projection, primarily due to lower than expected oil prices, favourable economic activity indicators and upward revisions of economic growth in the main trade partners.

Economic growth could accelerate in 2016.

Economic activity is expected to accelerate slightly to 0.9% in 2016. Given the expected economic upturn in Croatia's main trading partners, exports of goods and services could remain the main driver of economic growth. In addition, domestic demand could pick up on the back of an upturn in investments, while personal consumption is expected to remain subdued as a result of a slow labour market recovery. Risks to the central projection for 2015 are estimated as positive amid the lessened uncertainty about additional fiscal consolidation for 2015, a potential stronger recovery in the main trade partners and improved tourism industry performance. However, downside risks prevail for 2016, related to the scope of fiscal consolidation and its impact on economic activity as well as to the recovery in the main trading partners. The uncertainties surrounding the resolution of the Greek crisis also pose a downside risk. A positive risk for economic growth stems from the potential need to implement additional structural reforms aimed at reducing the cost of external government borrowing.

Labour market developments improved slightly in 2015.

Employment rose in the first five months of 2015, after having stagnated in the previous year. Unemployment decreased as a result of positive trends in net outflows from the CES register due to new hirings (and other business activities) and other reasons. Nominal gross and net wages increased in the first quarter, with net wages growing at a higher rate due to amendments to the Income Tax Act. Nominal gross wages are expected to change slightly on an annual basis and net wages are expected to increase. The expected economic upturn in 2016 is not likely to bring about a significant change in the number of employed persons and the decrease in unemployment could decelerate considerably.

The general price level is expected to remain stable in 2015, while 2016 is expected to see an inflation rate of 1.2%.

Against a backdrop of relatively low crude oil prices, low euro area inflation, weak demand-pull and cost-push inflation pressures in the domestic market and a stable kuna-to-euro exchange rate, the average annual consumer price inflation rate is projected to hover about 0.0% in 2015 (compared with -0.2% in 2014). An increase in the annual rate of growth in food prices and prices excluding food and energy (following from the projected slight recovery in personal consumption) could cause some upward pressure on inflation. In contrast, energy prices are expected to fall significantly in 2015 due to a decrease in global oil prices and a drop in consumer prices of natural gas. The average annual consumer price inflation rate is projected to accelerate to 1.2% in 2016, to a large extent due to an increase in the annual rate of change in energy prices, expected from price trends in the prompt market indicating a gradual growth in global crude oil prices.

The surplus in the current and capital account is projected to increase in 2015, mainly because of favourable trends in foreign trade.

Following an improvement in the first three months, the current and capital account balances could increase annually from 0.8% of GDP in 2014 to 1.7% of GDP in 2015. The bulk of the increase is expected to come from improvements in foreign trade in goods and services. Due to foreign demand growth, exports are expected to grow at a faster rate than imports, which have been kept down by an only mild recovery of domestic demand, while a drop in crude oil prices from 2014 has resulted in the weakening of net imports of oil and refined petroleum products. The use of EU funds is expected to increase and further intensify in the following year. Accordingly, the surplus in the current and capital account could edge up to 1.8% of GDP in 2016, despite the widening of the deficit in the primary income account resulting from an increase in the profitability of foreign-owned enterprises and banks. In addition, import growth is expected to accelerate on the back of a gradual recovery of domestic economic activity, while tourism revenues will continue to provide a positive contribution to current account developments. With continued relatively modest net foreign capital inflows, gross external debt is expected to approximate 110% of GDP in 2015 and 2016, with a strong adverse effect of cross-currency changes on this year's performance.

While financing conditions for domestic sectors improved somewhat from the previous year, domestic lending to enterprises and households remained subdued.

Monetary policy will remain expansionary, maintaining the stability of the kuna to euro exchange rate.

General government deficit could narrow in 2015, but public debt will continue to rise.

#### Macroeconomic outlook

Financing costs for domestic sectors edged down as a result of continued high liquidity levels in domestic and foreign markets and loosened lending conditions. Under such conditions, enterprises increased their external debt, but domestic financing remained subdued, with the same trends observed in the household sector. The costs of external government borrowing remained more favourable than in the previous years, but higher than those of peer countries. Credit institutions' placements are expected to hold steady in 2015, with downward risks prevailing, and lending is expected to recover slightly no sooner than in the following years.

The CNB continued to pursue a policy of supporting high monetary system liquidity, which is conducive to keeping interest rates in the interbank and treasury bills markets very low. Foreign exchange transactions in the first half of 2015 created HRK 3.1bn and the stability of the domestic currency was maintained. Monetary policy will remain expansionary towards the end of 2015 and in 2016 with an aim of producing a favourable effect on domestic financing costs and spurring a recovery of lending to the economy.

The Government of the RC expects the general government deficit to decrease this year, after having increased annually to 5.7% of GDP in 2014 (ESA 2010). The cash basis data for the first four months of the current year also suggest favourable trends in general government revenues according to the ESA 2010 methodology, which is reflected in the growth of VAT revenues, due to a low basis, and in an increase in revenues from social contributions and excises. Expenditures also increased slightly, although their estimate based on the ESA 2010 methodology is made difficult due to methodological differences in recoding budgetary transactions and in the general government coverage. General government debt stood at HRK 285.7bn (86.9% of GDP) at end-April. Public debt will increase further due to continued borrowing needs.

The table below shows the central estimates/projections for major macroeconomic measures for Croatia for 2015 and 2016.

Table 1.1 Summary table of projected macroeconomic measures

	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>National accounts (real rate of change, in %)</b>									
GDP	2.1	-7.4	-1.7	-0.3	-2.2	-1.1	-0.4	0.5	0.9
Personal consumption	1.2	-7.5	-1.5	0.3	-3.0	-1.9	-0.7	0.4	0.3
Government consumption	-0.7	2.1	-1.6	-0.3	-1.0	0.3	-1.9	-0.8	0.0
Gross fixed capital formation	9.2	-14.4	-15.2	-2.7	-3.3	1.4	-3.6	0.5	2.6
Exports of goods and services	0.8	-14.1	6.2	2.2	-0.1	3.1	7.3	5.3	4.8
Imports of goods and services	4.0	-20.4	-2.5	2.5	-3.0	3.1	4.3	4.9	4.7
<b>Labour market</b>									
Number of employed persons (average rate of change, in %)	2.3	-2.1	-4.2	-1.1	-1.2	-1.5	-2.0	-0.1	0.1
<b>Prices</b>									
Consumer price index (average rate of change, in %)	6.1	2.4	1.1	2.3	3.4	2.2	-0.2	0.0	1.2
Consumer price index (rate of change, end of period, in %)	2.9	1.9	1.8	2.1	4.7	0.3	-0.5	0.9	1.3
<b>External sector</b>									
Current account balance (as % of GDP)	-8.8	-5.1	-1.1	-0.8	-0.1	0.8	0.7	1.1	0.8
Goods	-22.4	-16.5	-13.2	-14.3	-14.3	-15.1	-14.7	-14.6	-14.8
Services	14.4	12.9	12.8	13.9	14.8	15.6	16.9	17.2	17.4
Primary income	-3.0	-3.7	-3.1	-2.9	-3.3	-2.1	-3.4	-3.5	-4.0
Secondary income	2.2	2.2	2.4	2.6	2.6	2.5	1.9	2.0	2.3
Current and capital account balance (as % of GDP)	-8.8	-5.0	-0.9	-0.7	0.0	0.9	0.8	1.7	1.8
BGross external debt (as % of GDP)	84.3	101.1	104.2	103.7	103.0	105.6	108.4	110.2	109.8
<b>Monetary developments (rate of change, in %)</b>									
Total liquid assets – M4	4.1	-1.0	1.9	5.6	3.6	4.0	3.2	3.8	2.8
Total liquid assets – M4 <sup>a</sup>	3.8	-0.8	0.7	4.2	3.5	3.4	2.4	3.1	2.8
Credit institution placements to the private sector	10.7	-0.6	4.7	4.8	-5.9	-0.5	-1.6	1.9	1.0
Credit institution placements to the private sector <sup>a,b</sup>	8.7	-0.3	2.3	3.0	-6.1	-1.2	-2.0	0.0	1.1

<sup>a</sup> Exchange rate effects excluded

<sup>b</sup> Should one exclude, in addition to the exchange rate effect, one-off effects related to the assumption of loan obligations of shipyards by the MoF, a decrease in partly recoverable and fully irrecoverable placements of one credit institutions, which transferred part of its claims to a company indirectly owned by the parent bank, the bankruptcy of Centar banka d.d. and methodological changes in the book-entry system for fees, the placement growth rate stands at -1.4% in 2012 and at 0.4% in 2013.

Note: Projections for 2015 and 2016 are derived from the data available until mid-June 2015.

Sources: CBS, MoF and CNB.

## 2 Global developments

Global real economic activity could increase mildly to 3.5% in 2015, after the growth of 3.4% in 2014. Global economic growth should accelerate moderately in the current year, in accordance with the expectations on the acceleration of the economic growth in the US and in the economy of the euro area. Increase in global demand should be driven by the low prices of raw materials and energy, in particular of oil, and favourable financing conditions in the US and in the euro area, which are the consequence of the expansionary monetary policy of the Fed and the ECB. The Japanese economy could also recover in 2015, after the stagnation in 2014. Growth in developing countries and emerging market countries could be buoyed by lower oil prices, although in some net oil-exporting countries, such as Russia, a fairly sharp economic contraction might occur because of deterioration in the balance of trade. In addition, a possible rise in interest rates in the US later during the year could increase borrowing costs for developing countries and emerging market countries. Growth in China will very likely converge on lower rates over a long term, while the Indian economy could accelerate moderately. Financial and regional geopolitical risks represent negative limitations for the growth of the global economy

in the projection period. The dynamics and the outcome of the Greek debt crisis create uncertainty with regard to the movement of the euro exchange rate and the costs of financing.

In 2016, the growth of the global economy might speed up additionally and the growth rate accelerate to 3.8%. Due to their economic strength, developed countries, like the US, should have a dominant influence on the direction and the dynamics of changes in global aggregate demand. A moderate acceleration of growth and a gradual normalisation of consumer price inflation are anticipated for the euro area economy. A slight acceleration of growth is also expected for the developing countries and emerging market countries, with the exception of China, whose growth might slow down. Growth outlooks for Central and Eastern European countries are favourable, although they are attended by uncertainty with regard to events at a regional level and the threat from a possible tightening of economic and political relations in the region.

In 2015, real economic activity of the euro area could grow at a rate of 1.5%, while only a mild acceleration of growth to 1.7% is expected in 2016. In the first quarter of 2015, real GDP of the euro area increased by 0.4% from the previous quarter.

Table 2.1 Global economic developments

	2012	2013	2014	2015			2016
				Current projection	Previous projection	Δ Previous projection	Current projection
<b>GDP (real rate of change, in %)</b>							
World	3.4	3.4	3.4	3.5	3.8	-0.4	3.8
Euro area	-0.8	-0.5	0.9	1.5	1.3	0.1	1.7
USA	2.3	2.2	2.4	3.1	3.1	0.0	3.1
Developing countries and emerging market countries	5.2	5.0	4.6	4.3	5.0	-0.7	4.7
Central and Eastern Europe	1.3	2.9	2.8	2.9	2.9	0.1	3.2
China	7.8	7.8	7.4	6.8	7.1	-0.3	6.3
Main trading partners of the Republic of Croatia (GEE) <sup>a</sup>	0.2	0.9	1.2	1.6	2.1	-0.5	2.2
Main trading partners of the Republic of Croatia	0.1	0.7	1.2	1.5	1.8	-0.3	1.9
Italy	-2.8	-1.7	-0.4	0.5	0.9	-0.4	1.1
Germany	0.6	0.2	1.6	1.6	1.5	0.2	1.7
Slovenia	-2.6	-1.0	2.6	2.1	1.4	0.7	1.9
Austria	0.9	0.2	0.3	0.9	1.9	-1.0	1.6
Bosnia and Herzegovina	-1.2	2.5	0.8	2.3	3.5	-1.2	3.1
Serbia	-1.0	2.6	-1.8	-0.5	1.0	-1.5	1.5
Other	2.0	2.0	2.0	2.1	2.3	-0.2	2.3
Real imports of trading partners <sup>a</sup>	-0.8	1.4	3.4	2.8	3.6	-0.8	4.4
<b>Prices</b>							
Euro area HICP	2.5	1.3	0.4	0.1	0.9	-0.9	1.0
Oil prices (USD/barrel) <sup>b</sup>	112.0	108.9	98.9	62.2	80.3	-18.1	69.5
Oil prices (year-on-year rate of change)	0.9	-2.8	-9.1	-37.1	-20.0	-17.1	11.7
Raw materials prices (excl. energy) (year-on-year rate of change)	-10.0	-1.2	-4.0	-15.6	-4.1	-11.5	-1.7
EURIBOR 3M (end of year) <sup>c</sup>	0.19	0.29	0.08	0.01	0.07	-0.06	-
EUR/USD exchange rate (average) <sup>d</sup>	1.28	1.33	1.33	1.12	1.22	-0.11	1.12
EUR/CHF exchange rate (average) <sup>d</sup>	1.21	1.23	1.21	1.05	1.22	-0.17	1.05

<sup>a</sup> MMF (*Global Economic Environment*, GEE), June 2015. <sup>b</sup> Bloomberg, *Brent crude oil futures*. <sup>c</sup> Bloomberg. <sup>d</sup> CNB. Source: IMF (*World Economic Outlook*, WEO), April 2015.

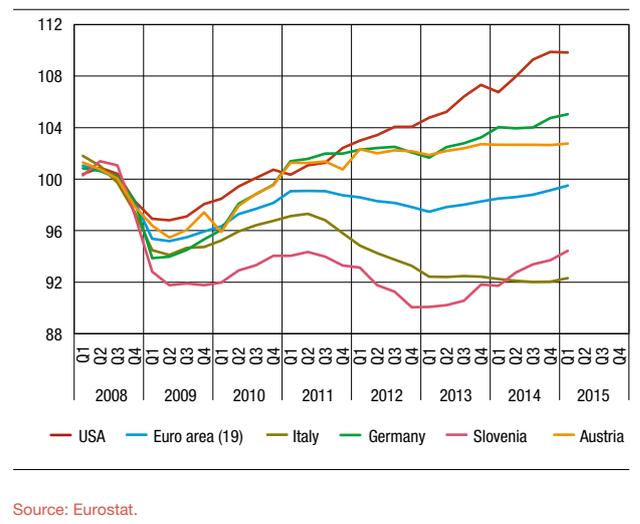
Household consumption and investments made the largest contribution to growth, while net exports made a negative contribution. The Czech Republic (3.1%), Cyprus and Romania (1.6%) reported the highest growth rates, while economic activity declined in Lithuania (-0.6%), Estonia (-0.3%), Greece (-0.2%) and Finland (-0.1%). The growth of the German economy decelerated to 0.3% from the previous quarter, which may be attributed to a somewhat less favourable movement of the net exports component. In the group of peripheral member states, Spain (0.9%) stands out with its accelerated recovery, and Italy (0.3%) has also recorded growth after a prolonged stagnation, as observed at a quarterly level. The projected acceleration of growth of the euro area economy in 2015 is based on the assumption of a faster recovery in investments and household consumption. The continuation of the ECB's expansionary monetary policy and low oil prices should give a positive impulse to the economic growth of the euro area countries. On the other hand, the unfolding of the Greek debt crisis could reflect negatively on economic sentiment and increase uncertainty with regard to the movement of the euro exchange rate and the costs of financing.

Real GDP growth in the US economy could stand at 3.1% in 2015 and 2016, an acceleration of growth from the previous results. The economic picture of the US economy in the first quarter was marked by a contraction of GDP by 0.2% at an annual level. The slowdown in real economic activity after the good results in the previous quarters came under the influence of unfavourable weather conditions, as in the year before, and a higher than expected increase in imports. The decrease in the real exports of goods and services also contributed to the decline. In addition, a stronger dollar lowered the competitiveness of US exporters. Available high-frequency data signal a faster recovery in the second quarter, primarily of household consumption. The PCE deflator (index measuring inflation) increased in May from April (0.3%) representing only moderate growth relative to the same month of 2014. More favourable economic developments solidified the expectations with regard to the Fed's interest rate hike in the second half of the year.

Further gradual slowdown in economic growth is forecast in developing countries and emerging market countries, so that the real growth rate might stand at 4.3% in 2015 from 4.6% in 2014. Growth might accelerate to 4.7% in 2016. Economic activity of this group of countries is strongly affected by the change in demand from developed countries, such as the US and the euro area. However, a slightly lower projected growth rate in developing countries and emerging market countries is a reflection of a strong expected decline in the Russian economy in 2015, caused by low oil prices. It is very likely that growth in Central and Eastern European countries could strengthen moderately to 2.9% in 2015 and accelerate to 3.2% in 2016. A high risk for the growth of the above group of countries results from geopolitical tensions caused by the unfavourable development of the economic and political crisis in Ukraine. In the group of Asian developing countries, a slowdown in economic growth is expected in China, as previously forecast, with an anticipated decline in investments, in particular in real estate activities. India's real economic activity could strengthen additionally, and India might outperform China in terms of growth during the whole projection period. Prospects for the growth of the Brazilian economy are subdued by negative impacts of spells of drought and the tightening of macroeconomic policies. The Fed's interest rate increase could worsen the financing conditions of developing countries and emerging market countries and additionally limit any faster growth.

The growth of the Chinese economy could slow down to 6.8% in 2015, from 7.4% in 2014, and a further projected

**Figure 2.1 Gross domestic product of selected economies**  
seasonally adjusted data, constant prices, 2008 = 100



decline in growth to 6.3% is forecast for 2016. In May, the Chinese government announced a plan for the restructuring of the debt of local governments, worth USD 160bn, which could eventually reduce their financing costs and increase liquidity. The inflation rate based on the consumer price index stood at 1.2% in May, much below the 3% targeted by the Chinese central bank. In June 2015, the Chinese central bank lowered its key interest rates again, for the fourth time over the past year, to provide support for economic growth. A more expansionary monetary policy and the easing of fiscal rules partially stabilised the growth of the Chinese economy, and the continuation of stimulative measures because of a weaker domestic demand and the absence of inflationary pressures are expected. The recovery of developed countries, in particular of the US, will have a large impact on Chinese exports in the projection period.

### Croatia's main trading partners

In the category of Croatia's main trading partners from the euro area, Slovenia and Germany could record a stronger growth in 2015, primarily under the influence of external factors reflected in low prices of raw materials and energy, in particular of oil, the weaker euro and favourable financing conditions. Prospects for Slovenian growth have improved significantly, which can be attributed to the accelerated increase in exports and investments in infrastructure co-financed by EU funds. Germany, the largest European economy, will most probably maintain a stable growth trajectory. Italy could grow, while growth projections are slightly less favourable for Austria.

The Italian economy is recovering gradually, and a growth of 0.5% is expected in 2015, following the weakening of the recessionary trends of the previous three years. In the first quarter of 2015, real economic activity increased by 0.3% from the previous quarter. Investments, predominantly in the construction sector, were the main generator of growth, while household consumption and net exports made a negative contribution to growth. The weaker euro should support real exports, and household consumption could increase due to the positive effects of low prices of raw materials and energy and favourable financing conditions.

In 2015, the German economy could maintain the real economic growth rate of 1.6% reached in 2014, and only a slightly higher growth rate is forecast for 2016. In the first quarter, the German economy grew at a rate of 0.3%, thus slowing

down from the previous quarter. The increase in government consumption and investments made a positive contribution to growth, while net exports had a negative effect on the GDP. Low oil prices, favourable financing conditions and an increase in minimum wages could have a favourable effect on household consumption in the future. The budget surplus in 2014 could also be achieved in the subsequent two years despite the expected rise in expenditures for pensions. The current account surplus could also increase in the conditions of recovery of foreign demand. Unfavourable demographic trends represent the greatest long-term challenge for the growth of the German economy.

The growth of the Austrian economy could pick up to 0.9% in 2015, after only a slight growth of 0.3% in 2014. The stagnation of real economic activity continued in the first quarter from the previous quarter. The decline in gross fixed capital formation was reduced and personal and government consumption grew moderately. More favourable expectations on the side of exports could boost the growth in corporate investments, which were subdued by a slow recovery in the past three years. The expected positive outlooks for public finance will primarily depend on the dynamics of the banking sector restructuring and the tax reform aimed at reducing the tax burden on labour.

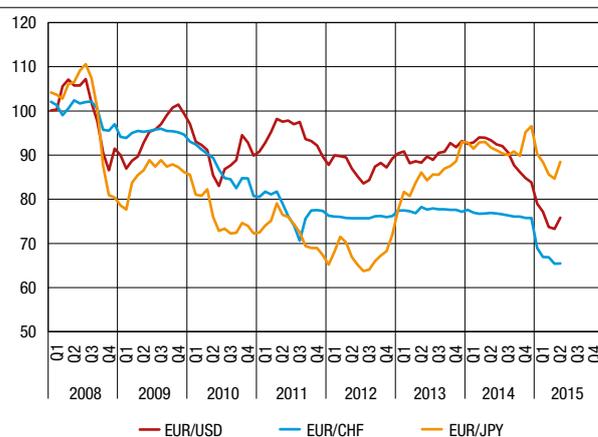
Slovenian economic activity grew strongly in 2014 (2.6%), and the growth rates of approximately 2% could be maintained in the forthcoming period. The Slovenian GDP increased by 0.8% in the first quarter. A contribution was made by the recovery of domestic demand, whose growth offset the weaker performance in the export sector. It is expected that household consumption could record a faster recovery thanks to the improvement in indicators in the labour market, the recovery of the euro area economy and the weaker euro, which could speed up exports. However, vigorous efforts in the consolidation of government finance could weigh against any faster growth of the Slovenian economy despite the expected decrease in the budget deficit.

As regards more significant non-euro area trading partners, the economic recovery in Bosnia and Herzegovina could continue in 2015 and 2016, while outlooks for growth in Serbia are less favourable. The growth in the economy of Bosnia and Herzegovina of 0.8% in 2014 was based on the strengthening of foreign demand, while domestic demand was subdued by structural deficiencies of the domestic economy and external factors, primarily bad weather conditions in the middle of the year. After a decline of 1.8% in 2014, the Serbian economy will most probably record recession trends in 2015, too, and a positive growth rate can be expected only in the following year. The unexpected decrease in economic activity in 2014, similar to that in Bosnia and Herzegovina, reflected the negative effects of damage from floods on the level of industrial production, but it was also partially brought about by the consolidation of public finance. In the first quarter of 2015, economic activity in Serbia dropped by 0.4% from the previous quarter, and a possible further recovery of domestic demand will depend on the dynamics of recovery in the labour market and the restructuring of public enterprises.

### Exchange rates and price movements

The projection of the exchange rate is based on a technical assumption of unchanged euro/US dollar and Swiss franc exchange rates during the whole projection period. The US dollar strengthened against the euro continually in the first four months of 2015, and it weakened in May and at the beginning of June after the announcement of somewhat less favourable results of the US economy in the first quarter. At the meeting held in mid-June, the Fed cut its interest rate growth forecast, to which the market reacted promptly and US bond yields fell. The unfolding of the Greek debt crisis introduces great uncertainty

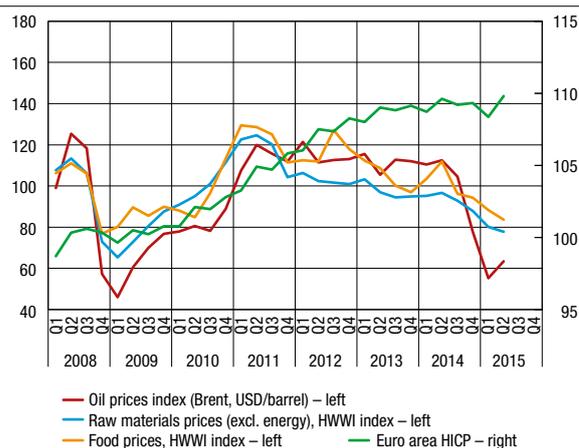
**Figure 2.2 Exchange rates of individual currencies against the euro**  
2008 = 100



Note: A growth in the index denotes a depreciation of a currency against the euro. Data for the second quarter of 2015 refer to April and May.

Source: Eurostat.

**Figure 2.3 Prices**  
2008 = 100



Note: Data for the second quarter of 2015 refer to April and May.

Sources: Eurostat, Bloomberg and HWWI.

with regard to the movement of the exchange rates of the US dollar versus the euro, creating additional pressure on the European currency. The exchange rate of the Swiss franc versus the euro did not fluctuate markedly, staying within an average level of EUR/CHF 1.04 in May and June, and it is predicted to remain slightly above that level during the rest of the projection period.

After reaching the bottom in January 2015, the price of crude oil rebounded, with an average price of USD 53.9 for a barrel recorded in the first quarter. Growth also continued in the second quarter, mainly due to intensified geopolitical tensions in the Middle East. In addition, expectations concerning the slowdown in crude oil output in the US tended to raise the price of oil. Despite the recovery, current oil prices are only slightly more than half what they were in the same period of the previous year. The decline in the costs of production of environmentally clean energy and climate change slowdown could have a negative impact on the growth in demand for crude oil over the long term.

The prices of raw materials, excluding energy, measured by the HWWI index (in US dollars) continued their decline, which began already in the first half of 2014, although this decline

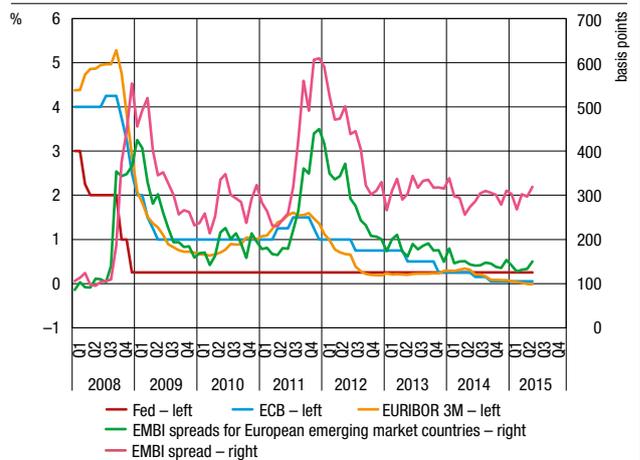
decelerated in the second quarter of 2015 from the previous quarter. Food prices continued to decline from the beginning of the year, which was mostly reflected in the decrease in the price of oil, oil seeds and cereals. A particularly sharp fall was recorded not only in food but also in iron ore prices, which can be linked to the decrease in demand for iron ore and the slowdown in the growth of the Chinese economy. In the current year, it is expected that the decline in the prices of raw materials, excluding energy, could stand at almost 16% at the level of the whole year, although there are expectations that the strengthening of the US dollar versus the euro could offset the effect of the decline in prices, so that, expressed in kuna, the prices of raw materials should not change significantly in the current year.

**Interest rate trends**

The ECB remains committed to the full implementation of expansionary and unconventional monetary policy measures, which includes the bond purchase programme in the secondary market in the monthly amount of a minimum of EUR 60bn until September 2016 and a low benchmark interest rate that should remain zero in the projection period. The Fed kept its key interest rates unchanged, which are currently near zero, and expectations of an increase are directed towards the second half of this year, if the recovery in the labour market continues and if the Fed is convinced that the inflation rate will come close to the targeted level of 2%.

The yield spread for the European emerging market countries increased slightly in the second quarter for the Central and Eastern European countries. Similar movements were also seen

**Figure 2.4 Benchmark interest rates and the average yield spread on bonds of European emerging market countries**



Note: Data for the second quarter of 2015 refer to April and May.  
Source: Bloomberg, 12 June 2015.

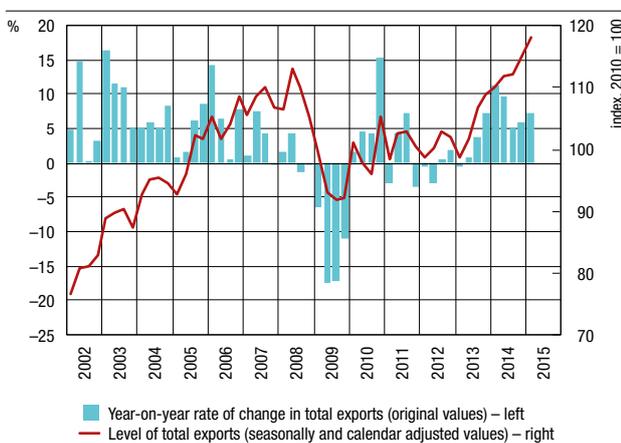
in the cost of borrowing for Croatia, where the spread of the yield on the Croatian government bond increased by almost 20 basis points during the second quarter and is now at the level last recorded at the beginning of last year. The implementation of the set fiscal consolidation measures under the excessive deficit procedure will have a significant impact on the movement of this indicator for Croatia.

**3 Aggregate demand and supply**

Real GDP increased moderately (0.5%) in the first quarter of 2015 from the same period in 2014, but if seasonal and calendar effects are excluded, current economic activity stagnated at the level reached at the end of 2014. Economic developments in the first quarter were marked by the continuation of a strong growth of goods and services, and a mild recovery of domestic demand. These developments were accompanied by an evident growth of imports,

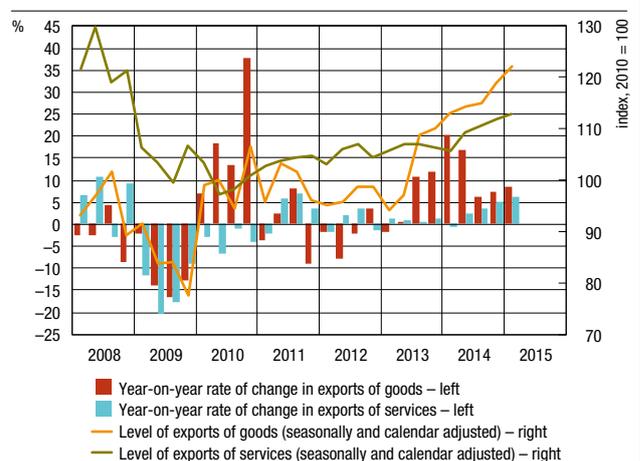
which resulted in the stagnation of economic activity. Despite the absence of a stronger recovery, the indicators of economic activity suggest that the business cycle has reached the bottom after six years of recession, so that a continuation of positive trends and increase in real GDP (0.5%) is expected in 2015. In 2016, economic activity (0.9%) is expected to intensify slowly as structural deficiencies of the Croatian economy restrict a more expressed recovery.

**Figure 3.1 Exports of goods and services**  
real values



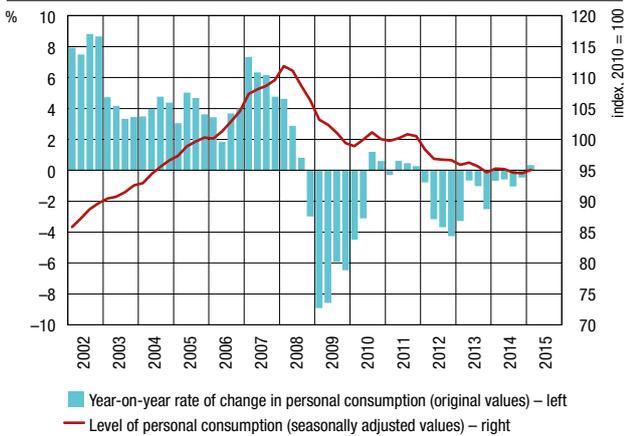
Source: CBS.

**Figure 3.2 Real exports of goods and services**



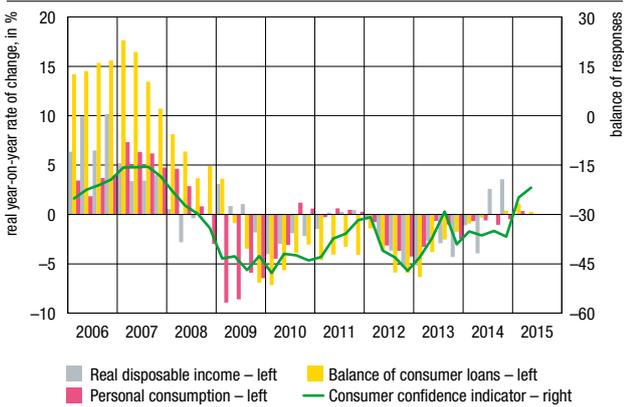
Source: CBS.

**Figure 3.3 Personal consumption**  
real values



Source: CBS.

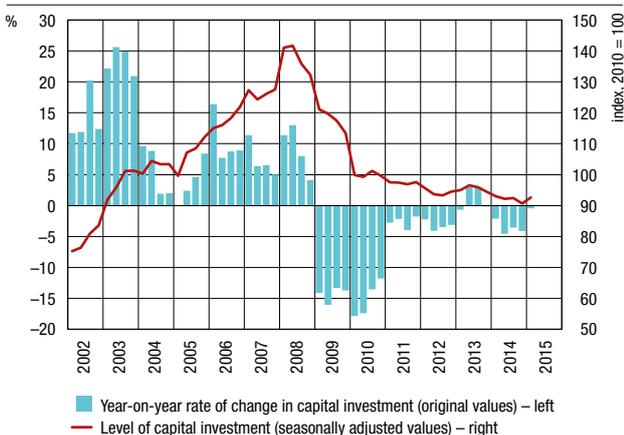
**Figure 3.4 Determinants of personal consumption**



Note: The values of the consumer confidence indicator in a month are calculated as three-member averages of monthly data. The balance of consumer loans is calculated on the basis of data for April and May.

Sources: CBS, Ipsos Puls and CNB.

**Figure 3.5 Gross fixed capital formation**



Source: CBS.

### Aggregate demand

The real exports of goods and services increased sharply in the first quarter relative to the previous quarter. The growth of goods exports was particularly noticeable, which also gave the strongest positive contribution to the growth of economic activity. The exports of intermediate goods and consumer goods, in nominal terms, increased sharply, while the exports of energy and capital goods decreased. The real exports of services also rose significantly. This can be linked with very favourable results in tourism, as also indicated by volume indicators of overnight stays and foreign tourist arrivals as well as by the nominal value of tourism revenue from the balance of payments.

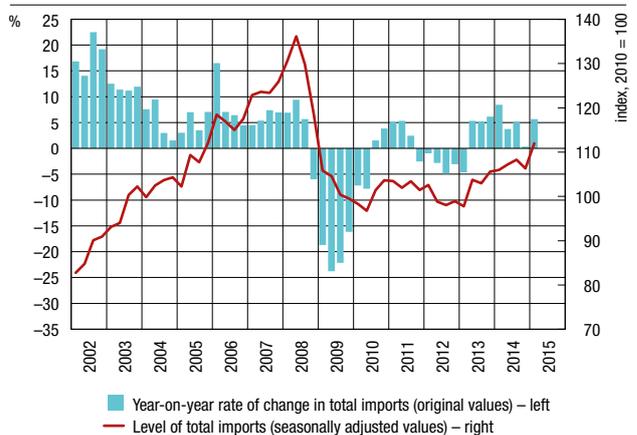
In 2015, total exports could grow strongly, but with a somewhat weaker intensity than in 2014, when extremely high growth rates were recorded. In 2016, export growth rates are expected to slow down slightly, but foreign demand could still remain the main generator of economic growth in Croatia.

Domestic demand increased in the first quarter of 2015, driven by a strong increase in gross fixed capital formation and a mild recovery of personal consumption.

Personal consumption increased by 0.6% during the first quarter of 2015, driven by slightly more favourable developments in the labour market, in particular by the increase in net wages as a result of income tax changes. The absence of inflationary pressures had a positive impact on household consumption capacity. In such circumstances, consumer confidence has strengthened since the beginning of the year. However, there has not been any very significant increase in the number of employed persons so far, which would be a key indicator of recovery in the labour market, primarily because of weak economic activity. A moderate recovery of household consumption is expected in the rest of 2015, and a stronger growth in personal consumption could be limited by a slow recovery in the labour market during the projection period.

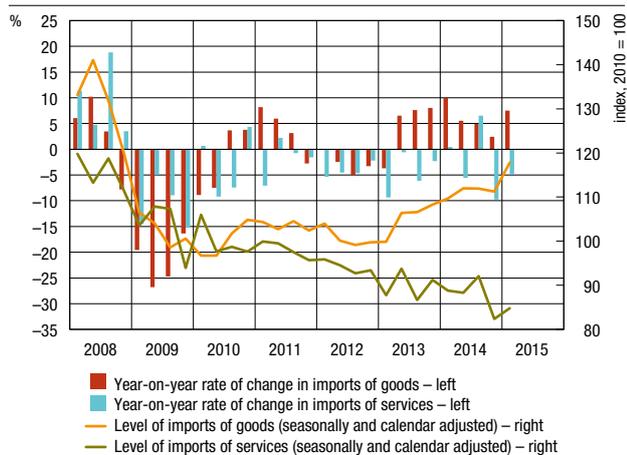
Gross fixed capital formation increased considerably (2.2%) in the first quarter. However, the above increase was not sufficient to offset the sharp decrease from previous periods, so that investments were low relative to the same period of the previous year. Different indicators point to the conclusion that the increase in investments in the first quarter is the result of the strengthening of construction works and the increase in corporate investment in equipment. In addition to the evident increase in the volume of construction works, it is obvious that the strengthening

**Figure 3.6 Imports of goods and services**  
real values



Source: CBS.

Figure 3.7 Real imports of goods and services



Source: CBS.

of construction works is equally the result of investments by the public and the private sector. Also, data on trade in goods at current prices show that the imports of capital goods grew noticeably, which can be associated with the increased corporate investment in equipment. A further increase in investments in the rest of 2015 should stem from the positive effects of general government investments based on the use of EU investment programmes, and there is also the indication of recovery of private sector investments. In 2016, the growth of investments could pick up driven by the recovery of aggregate demand.

Government consumption stagnated in the first quarter of 2015, which can be explained in part by stagnation in the number of employed persons in public administration, education and healthcare in the same period. At the level of the whole of 2015, government consumption is expected to decline, because of the savings planned within the excessive deficit procedure.

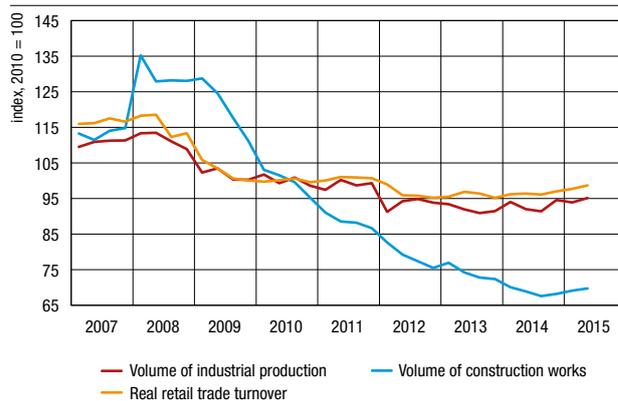
The real imports of goods and services increased sharply (5.3%) in the first quarter, in particular as a result of a noticeable increase in goods imports. The imports of goods at current prices increased strongly in the majority of the main industrial groupings, except in energy, which recorded a decline in imports. The imports of services also increased, but insufficiently to offset the sharp decline from the previous quarter. With a further increase in total exports and a gradual recovery of domestic demand, a strong growth of imports is expected in the projection period.

### Aggregate supply

Gross value added declined moderately (by 0.3%) in the first quarter of 2015. Diverse trends are noticeable across activity areas. Gross value added declined in most of the activities, in particular in the area of agriculture, forestry and fishing, and in manufacturing, mining and quarrying as well as other industries. On the other hand, gross value added increased considerably in the area of wholesale and retail trade, transportation and storage, accommodation and food service activities and in financial and insurance activities.

Available data for the second quarter of 2015 point to the growth of economic activity. The volume of industrial production increased in April and May, relative to the average of the previous quarter. Real retail trade turnover also increased in April, which indicates positive results in tourism, as well as the recovery of the purchasing power of households. At the same time, the recovery of economic activity in construction begun at

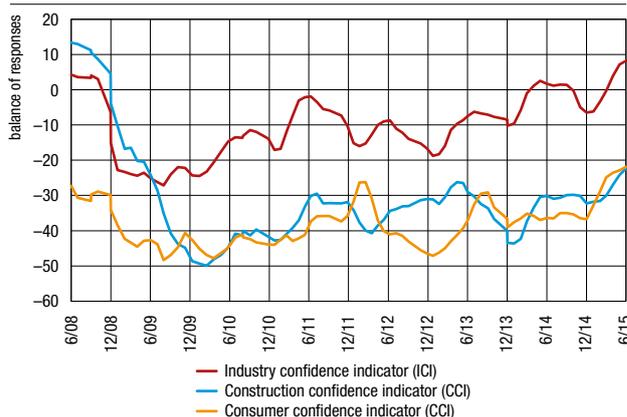
Figure 3.8 Short-term economic indicators seasonally and calendar adjusted



Note: Quarterly data are calculated as a simple average of monthly data. Data for the second quarter of 2015 refer to April, while data on the industrial production volume refer to April and May.

Source: CBS data seasonally adjusted by the CNB.

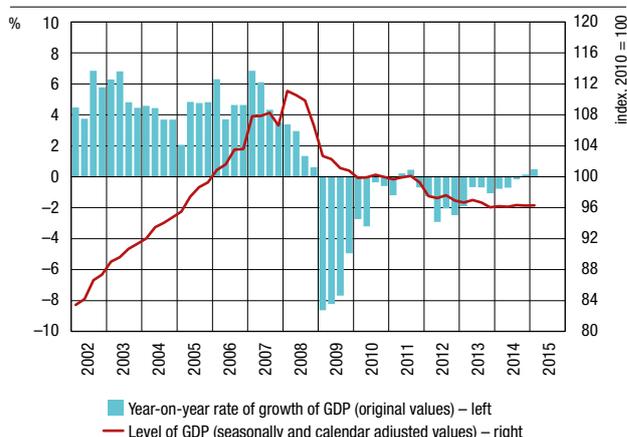
Figure 3.9 Business confidence indicators



Note: The presented values are three-member moving averages of monthly data. The Business Confidence Survey has been carried out since May 2008. The last data available refers to June 2015.

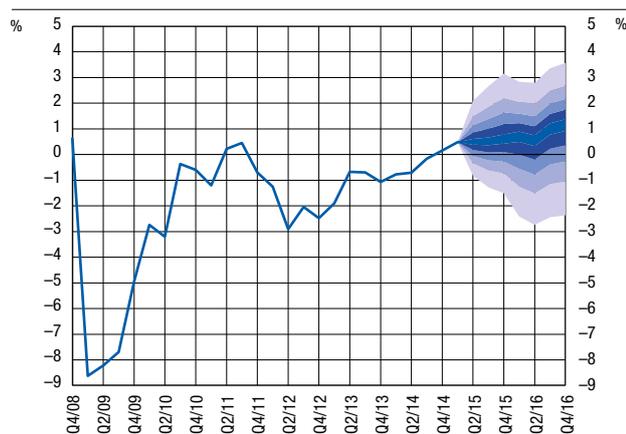
Sources: Ipsos Puls and CNB.

Figure 3.10 Gross domestic product real values



Source: CBS.

**Figure 3.11 Projection of real GDP dynamics**  
year-on-year rate of growth



Sources: CBS and CNB.

the end of 2014 continued. The results of the business optimism survey for the second quarter suggest an improvement in business optimism in all groups of activities.

Manufacturing, wholesale and retail trades, transportation and storage, accommodation and food service activities could continue to grow in 2015, while the recovery of construction could be limited by a slow recovery of investment activity.

In line with the described movements in GDP components, the rate of change in GDP is expected to be 0.5% in 2015. Growth could accelerate modestly to 0.9% in 2016, in particular because of the continuation of the favourable results of the exports of goods and services and the strengthening of investment activity, while a significant growth of personal consumption

might not materialise, because of the expected slow recovery of key indicators in the labour market.

It is estimated that risks are positive in the projection of economic activity movements with regard to 2015, but for 2016, downside risks are somewhat more expressed. Risks for the central projection in 2015 are estimated as positive because uncertainty concerning additional fiscal consolidation was reduced after the publication of the Convergence Programme of the Republic of Croatia for 2015, relative to the previous projection. A faster recovery of real economic activity of the main trading partners of the Republic of Croatia could also help to bring about a stronger growth in demand for Croatian goods and services. Along with a faster recovery of main outbound markets, results in tourism could also be more favourable than in the central projection. Good weather conditions recorded at the beginning of the tourist season, and partially the instabilities in individual Mediterranean countries, could contribute to better results in tourism. However, most of the risks remained unchanged for 2016, relative to the previous projection. In taking into consideration the high level of the projected budget deficit, additional consolidation measures may be adopted in 2016 with uncertain contents that might have a negative impact on economic activity in the short run. A downside risk for the projection also stems from a slower than expected recovery of the economies of the main trading partners of the Republic of Croatia, in particular of the euro area if risks connected with the Greek debt crisis materialise. Also, a possible further worsening of trade relations between Russia and EU member states might have a negative impact on foreign demand for Croatian products and services. The adoption of additional structural reforms for the purpose of improving the business environment is an upside risk for the central projection of real growth, which would boost the growth of economic activity additionally and reduce the cost of government and private sector borrowing over the projection horizon.

## 4 Labour market

Developments in the labour market improved slightly in the first five months of 2015. The number of employed persons rose moderately in the first quarter (0.2%) from the previous quarter, and growth accelerated additionally (0.5%) in April and May. Such developments can mostly be explained by the increase in the number of employed persons in the majority of service activities (except financial and insurance activities) and by stagnation in industry and construction. Despite favourable developments in the first five months, no significant increase in the number of employed persons is expected in 2015 and 2016.

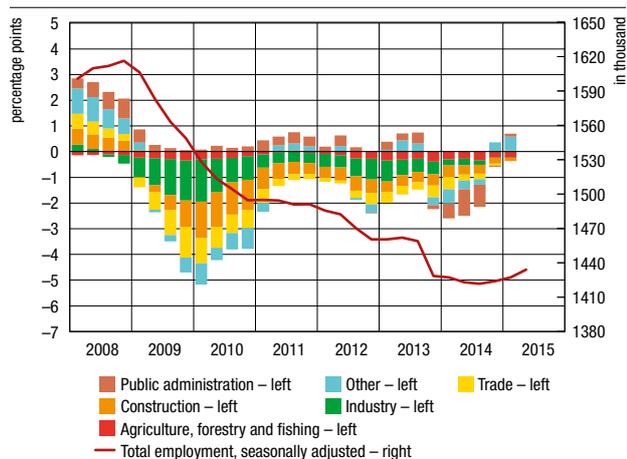
The number of unemployed persons decreased by 3.6% in the first quarter from the previous quarter, and it continued to decline in April and May. Unemployment dropped by 52 thousand in May, relative to the same month of the previous year, which can be explained by favourable developments in net outflows from the CES register as a result of employment (and other business activities) as well as for other reasons.<sup>1</sup> It is noteworthy that the annual decrease in unemployment was considerably larger than in May, 2014, primarily because of the increase in outflows from the register on the basis of employment and other

business activities and removal due to non-compliance with legal provisions, while inflows from employment decreased. A modest decline in the number of unemployed persons is expected by the end of the year, so that the annual decrease could stand at 7.4% because of a sharp fall in the first half of the year. In 2016, the number of unemployed persons is expected to decline at a considerably slower rate, which could amount to 0.9% at an annual level.

The registered unemployment rate stood at 19.2% in the first five months (21.6% in the same period of the previous year), and in 2015 and 2016 it could decrease additionally, but still remain above 18%. The latest available data from survey sources show that the number of employed persons increased, while the number of unemployed persons decreased in the first quarter of 2015 from the same period last year. The ILO unemployment rate stood at 18.1% in the mentioned period (from 18.7% in the first three months of 2014). In 2015 and 2016, the ILO unemployment rate is expected to improve modestly (16.9% and 16.6% respectively), while activity and employment rates could remain unchanged.

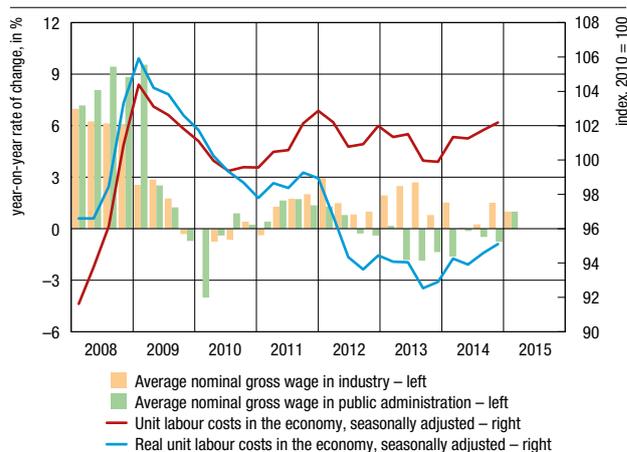
<sup>1</sup> Other reasons include leaving and joining the labour force and removal from the register because of cancellation and non-compliance with legal provisions.

Figure 4.1 Total employment and contribution to the year-on-year change in employment by sector



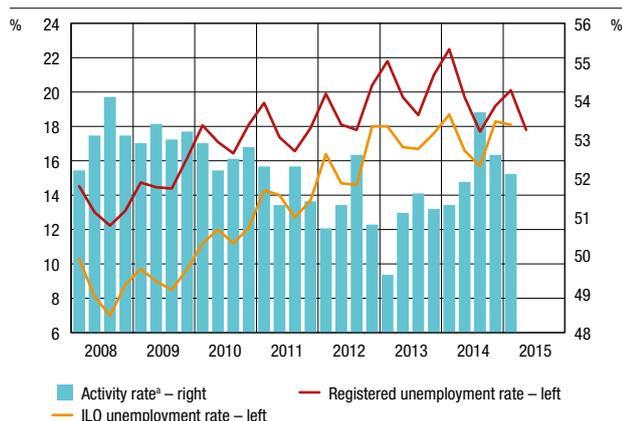
Note: Data for the second quarter refer to April and May.  
Source: CPIA data seasonally adjusted by the CNB.

Figure 4.3 Gross wages and unit labour costs



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

Figure 4.2 Unemployment and activity rates



<sup>a</sup> The labour force as a percentage of working age population (15+).  
Note: The registered unemployment rate refers to April and May.  
Sources: CBS and CES.

Nominal gross and net wages rose in the first quarter from the previous quarter, with the growth of net wages being stronger due to the amendments to the Income Tax Act. Real wages rose stronger in the mentioned period owing to a simultaneous decrease in consumer prices. Nominal gross wages by NCA activities went up in the trade and services sector, while they fell moderately in the public sector and remained unchanged in the industry sector. The increase in nominal net and gross wages continued at a slower pace in April and May, whereas real wages recorded a smaller increase due to a slight increase in consumer prices. It is expected that nominal gross wages will not change significantly until the end of the year, while net wages, at the level of the whole year, could increase by 2.5% because of legal changes in the income tax system. It is forecast that nominal net and gross wages will grow moderately and real wages somewhat more modestly in 2016, due to the projected increase in consumer prices.

Unit labour costs increased in the first from the previous quarter because of the increase in employee compensations and the decrease in labour productivity. Such unit labour cost movements should not continue in the future. Unit labour costs are expected to stagnate in 2015 and 2016, considering the expected absence of a significant change in the number of employed persons and nominal gross wages in conditions of a slow economic recovery.

## 5 Inflation

In the first five months, the annual rate of change in consumer prices increased from  $-0.5\%$  in December 2014 to  $0\%$  in May 2015, which was the result of the increase in the annual rates of change in prices of unprocessed and processed food products and industrial products. The prices of food products (in particular of vegetables) increased more sharply in the first five months of 2015 than in the same period of 2014. The negative contribution of food products to annual inflation started to decrease in the second half of 2014 due to unfavourable weather conditions during the summer and the waning effects of the previous fall in the prices of these products after the accession of the Republic of Croatia to the EU. The annual rate of change in the prices of industrial products (exclusive of food and energy) also increased

in the first five months, so that their contribution to annual inflation was positive (0.1 percentage points) in February, for the first time after two years in which it was negative. Among the mentioned products, the contribution of the prices of clothing and footwear increased the most.

On the other hand, the annual fall in the prices of energy accelerated slightly in the first five months. This was mostly the consequence of the administrative decision to reduce the price of natural gas in April. The contribution of a considerable fall in the prices of refined petroleum products in January was offset by the rise in these prices in the period from March to May, which was the consequence of the volatility of crude oil prices in the world market. In addition, excises on refined petroleum products increased in April.

**Table 5.1 Price indicators**

year-on-year rate of change

	2011	2012	2013	2014	9/2014	12/2014	3/2015	4/2015	5/2015
<b>Consumer price index and its components</b>									
Total index	2.3	3.4	2.2	-0.2	-0.2	-0.5	0.1	-0.1	0.0
Energy	6.2	10.5	3.1	0.9	0.1	-2.2	-2.8	-3.7	-2.6
Unprocessed food	1.2	5.8	3.8	-2.8	-1.6	-1.8	2.7	1.6	1.1
Processed food (incl. alcoholic drinks and tobacco)	5.8	2.6	4.9	0.2	-1.5	-0.5	-0.7	0.3	0.5
Industrial non-food without energy	-0.3	0.4	-0.4	-1.0	-0.4	-0.8	0.2	0.0	0.0
Services	-0.4	0.5	0.8	0.8	1.7	1.8	1.5	1.4	1.2
<b>Other price indicators</b>									
Core inflation	1.8	1.9	1.9	-0.4	-0.7	-0.4	0.1	0.5	0.5
Index of industrial producer prices on the domestic market	6.4	7.0	0.5	-2.7	-3.2	-3.4	-2.7	-3.2	-2.6

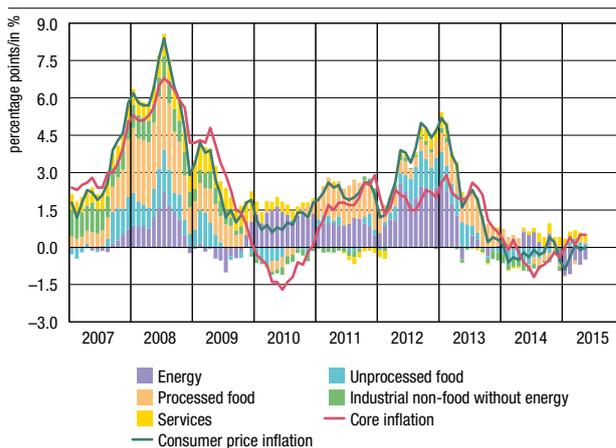
Source: CBS.

In May, energy was the only component with a negative contribution to annual inflation, of -0.5 percentage points. Core inflation increased from -0.4% in December 2014 to 0.5% in May 2015, mostly driven by the increase in the contribution of processed food products, meat, clothing and recreational services. In addition to the common indicators of inflation trends, such as the annual rate of the total and core consumer price indices, the inflation diffusion index in the Republic of Croatia, one of the additional indicators of inflationary pressure trends, is also analysed, showing that the share of products whose prices rose in a specific month increased in the total number of products from mid-2014, and signalling a mild growth of inflationary pressures (more on the index in Box 1 Trends in the inflation diffusion index in Croatia and countries in the environment).

The annual inflation rate measured by the harmonised consumer price index increased in the European Union from -0.1% in December 2014 to 0.3% in May 2015. The largest contribution to the growth in the annual rate of price change came from the increase in the prices of unprocessed food products. In addition, the growing crude oil prices (expressed in US dollars) recorded in world markets from the end of January, slowed down the annual decrease in energy prices markedly. Although the weakening of the euro in the past several months contributed to the increase in imports prices, it is worth mentioning that the annual rates of price change in the euro area countries are still under the delayed effect of the appreciation of the euro

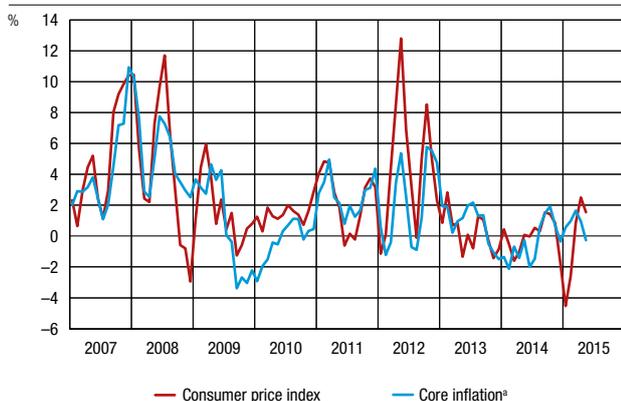
present until mid-2014, as well as the indirect effects resulting from lower energy prices, mostly oil. In addition, the increase in prices was additionally moderated by the unfavourable situation in the labour market and weak personal consumption. In line

**Figure 5.2 Year-on-year inflation rates and contribution of components to consumer price inflation**



Sources: CBS and CNB calculations.

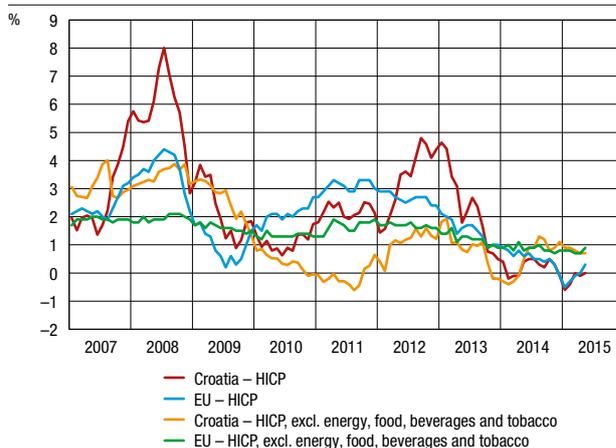
**Figure 5.1 Consumer price index and core inflation annualised month-on-month rate of change**



<sup>a</sup> Core inflation does not include agricultural product prices and administrative prices. Note: The month-on-month rate of change is calculated from the quarterly moving average of seasonally adjusted consumer price indices.

Sources: CBS and CNB calculations.

**Figure 5.3 Overall and core inflation measured by the movements in the HICP in Croatia and European Union year-on-year rate of change**



Sources: CBS and Eurostat.

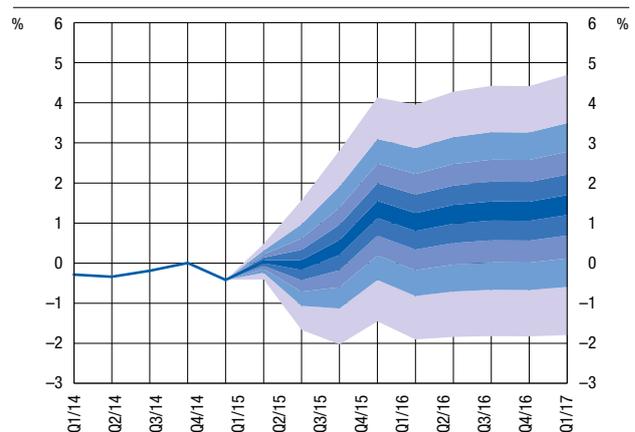
with the above, the annual rate of change in the harmonised index of consumer prices (HICP), excluding energy, food, beverages and tobacco, in the European Union increased only slightly from 0.8% in December 2014 to 0.9% in May 2015.

After an annual rate of change in the HICP was recorded in December 2014 equivalent to the one in the EU (−0.1%), the increase in prices in the Republic of Croatia during the first five months of 2015 was less expressed, and the annual inflation rate stood at 0% in May (down by 0.3 percentage points than in the EU). In contrast to EU countries, in the Republic of Croatia the annual growth in service prices slowed down in the first five months, which, to a large extent, offset the increased contribution to inflation resulting from the rise in the prices of food and industrial products. The annual rate of change in the HICP, excluding energy, food, beverages and tobacco in Croatia declined from 1.1% in December 2014 to 0.7% in May 2015.

In the conditions of a much lower price of crude oil relative to 2014, low inflation in the euro area, weakened domestic demand-pull and cost-push inflationary pressures and a relatively stable exchange rate for the kuna against the euro, it has been forecast that the average annual consumer price inflation rate will range around 0% in 2015, after a −0.2% was recorded in 2014. A rise in the average annual rate of change in the prices of food has been forecast for 2015, and it is expected that a mild upward pressure on inflation might also result from the increase in the average annual rate of change in the CPI, excluding food and energy, in line with the forecast mild recovery of personal consumption. In contrast, a significant decrease in the average annual rate of change in the prices of energy is expected in 2015, because of the fall in crude oil prices in the world market and a drop in natural gas prices, assuming unchanged prices for electricity and heat energy. It is forecast that the annual consumer price inflation rate will fluctuate around 0% from June to October and that it should increase by the end of the year because of the gradual increase in the prices of refined petroleum products and the base effect (the fall in the prices of refined petroleum products in the same period last year).

The average annual consumer price inflation rate is expected to edge up to 1.2% in 2016, with inflation still remaining low and below the long-term average. The acceleration of inflation, to a considerable extent, could be the consequence of the increase in the annual rate of change in the prices of energy, since the price movements in the spot market suggest a gradual

**Figure 5.4 Projection of consumer price inflation**  
year-on-year rate of change



Sources: CBS and CNB calculations.

increase in the price of Brent crude oil in the world market. The depreciation of the exchange rate of the kuna against the US dollar should also lead to the acceleration of inflation to a certain measure (see Box 2 Pass-through of exchange rate changes to prices in Croatia). In the conditions of a mild increase in domestic demand, the annual rate of change in the CPI, excluding food and energy, will speed up slightly. A mild increase in the average annual rate of growth of the prices of food is forecast in 2016 relative to 2015.

It is estimated that the risks of lower than projected or higher than projected inflation are balanced. The risks that might trigger lower inflation include a weaker than expected domestic demand and a sharper than expected fall in the prices of crude oil and other raw materials in the world market. On the other hand, there are several risks that could lead to higher than forecast inflation, among which are the possibility of a stronger growth of administratively regulated prices related to the need for fiscal consolidation, unfavourable weather conditions that might result in a considerable increase in the prices of agricultural products, the rise in the prices of crude oil due to geopolitical tensions and a stronger depreciation of the kuna versus the US dollar.

### Box 1 Trends in the inflation diffusion index in Croatia and countries in the environment

The inflation diffusion index shows the share of the number of products whose prices increased in a given month in the total number of products in the CPI basket and indicates whether an increase or decrease in prices is diffused across most of the economic sectors. As inflation pressures subsided in the period from 2012 to mid-2014, the share of components whose prices fell on a monthly basis in that period increased (from 29% to 49%). However, the fall in prices was not diffused across most of the economic sectors. Such developments primarily reflected a decrease in crude oil and food raw materials' prices in the world market as well as drop in euro area producer prices. The inflation diffusion index trend changed in mid-2014 as the index gradually increased remaining, however, slightly below its long-term average. Since mid-2014, industrial products and food

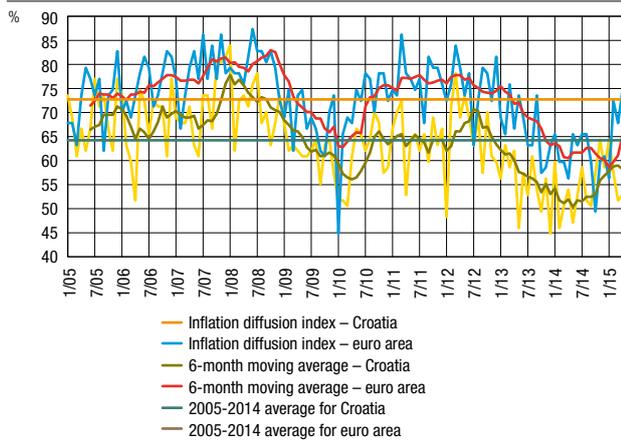
products recorded the strongest growth of the share of products whose prices increased in a given month in the total number of products. This index fell in most of the CEE countries in the last two years, signalling a slight increase in deflation pressures. The inflation diffusion index increased again in early 2015, with the pace of increase especially high in Bulgaria and the euro area, continuing to drop only in the Czech Republic and Slovakia.

In addition to following common inflation trend indicators, including the annual rates of the overall and core CPI, the Croatian National Bank calculates the inflation diffusion index as an additional indicator of trends in inflationary pressures. This index shows the share of the number of products whose prices increased<sup>2</sup> in a given month in the total number of products in the HICP basket.<sup>3</sup> The calculation of the inflation diffusion index

<sup>2</sup> The index also includes products whose prices remained unchanged in the current month from the previous month.

<sup>3</sup> Based on 87 seasonally adjusted components of the HICP.

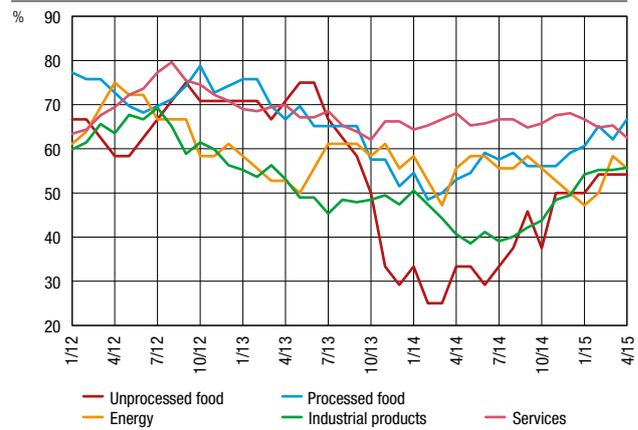
**Figure 5.5 Trends in the inflation diffusion index in Croatia and countries in the euro area**  
the share of the overall HICP components whose prices increased on a monthly basis



Note: The calculation is based on the monthly rates of change derived from the seasonally adjusted components of the HICP.

Sources: Eurostat and CNB calculations.

**Figure 5.6 Trends in the inflation diffusion index by the main HICP components in Croatia**  
the share of subcomponents whose prices increased on a monthly level, 6-month moving average



Note: The calculation is based on the monthly rates of change derived from the seasonally adjusted components of the HICP.

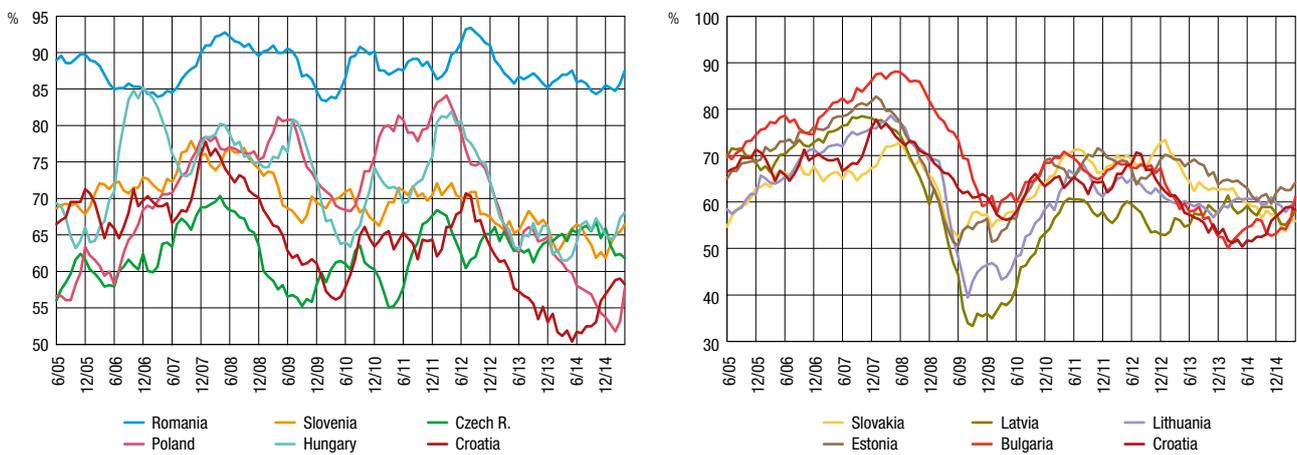
Sources: Eurostat and CNB calculations.

does not take into account the weight of a product or component in the aggregate CPI, in order to avoid the overestimation of the effects of the components carrying a relatively large weight in the aggregate index. The inflation diffusion index shows a value that is higher (lower) than 50% if most of the goods and services record a rise (fall) in prices. This is an indication of whether the rise or fall in prices is diffused across most of the economic sectors, which aids to the assessment of whether inflationary pressures strengthened or weakened over a given period.

Figure 5.5 shows that the inflation diffusion index in Croatia (measured by a 6-month moving average) was mostly slightly above its long-term average in 2005 and 2006. Inflationary pressures started to mount in the second half of 2007 due to an increase in imported inflation, primarily a price growth in food raw materials and crude oil in the world market. The inflation diffusion index reached a maximum of 78% in 2008 (significantly exceeding the long-term average of 64%), signalling that a great majority of products in the HICP basket recorded a price increase. Following this, the index was on a two-year downward trend, falling to 56% in April 2010. The mentioned weakening of inflationary pressures resulted from a sharp decrease in

imported inflation and to a smaller extent from the weakening of foreign and domestic economic activity. The inflation diffusion index returned to its average long-term level in late 2010 and held steady in 2011. A temporary increase in the inflation diffusion index in the first half of 2012 could be attributed to administrative decisions on increasing the basic VAT rate and electricity and gas prices. This was followed by a two-year period of weakened inflationary pressures, during which the share of the components whose prices fell on a monthly basis increased (from 29% in July 2012 to 49% in July 2014). However, the price decrease was not diffused across most of the economic sectors, that is, deflation pressures were not strong. Such developments primarily reflected a decrease in crude oil and food raw material prices in the world market as well as a drop in euro area producer prices as well as, in a smaller measure, weak foreign and domestic economic activity and an increase in competition in the domestic market caused by Croatia's accession to the EU. The inflation diffusion index trend changed in mid-2014 as the index gradually increased remaining, however, slightly below its long-term average. When observing the main HICP components (Figure 5.6) one can notice that industrial products and food

**Figure 5.7 Trends in the inflation diffusion index in Croatia and countries in the environment**  
the share of the overall HICP components whose prices increased on a monthly basis, 6-month moving average



Note: The calculation is based on the monthly rates of change derived from the seasonally adjusted components of the HICP.

Sources: Eurostat and CNB calculations.

products recorded the strongest growth of the share of the number of products whose prices increased in a given month in the total number of products.

The inflation diffusion index fell in most of the CEE countries in 2013 and 2014, signalling a slight increase in deflation pressures, as a result of an increase in the share of products in the HICP basket whose prices fell. However, it needs to be emphasised that, despite a significant decrease, the inflation diffusion index (measured by a 6-month moving average) in all the countries

remained above the benchmark level of 50%, indicating that the price decrease did not involve the majority of products. Inflationary pressures weakened the most in Poland, Bulgaria, Slovakia and Croatia during the mentioned period. In late 2014 and early 2015, the share of products whose prices increased on a monthly level started to grow again in most of the countries. The pace of increase in the inflation diffusion index in the first four months of 2015 was especially high in Bulgaria and the euro area, continuing to drop only in the Czech Republic and Slovakia.

## Box 2 Pass-through of exchange rate changes to prices in Croatia

Due to the fact that the CNB maintains a stable nominal exchange rate of the kuna versus the euro, the pass-through of exchange rate changes to prices in Croatia is difficult to identify based on the small variations in the kuna to euro exchange rate. An analysis was therefore made of the impact of variations in the exchange rate of the euro versus the US dollar, which cause variations in the exchange rate of the kuna versus the dollar, predominantly influencing the domestic nominal effective exchange rate and pass-through of the exchange rate of the kuna to domestic prices. A vector autoregression model with sign restrictions on impulse response functions shows that an exogenous depreciation of the euro to dollar exchange rate of 1% causes increases of approximately 0.4% and 0.2% respectively in the general level of producer and consumer prices. Strong fluctuations in the exchange rate of the kuna versus the euro would definitely have a significant effect on domestic prices and, in turn, adverse consequences on the domestic economy.

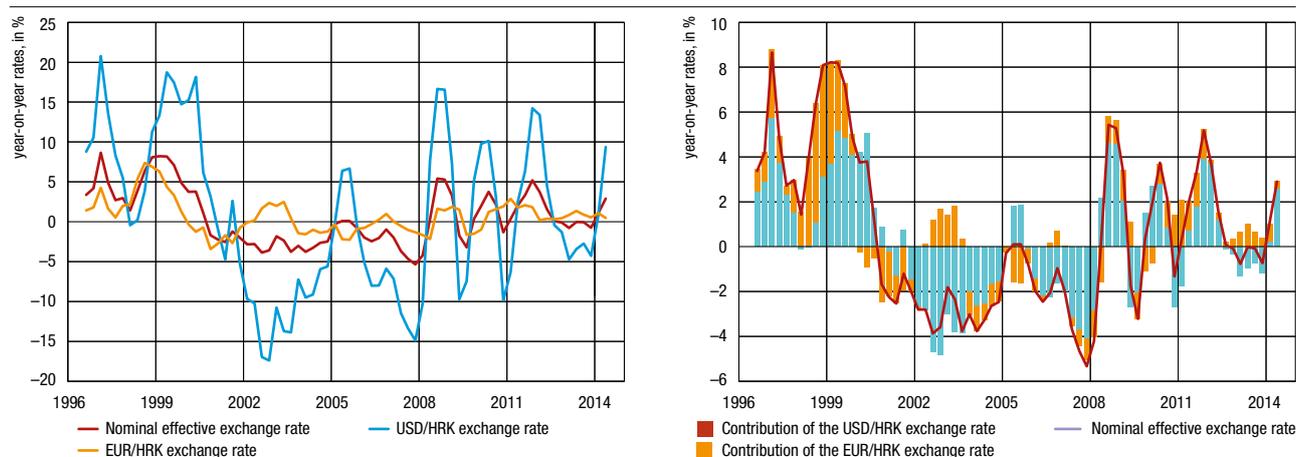
### Pass-through of the kuna to euro exchange rate to prices

The exchange rate pass-through refers to the transmission of changes in the exchange rate to various inflation measures through the distribution chain – imported inflation, producer inflation and consumer inflation. This effect is in the literature

usually estimated by multivariate models – mostly vector autoregression models (VAR models) using a recursive Cholesky identification of an exchange rate shock<sup>4</sup>. This identification assumes very strong restrictions of the relations between system variables at the moment of occurrence of shocks for which economic theory offers little explanation, so that convincing and stable results are difficult to obtain. In addition, results are highly sensitive to the order of system variables. Also, in recursive identification it is very difficult to separate exchange rate shocks from other important shocks, e.g. from the shocks of real activity and raw material prices.

Nominal bilateral and effective exchange rates are also used in the literature for the assessment of the pass-through of exchange rate changes to prices. As regards the exchange rate pass-through to prices in Croatia, despite the importance of the kuna to euro exchange rate for consumer prices it is hard to establish a significant statistical link between these two currencies. Specifically, variations in the EUR/HRK exchange rate have historically been too small to point to a marked correlation between domestic prices and the exchange rate<sup>5</sup>. The lack of confirmation of the EUR/HRK exchange rate pass-through in the observed period does not imply that this exchange rate is not important for domestic prices. On the contrary, a stable EUR/HRK

Figure 5.8 Contributions of the USD/HRK and EUR/HRK exchange rates to variations in the nominal effective exchange rate of the kuna



Source: CNB calculations.

- 4 See Hahn, E. (2003): *Pass-Through of External Shocks to Euro Area Inflation*, European Central Bank, Working Paper Series 0243; McCarthy, J. (2007): *Pass-Through of Exchange Rates and Import Prices to Domestic Inflation in Some Industrialized Economies*, Eastern Economic Journal, Vol. 33(4), pp. 511 – 537, autumn; Pufnik, A., and K. Gattin Turkalj (2002): *Pass through and Phillips Curve – Case in Croatia*, Croatian National Bank, mimeo.
- 5 In addition, as expectations have become anchored due to the exchange rate exhibiting small variations over a long period of time, companies' repricing costs might be too high given the (small) expected variations in the exchange rate in the future, which makes them reluctant to change prices because of variations in the kuna to euro exchange rate.

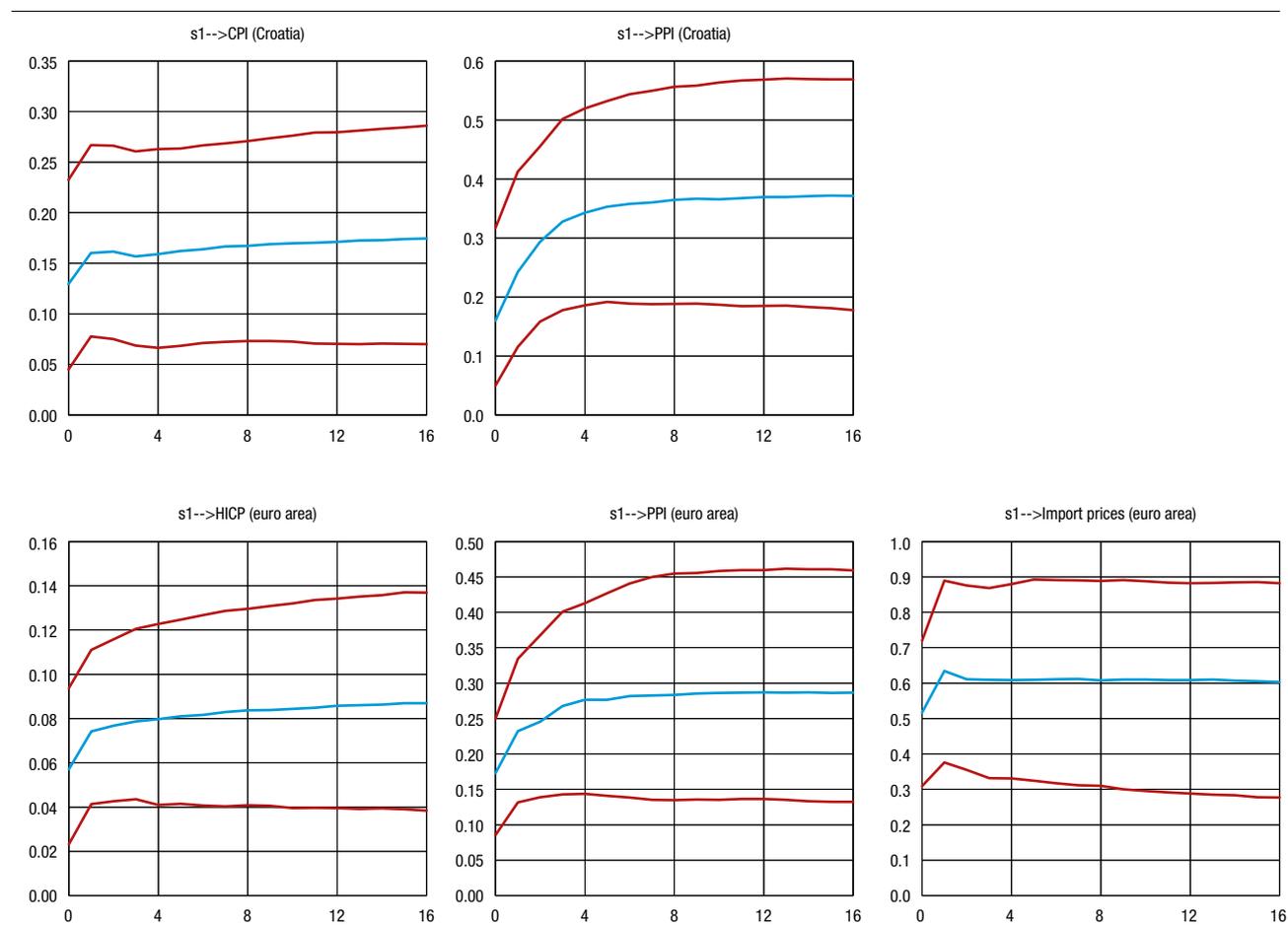
exchange rate is vital for maintaining price stability in the domestic economy and it is exactly because of its small variations and economic entities' confidence in the CNB's monetary policy that no pass-through of exchange rate shocks to prices has occurred. This argument is corroborated by the findings of a survey on the pricing behaviour of Croatian companies suggesting that a large majority of companies surveyed would adjust their products' prices in response to a change in the exchange rate higher than 2%.<sup>6</sup> It can therefore be stated with certainty that strong variations in the kuna to euro exchange rate would have a significant impact on domestic prices and be harmful for the domestic economy due to the undermining of financial stability.

#### Pass-through of the kuna to dollar exchange rate to prices

Despite the relatively small share of the US dollar in Croatia's foreign trade in goods, it can be said that shocks of the USD/

HRK exchange rate are more significant for the exchange rate pass-through to domestic prices than the shocks of the EUR/HRK exchange rate<sup>7</sup>. This is mainly due to the fact that the USD/HRK exchange rate is several times more volatile than the relatively stable EUR/HRK exchange rate. Furthermore, the dollar is important for domestic prices due to the dominant role it has in global trade as a currency in which prices of goods and services are very often quoted and set<sup>8</sup>. Figure 5.8 illustrates the importance of the USD/HRK exchange rate for the nominal effective exchange rate of the kuna<sup>9</sup>, showing the annual rates of change in the nominal effective exchange rate of the kuna, bilateral EUR/HRK and USD/HRK exchange rates (on the left) and the historical contributions of the EUR/HRK and USD/HRK exchange rates to the nominal effective exchange rate of the kuna (on the right). As evident in the figure, the variability of the effective exchange rate of the kuna is primarily determined by trends in the kuna to

**Figure 5.9 Cumulative functions of the impulse response of domestic prices due to a 1% depreciation in the USD/EUR exchange rate**



Note: The blue line is the median of the cumulative function of the impulse response and the area between the red lines represents a confidence interval of 68%.

Source: CNB calculations.

6 For details on the survey see: Pufnik, A., D. Kunovac (2012): *The Pricing Behaviour of Croatian Companies: Results of a Firm Survey and a Comparison with the Eurozone*, Croatian National Bank, Working Papers, W-36.

7 Jankov, Lj., I. Krznar, D. Kunovac, and M. Lang (2008): *The Impact of the USD/EUR Exchange Rate on Inflation in the Central and East European Countries*, Comparative Economic Studies, Palgrave Macmillan, Vol. 50(4), pp. 646 – 662, December.

8 For example, many countries, especially in Asia, mainly quote prices in dollars. There is also evidence in the literature that in many countries the share of prices quoted in dollars often considerably exceeds the volume of exports to the US. It needs to be emphasised that the fact that prices are quoted in a certain currency does not need to be related to the intensity of the pass-through of the exchange rate shock to prices. However, research has shown that there is a link between these two factors. This is because the currency in which prices are quoted is often the currency in which prices remain relatively stable under the exchange rate shock, with the result that exchange rate variations are transferred to import prices. See Goldberg, L., and C. Tille (2006): *The International Role of the Dollar and Trade Balance Adjustment*, NBER Working Papers 12495, National Bureau of Economic Research, Inc.

9 The generic nominal effective exchange rate of the kuna, calculated using only the euro and US dollar based on their shares in the currency structure of the balance of payments.

dollar exchange rate, although the share of the euro is four times higher than that of the dollar.

The above figure shows that the pass-through of exchange rate shocks to domestic prices in the domestic economy is principally determined by the fully exogenous exchange rate of the euro versus the dollar.<sup>10</sup> This is an important conclusion as it enables assessing the pass-through of exchange rate shocks to domestic prices using a simple model of the transmission of an exchange rate shock between the US and the euro area. Once such a shock is identified, its impact on the domestic economy can be quantified.

In methodological terms, an exchange rate shock in the VAR model can be identified on the basis of sign restrictions<sup>11</sup> on the impulse response function. The restrictions on specific model variables used are based on the following relations derived from the fundamental economic theory.

$$P^m = ER \times P^x$$

$$P^x = \mu \times MC^x$$

where  $P^m$  are import prices in the euro area,  $P^x$  US export prices,  $ER$  the exchange rate expressed in units of the euro for one American dollar, and  $\mu$  and  $MC^x$  define the margin and marginal costs of American producers. The above relations suggest the directions of the reactions of import prices in the euro area and export prices in the US following a shock of the USD/EUR exchange rate. A depreciation shock of the USD/EUR exchange rate should lead to a decrease in US export prices by influencing margins and marginal costs of American producers. For example, an exchange rate shock reduces the price of exported products and the marginal cost for exporters, whereas their margins also decrease because of depreciation if there is short-term price stickiness<sup>12</sup>. In contrast, European import prices grow when the exchange rate depreciates.

The shock of the USD/EUR exchange rate was first identified by assessing a Bayesian VAR model, consisting of two blocks: a foreign block (the US and euro area) and the domestic block (Croatia). The foreign block includes the global oil price, US export prices, various price indicators for the euro area (import prices, the PPI, CPI), the euro area output gap and the USD/EUR exchange rate. The domestic block includes the domestic output gap and domestic price indicators (the PPI, CPI). The identification of a structural shock of the exchange rate, depreciation of the euro versus the dollar, is based on the following restrictions:

- a) the euro area output gap increases as a result of a

- depreciation of the euro against the dollar;
- b) the USD/EUR exchange rate grows as a result of a depreciation of the euro against the dollar;
- c) US export prices decrease as a result of a depreciation of the euro against the dollar;
- d) prices in the euro area and in Croatia increase as a result of a depreciation of the euro against the dollar, and
- e) the model has no restrictions as regards the impact of the oil price on the exchange rate shock

The structural shock of the exchange rate was identified by means of an algorithm used in Rubio-Ramirez, Waggoner and Zhan, 2010.<sup>13</sup>

Figure 5.9 shows the reaction of various inflation measures in the euro area and in Croatia to an exchange rate shock. The findings show that an exchange rate shock has an expected influence on domestic inflation – a shock of depreciation of the USD/EUR exchange rate leads to an increase in domestic inflation rates. The pass-through of the exchange rate shock declines over the distribution chain, that is, the reaction of producer price inflation is stronger than the reaction of consumer price inflation. For example, a one per cent depreciation in the exchange rate causes increases of about 0.4% and 0.2% respectively in producer price inflation and consumer price inflation. Similarly, the pass-through of the exchange rate to inflation in the euro area also declines over the distribution chain. The decline in the transmission of the exchange rate is attributed to a larger share of costs in the domestic currency and a smaller share of costs of imported products at later stages of the distribution chain.

Although the analysis of the exchange rate pass-through to domestic prices by means of impulse response functions shows that exchange rate shocks produce a statistically important impact on domestic inflation, it fails to prove the actual importance of exchange rate shocks to domestic inflation trends in comparison with other shocks. For example, assessments show that during the current episode of low inflation rates, exchange rate shocks contributed negatively to domestic inflation, but without having made a crucial impact on inflation developments. In order to gain an insight in the relative importance of an exchange rate shock for domestic prices, a variance decomposition of domestic producer and consumer price inflation was calculated. The results show that exchange rate shocks did not have a dominant influence on domestic prices in the observed period (they accounted for an approximate 10% of inflation variance).

## 6 Foreign trade and competitiveness

The current account deficit narrowed in the first quarter of 2015 from the same period last year, mainly owing to the developments in the primary and secondary income accounts. The deficit in the primary income account decreased as a result of lower expenditures on direct equity investment, while in

the secondary income account, net inflows increased thanks to the use of EU funds. In addition, net exports of services rose, primarily due to travel services. On the other hand, adverse developments in foreign trade in goods were a consequence of imports growing faster than exports. This year is expected to see an

10 This follows from a simple identity linking the USD/HRK exchange rate to the EUR/HRK and USD/EUR exchange rate and from the stability of the exchange rate of the kuna to the euro.

11 The assessment strategy for the pass-through of the exchange rate on domestic prices using sign restrictions was taken from An, L. (2015): *Exchange Rate Pass-Through: Evidence Based on Vector Autoregression with Sign Restrictions*, MPRA Paper No. 527/2006; and Jovičić, G., and D. Kunovac (2015): *What Drives Inflation in a Small Open Economy: The Case of Croatia*, mimeo.

12 Kim, Y. (1990): *Exchange Rates and Import Prices in the United States: Varying-Parameter Estimation of Exchange-Rate Pass-Through*, Journal of Business & Economic Statistics, American Statistical Association, Vol. 8(3), pp. 305 – 315, July.

13 Rubio-Ramirez, J. F., D. F. Waggoner, and T. Zha (2010): *Structural Vector Autoregressions: Theory of Identification and Algorithms for Inference*, Review of Economic Studies, Oxford University Press, Vol. 77(2), pp. 665 – 696.

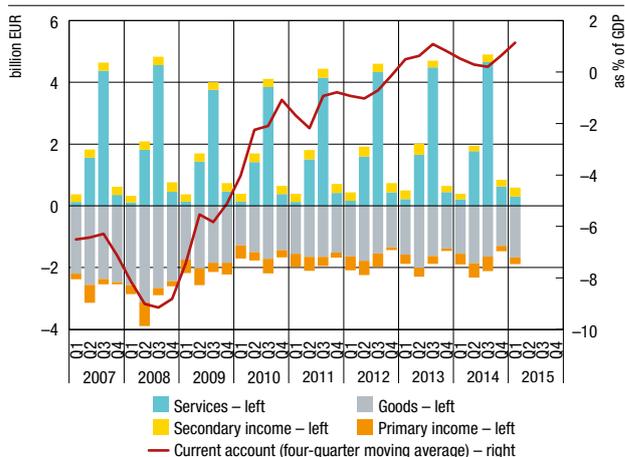
improvement in the current and capital account balances, which could increase from 0.8% of GDP in 2014 to 1.7% of GDP, primarily owing to favourable trends in the foreign trade in goods and services.

CBS data on the developments in the foreign trade in goods show that the contraction in the foreign trade deficit recorded in the second half of 2014 was followed by a widening of 11.5% in the first quarter of 2015 compared with the last quarter of the preceding year. This is a consequence of a more pronounced growth in imports (7.2%) than in exports (2.9%), largely caused by the developments in the foreign trade in oil and refined petroleum products and other transport equipment (mostly ships). In the same period, the imports of other goods (excluding oil and ships) grew by 6.9%, mostly as a result of increased imports of natural and manufactured gas, electricity, medical and pharmaceutical products and certain capital goods (such as electrical machinery, apparatus and appliances and metal working machinery). The growth in exports of other goods gained pace at the quarterly level, standing at 5.3% in the first three months of 2015. The trend was primarily driven by the rise in the exports of certain capital goods, notably power generating machinery and equipment, electrical machinery, apparatus and appliances, oil seeds and oleaginous fruits and some food products (particularly cereals and cereal preparations and fish and preparations thereof).

If the trends in Croatian exports of goods are observed according to specific markets, it is evident that the growth primarily involves the EU market. The first quarter of 2015 saw an increase of 13.4% in exports to EU member states over the same period last year. A particularly strong rise was observed in the exports to the group of 15 “older” member states, particularly to the United Kingdom, Germany and Austria. Furthermore, high annual rates of growth in exports to the 12 newest EU member states continued into the first quarter of 2015, primarily due to the continued increase in exports to Slovenia and Hungary. In the same period, exports to countries outside the EU and the region grew slightly as well, following two consecutive quarters characterised by negative trends. On the other hand, exports to CEFTA countries held steady, as the increase in exports to Serbia was offset by an equal decline in exports to Bosnia and Herzegovina.

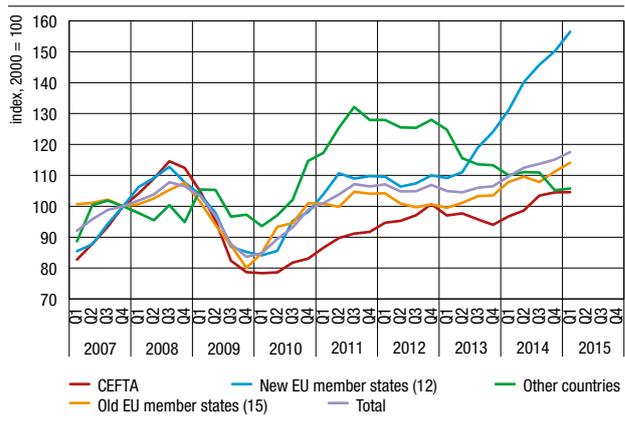
The deficit in the trade of goods is likely to remain around the level recorded in 2014 throughout 2015 in spite of the growth in exports exceeding that in imports. The rise in imports is based on the expected moderate recovery of domestic demand and investments, taking into consideration the high import dependency of the domestic economy. Nevertheless, falling crude oil prices in the global market will probably reduce the value of net imports of oil and petroleum products and thus positively affect the foreign trade balance. The expected continued rise in exports rests on the assumed increase of foreign demand. In 2016, the growth in the exports of goods could continue to

Figure 6.1 Current account balance and its structure



Source: CNB.

Figure 6.2 Croatia's exports of goods by economic classification of countries



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

Source: CBS.

accelerate on the back of further strengthening of foreign demand. At the same time, imports are expected to rise due to the recovery of domestic economic activity, which could cause the trade in goods to negatively affect the current account balance.

In the first quarter of 2015, net exports of services were higher than in the same period last year, primarily resulting from the 13.8% rise in the revenues from services provided in tourism. Better financial results in tourism were coupled with a

Table 6.1 Current and capital account and its components

as % of GDP

	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Current account balance</b>	-8.8	-5.1	-1.1	-0.8	-0.1	0.8	0.7	1.1	0.8
Goods	-22.4	-16.5	-13.2	-14.3	-14.3	-15.1	-14.7	-14.6	-14.8
Services	14.4	12.9	12.8	13.9	14.8	15.6	16.9	17.2	17.4
Primary income	-3.0	-3.7	-3.1	-2.9	-3.3	-2.1	-3.4	-3.5	-4.0
Secondary income	2.2	2.2	2.4	2.6	2.6	2.5	1.9	2.0	2.3
<b>Current and capital account balance</b>	-8.8	-5.0	-0.9	-0.7	-0.0	0.9	0.8	1.7	1.8

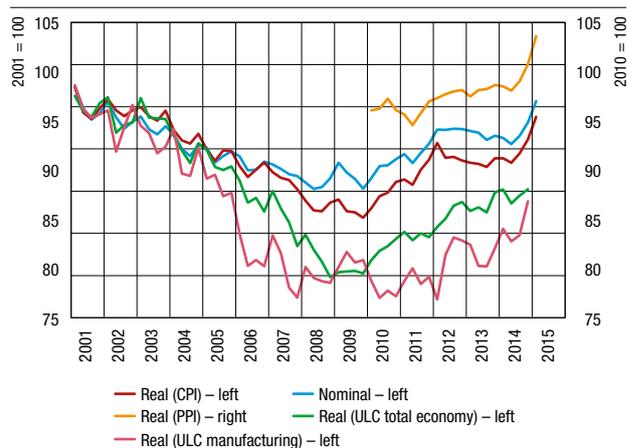
Source: CNB.

noticeable improvement of volume indicators: arrivals of foreign tourists in commercial accommodation capacities and overnight stays, which increased by 24.8% and 26.0% respectively, mainly owing to tourists from Austria. In addition to travel, net exports of manufacturing services on physical inputs owned by others and transportation services also increased. Net imports of other services saw no significant change due to an equal decrease in exports and imports. Thanks to the faster growth of tourism revenues than in the year before, foreign trade in services is again likely to provide a significant positive contribution to the trends in the current account in 2015, and the trend is likely to continue into 2016.

Primary and secondary income account balances improved in the first quarter of 2015. Developments in the primary income account were characterised by a decrease in expenditures on direct equity investment, i.e. a drop in the profitability of banks and enterprises in foreign ownership. Poorer business results were primarily observed in financial intermediation, oil extraction and production, hotel business and construction. The decrease of the deficit in the primary income account was also affected by the growth in the profits of foreign enterprises in resident ownership and the increase in compensations to residents working abroad. On the other hand, interest expenses of domestic sectors arising from foreign liabilities, particularly those of the government, saw an increase. In the medium term, the gradual recovery of domestic economic activity is expected to contribute to the further strengthening of the profitability of foreign-owned enterprises and banks and, in consequence, additionally widen the deficit in the primary income account. The increase in secondary income surplus in the first quarter of the year resulted from the utilisation of EU funds. The gradual increase in EU funds absorption capacity and the better utilisation of available funds, particularly capital, should provide a positive contribution to the current and capital account balances in the upcoming years.

Consequently, 2015 is expected to see an improvement in the current and capital account balances as a result of favourable developments in the foreign trade in goods and services brought about by the faster growth in exports than in imports. In addition, secondary income and capital account surplus may increase as a consequence of an increase in the use of EU funds compared with 2014. In 2016, the current and capital account balances are likely to be negatively affected by the widening of the deficit in the primary income account. On the other hand, the net effect of financial transactions with the EU budget should be positive. Even though the gradual recovery of domestic economic activity is projected to bring about a moderate increase of the deficit in the trade in goods, this may be offset by a rise in

Figure 6.3 Nominal and real effective exchange rates of the kuna



Note: A fall in the index denotes an effective appreciation of the kuna.  
Source: CNB.

revenues from tourism.

The price competitiveness of Croatian exports continued to improve at the beginning of 2015. Real effective kuna exchange rates deflated by consumer and producer prices depreciated in the first quarter relative to the preceding quarter, mainly due to the weakening of the nominal effective kuna exchange rate (primarily caused by the weakening of the kuna against the Swiss franc, US dollar and yuan renminbi); while the trends in domestic consumer and producer prices were only slightly less favourable than those of the main trading partners. Data on the developments in real effective kuna exchange rates deflated by unit labour costs also indicate that the price competitiveness of Croatian exports continued to improve in the last quarter of 2014. Besides the nominal effective depreciation of the kuna, the noticeably more favourable developments in domestic unit labour costs in manufacturing than in the main trading partner countries also contributed to the trend.

The improvement of the price competitiveness of Croatian exports, measured in terms of the index of the real effective exchange rate of the kuna deflated by consumer prices, is expected to last throughout 2015. The favourable trends from 2014 would thus continue into 2015, following the deterioration recorded in 2013. The price competitiveness of Croatian exports may moderately improve further in 2016 as well.

## 7 Financing conditions and capital flows

Financing conditions for domestic sectors were on average more favourable in the first five months of 2015 than in the previous year. In addition to the continued high level of liquidity in the domestic financial market, the trend was also affected by the implementation of the ECB's QE programme which began in March, causing liquidity to increase and yields to decline in the European financial market. Against such a backdrop, total corporate debt grew in the first quarter of 2015, followed by a slight increase in household lending in April and May as well. However, domestic lending activity remains subdued and credit institutions' placements are expected to stagnate in 2015. A moderate

increase in placements is likely in the medium term, as a result of the expected gradual recovery of the domestic economic activity.

In the first five months of 2015, the government's borrowing costs in the domestic market remained at the low levels recorded at the end of 2014, primarily owing to the continued expansionary monetary policy of the CNB. The interest rate on one-year kuna T-bills remained at 1.50%, whereas the interest rate on one-year T-bills with a currency clause had dropped to 0.40% by May (from 0.48% at end-2014). The price of government borrowing abroad also continued to decline, reflecting the fall in yields on government bonds triggered by the ECB's

unconventional monetary policy measures (Figure 7.1). However, in mid-April, financing conditions in the international market began to deteriorate slowly, leading to an increase in the yields on Croatian government bonds in the period.

Elevated global risk aversion was reflected in the growth of CDS spreads for the bonds of parents of major Croatian banks. The rise that began in April has intensified since the beginning of June (Figure 7.2). At the same time, the CDS for Croatia increased at a somewhat slower rate, but remained noticeably higher than that of parent banks of Croatian banks and peer countries in Central and Eastern Europe.

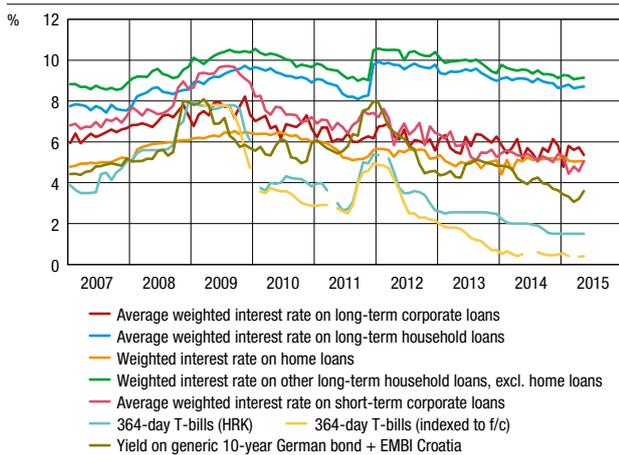
The conditions of corporate financing through banks in Croatia continued to improve gradually in the first five months of 2015. Average nominal interest rates on corporate loans dropped slightly relative to the year before (Figure 7.1), particularly for short-term loans. The results of the Bank Lending Survey also indicate that credit standards for loans to enterprises were eased in the first quarter of 2015 (Figure 7.3), accompanied by favourable trends in the demand for that group of loans. Banks expect further easing of credit standards and a continued increase of demand in the second quarter of 2015 (the correlation

between credit standards, loan demand and expectations is analysed in Box 3).

Total corporate debt was 0.9% higher at end-March than the year before (Figure 7.4). Corporate placements of domestic credit institutions increased in the first quarter of 2015, as did financing from other sources, primarily from abroad. The growth in total debt was mainly generated by private enterprises, although the debt of public enterprises also rose slightly in the first quarter after almost two years of continuous deleveraging. Nevertheless, the data on domestic lending activity in the first two months of the second quarter indicate that lending to corporates is slowing down again in the domestic market.

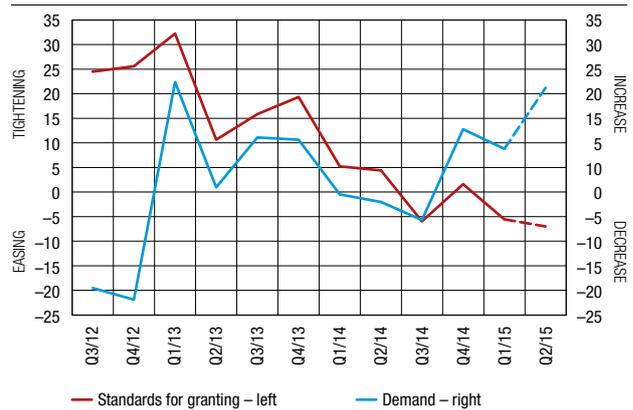
Average interest rates on household long-term loans saw a slight decline from the preceding year in the first five months of 2015, while the costs of short-term household borrowing held steady (Figure 7.1). The results of the Bank Lending Survey also indicate that credit standards for consumer credit and other lending continued to ease, while the standards for loans for house purchase remained the same after their moderate easing in the last quarter of 2014. At the same time, in the first quarter of 2015 banks recorded the fastest growth in the demand

Figure 7.1 Costs of domestic and foreign financing



Sources: MoF, Bloomberg and CNB.

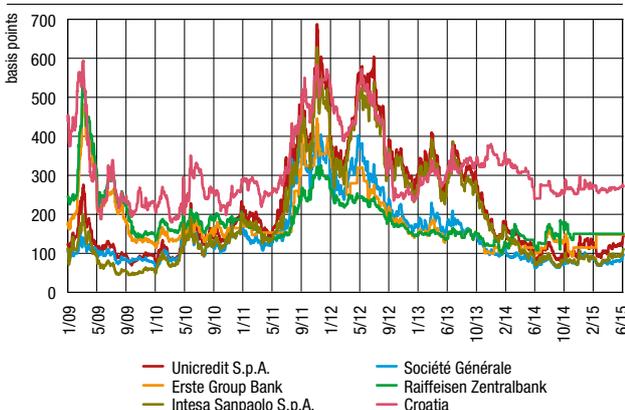
Figure 7.3 Standards for granting loans and corporate demand for loans



Note: Data represent the net percentage of banks weighted by the share in total loans to corporations. Broken lines represent expectations for the second quarter of 2015.

Source: CNB.

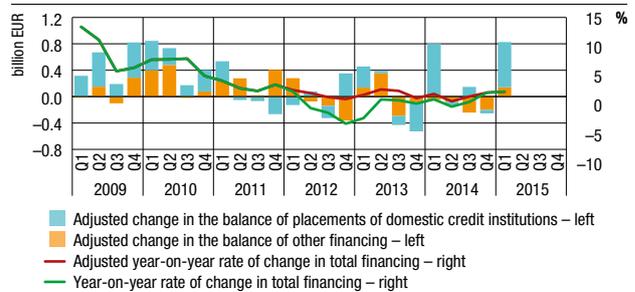
Figure 7.2 CDS spreads for Croatia and selected parent banks of domestic banks



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

Source: Bloomberg.

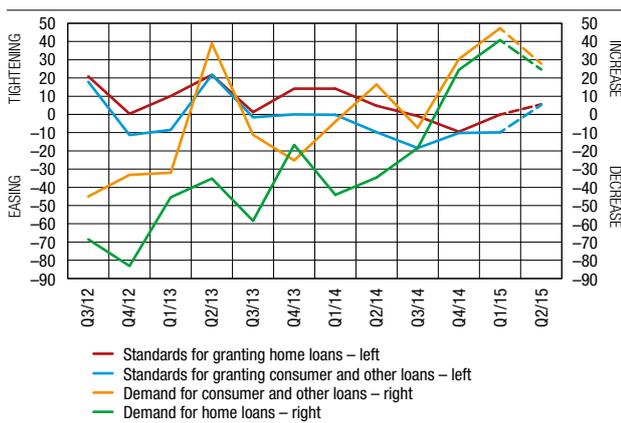
Figure 7.4 Corporate financing by sources



Note: Other financing includes corporate borrowing from domestic leasing companies and direct borrowing from the CBRD, as well as borrowing from foreign banks and affiliated enterprises abroad. The adjusted changes are calculated on the basis of data which in 2012 and 2013 do not include the effect of the assumption of loans to the shipyards by the Ministry of Finance, the effect of transactions of one bank which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a portion of its claims to a company indirectly owned by a parent bank (which in turn contributed to the decrease in its external debt), the bankruptcy of Centar banka d.d., the methodological changes in the recording of fees and the effect of the exchange rate changes.

Sources: HANFA, CNB and CNB calculations.

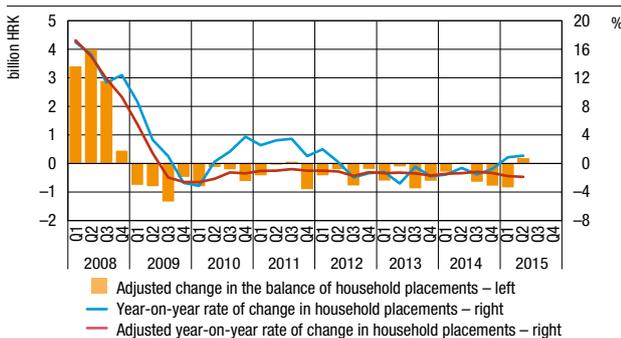
**Figure 7.5 Standards for granting loans and household demand for loans**



Note: Data represent the net percentage of banks weighted by the share in total loans to households. Broken lines represent expectations for the second quarter of 2015.

Source: CNB.

**Figure 7.6 Household placements**



Note: The adjusted changes are calculated on the basis of data which do not include the effect of transactions of one bank which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a portion of its claims to a company indirectly owned by a parent bank (which in turn contributed to the decrease in its external debt), the bankruptcy of Centar banka d.d., the methodological changes in the recording of fees and the effect of the exchange rate changes. Change in the balance for the second quarter of 2015 refers to April and May, while the annual changes refer to the end of May.

Source: CNB.

for loans for house purchase and consumer credit and other lending to households since the Survey was introduced. In the second quarter of 2015, banks expect a moderate tightening of standards for both household loan groups, but also a continued increase in demand (Figure 7.5). Despite more favourable developments indicated by the survey, the several-year trend of household deleveraging continued into the first quarter of 2015, while only a slight seasonal increase in household debt was recorded in April and May (Figure 7.6). Consequently, the annual rate of decrease in household placements remained around the level recorded in the previous years, standing at 1.8% (excluding exchange rate effects) at the end of May.

As there are currently no indications that the rest of the year may see a significant reversal in domestic lending activity, placements of credit institutions are expected to stagnate in 2015. The placements are projected to grow by a moderate 1% in 2016, but the risks for the recovery of placement growth are still mostly tilted to the downside. The risks involve a delay in the recovery of loan demand, a high level of total debt, possible repeated tightening of credit standards due to balance sheet pressures, an increase in non-performing loans and the reorientation

of corporates to alternative sources of financing (capital markets or foreign sources). On the other hand, positive risks include slightly more favourable developments in the real sector under the influence of the results generated in the first quarter and an increase in consumer confidence, although it is not very likely that this will significantly affect the recovery of loan demand.

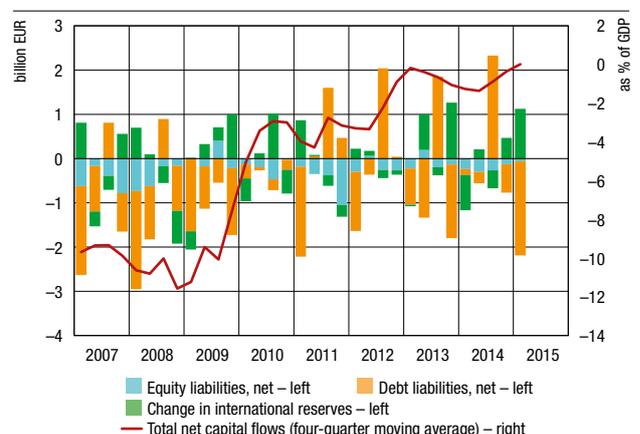
### Foreign capital flows

The first quarter of 2015 saw a higher net foreign capital inflow than the same period in 2014. A substantial increase of EUR 2.1bn in net liabilities was observed in the financial account, excluding changes in international reserves, compared with a mere EUR 0.4bn recorded at the beginning of 2014. The bulk of this year's net inflow involved debt capital as a result of an increase in the central bank's liabilities, a decrease in credit institutions' foreign assets and the government's borrowing abroad. A noticeable increase in the CNB's short-term liabilities was mainly driven by the investment of a part of international reserves in repo agreements, which simultaneously increased gross international reserves by the same amount (EUR 0.6bn in the first quarter of 2015). Taking into account other factors leading to changes in gross international reserves, their total growth in the first quarter of 2015 was even more pronounced.

An increase in net liabilities arising from foreign direct investment remained at almost the same level in the first three months of 2015 as in the same period the year before (EUR 0.3bn). Broken down by individual components, the borrowing of domestic corporates from their affiliated enterprises abroad intensified, accounting for almost a half of the total increase in liabilities from foreign direct investment. Reinvested earnings had an opposite effect on net foreign direct investment. Their decline on the liability side primarily involved activities pertaining to financial intermediation and oil and natural gas extraction as a result of the poorer business performance of domestic banks and enterprises in foreign ownership. In contrast, a noticeable increase in reinvested earnings was observed on the asset side due to an increase in the profits of foreign enterprises in domestic ownership. Equity investment saw a rise both on the asset side and, even more so, on the liability side. The majority of liabilities from equity investment were seen in financial intermediation, while payments of reinvested earnings from the previous years had an adverse effect on equity investment in particular activities.

Net capital inflow in the first quarter of 2015 was almost

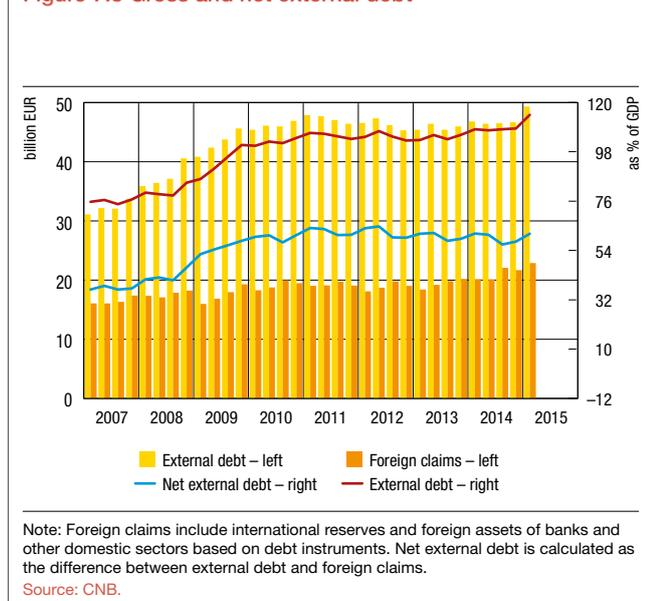
**Figure 7.7 Foreign capital flows**



Note: Net equity and debt liabilities represent the difference between assets and liabilities. A positive change in international reserves denotes their growth.

Source: CNB.

Figure 7.8 Gross and net external debt



entirely accounted for by debt investment. Observed by individual domestic sectors, the trend was mainly due to credit institutions which, despite deleveraging, additionally reduced their foreign assets, leading to a noticeable deterioration in their net foreign position (of EUR 0.6bn). In addition, after repaying a EUR 750m foreign bond which fell due in early 2015, the government issued new ten-year eurobonds worth EUR 1.5bn in March, thereby increasing the government's liabilities by a total of EUR 0.5bn in the first quarter<sup>14</sup>. The borrowing of other domestic sectors, notably private non-financial enterprises, from affiliated and non-affiliated foreign enterprises additionally contributed to the rise in net liabilities. Although the first quarter saw a noticeable increase in central bank liabilities as well, brought about by the investment of a part of gross international reserves in repo agreements, this had no effect on the total net debt position as gross international reserves increased by the

same amount.

Gross international reserves of the CNB stood at EUR 14.2bn at the end of the first quarter of the year, which is an increase of EUR 1.5bn from the end of 2014. Apart from the above mentioned investment of a part of reserves in repo agreements, the trend is also attributable to the foreign exchange inflow arising from the government's borrowing abroad, as well as to favourable cross-currency changes. As a result, the indicator of short-term debt coverage by gross international reserves improved (on a remaining maturity basis), rising from 92.2% at the end of 2014 to 101.9% at the end of March 2015.

In contrast to the beginning of the year, the rest of the year is not expected to see a further increase in the debt liabilities of domestic sectors. The government's liabilities are projected to decline, with no new bonds to be issued in the foreign markets. Against the backdrop of a significant current account surplus, other domestic sectors may mostly refinance their external debt liabilities in 2015, causing the liabilities to affiliated creditors to grow and the liabilities to other creditors to fall. Private non-financial enterprises are likely to increase their external debt in 2015, unlike other financial institutions, which are expected to deleverage further. Credit institutions may continue to deleverage as well. Still, due to the extremely unfavourable effect of cross-currency changes on the increase of debt in the first quarter, caused by the marked appreciation of the US dollar against the euro, the relative indicator of gross debt is likely to deteriorate in 2015. The ratio of gross external debt to GDP is projected at 110.2% at end-2015, up by 1.8 percentage points from the year before. A relatively modest net capital inflow is expected in 2016 as well, considering the continued positive current account balance and the further deleveraging of credit institutions. However, the intensity of the deleveraging of credit institutions will probably slow down. By contrast, the government is expected to borrow abroad even more heavily than the year before. Other domestic sectors are not likely to substantially increase their external debt. In spite of the increase in the balance of total gross external debt, its relative indicator may improve to 109.8% of GDP by the end of 2016.

### Box 3 Credit recovery and the Bank Lending Survey

*Due to the significance of banks' lending activity for economic growth and the currently subdued lending activity in Croatia, it is necessary to define and analyse the determinants of credit growth both on the supply and the demand side. Sources of data that may contribute to the better understanding of this phenomenon are the Bank Lending Survey and monetary statistics. An analysis based on these sources indicates that there is a statistically significant correlation between the growth in loans to enterprises and the growth of consumer credit and other lending on the one side and credit standards and credit demand on the other. Credit growth reacts faster to changes in credit demand, while the changes in credit standards affect credit growth with a somewhat greater lag. The analysis also indicates that it is difficult to expect a recovery of credit activity without some improvement in the economic outlook and in demand, despite the high liquidity of the monetary system supported by the CNB.*

Qualitative data contained in the banks' answers from

the Bank Lending Survey represent a specific set of information frequently used in the analysis and forecasting of various macroeconomic variables such as GDP, investments and credit growth. Relevant literature frequently emphasises that significant changes in the credit standards for loans which constitute the banks' credit supply and significant changes in credit demand usually precede changes in monetary and credit aggregates. In order to understand the banks' weak lending activity in Croatia in the past years, the correlation between credit supply and demand and credit growth will be analysed in the box at the level of individual banks.<sup>15</sup>

The banks' answers concerning the changes in credit standards, credit demand and the factors that affected them are linked with the CNB's monetary statistics on credit growth, interest rates on loans, capital adequacy and funding costs at bank level. The analysis includes the period from the third quarter of 2012, when the survey was first conducted in Croatia, to the end

14 The government sector also includes the Croatian Bank for Reconstruction and Development, which was reclassified from other domestic sectors (the subsector of other public financial intermediaries).

15 For a more detailed analysis, see the following paper available on the CNB's website: Pintarić, M. (2015): *Which factors are weighing on credit recovery? – Evidence from the Croatian Bank Lending Survey*, Croatian National Bank working paper.

of 2014, and is performed by regression on an unbalanced panel data set taking into account fixed effects for banks and quarters. The general form of the equation is as follows:

$$y_{i,t} = \alpha + \beta_1 y_{i,t-1} + \beta_2 KAB\_S_{i,t-h} + \beta_3 KAB\_P_{i,t-h} + \beta_4 X_{i,t} + F_i + F_t + \varepsilon_{i,t},$$

where:  $y$  is the dependent variable representing the quarterly rate of change of individual types of loans;  $\alpha$  is the regression constant value;  $BLS\_S$  is the indicator of credit standards;  $BLS\_D$  is the indicator of demand for loans;  $X$  represents the vector of control variables identifying the price of loans, capital position of banks and their funding costs;  $F_i$  is the fixed effect of the bank, and  $F_t$  is the fixed effect of the quarter;  $i$  is a designation of the bank,  $t$  is a designation for the quarter;  $h$  is the quarter lag, which can take values from 0 to 4, and  $\varepsilon$  is the regression error.

The growth rates of loans to enterprises, loans for house purchase and consumer credit and other lending to households were adjusted<sup>16</sup> by one-off effects and the exchange rate effect at bank level. The credit standards indicator is a dummy variable which takes the value 1 for the quarters in which, according to the banks' answers, the standards were tightened/eased or a specific indicator contributed to tightening/easing, depending on which was more frequent for a particular loan type. The credit demand indicator is also a dummy variable which takes the value 1 for the quarters in which, according to the banks' answers, credit demand increased/decreased or a specific indicator contributed to increased/decreased demand, whichever was more frequent for the three loan groups mentioned above.<sup>17</sup>

### Results for loans to enterprises

A rise in the demand for loans to enterprises causes, *ceteris paribus*, a rise in the quarterly credit growth from 3.3 to 6.1 percentage points in the same quarter, depending on the specifications. On the other hand, the tightening of credit standards has almost no statistical significance. According to the answers

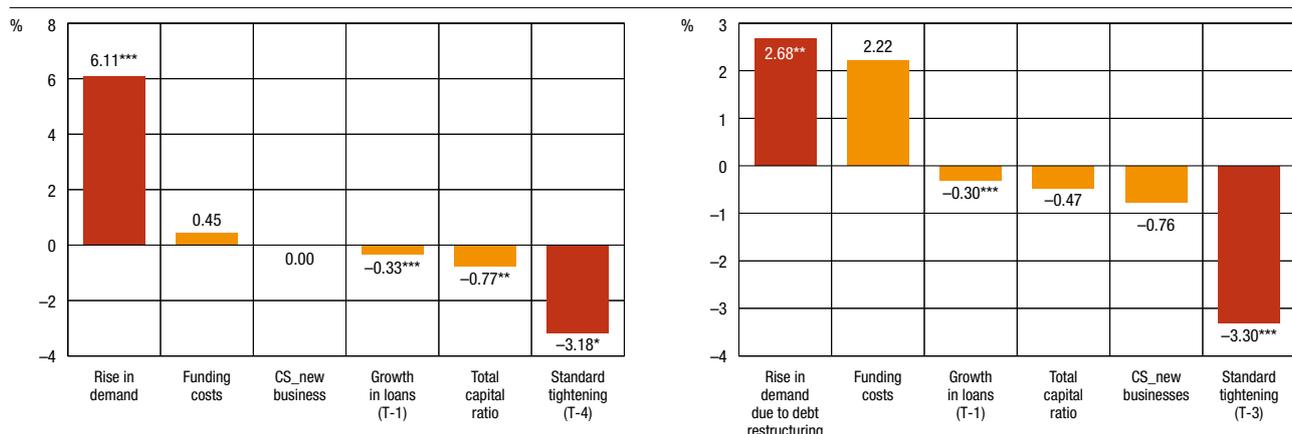
regarding the factors which contributed the most to the above stated changes, banks that reported expectations regarding general economic activity as a factor of tightening standards experienced, with a lag of three quarters, a loan growth which was 2.4 to 3.3 percentage points lower than that of other banks. In addition, banks which reported debt restructuring as a factor contributing to increased demand experienced, on average, a 2.1 to 2.7 percentage points greater loan growth in the same quarter than other banks.

Figure 7.9 shows the two model specifications for loans to enterprises that, on average, have the greatest statistical significance. It is evident that demand affects credit growth in the same quarter with substantial differences in the intensity of the effect depending on whether it is brought about by an overall rise in demand or by debt restructuring. On the other hand, the tightening of credit standards reduces credit activity with a lag of three to four quarters at a stable rate of slightly above 3 percentage points. As regards other variables, credit growth in the preceding period has the greatest significance, indicating a negative effect on lending.

### Results for loans for house purchase

For loans for house purchase no variable from the Survey is statistically significant and no valid conclusions can therefore be made about the effect of supply and demand on credit growth. There are two probable reasons for such an outcome of the analysis. First, loans for house purchase are almost exclusively long-term loans with a much longer average maturity than loans to enterprises and consumer credit and other lending to households. Therefore, a longer period is probably needed to obtain results with some statistical significance, which is at present difficult to achieve since the Survey has only been conducted for a relatively short period of time and a longer period is needed to identify any major changes in loans for house purchase. Second, banks report changes in credit standards and demand for loans for house purchase much less frequently than for the other two

Figure 7.9 Results for loans to enterprises



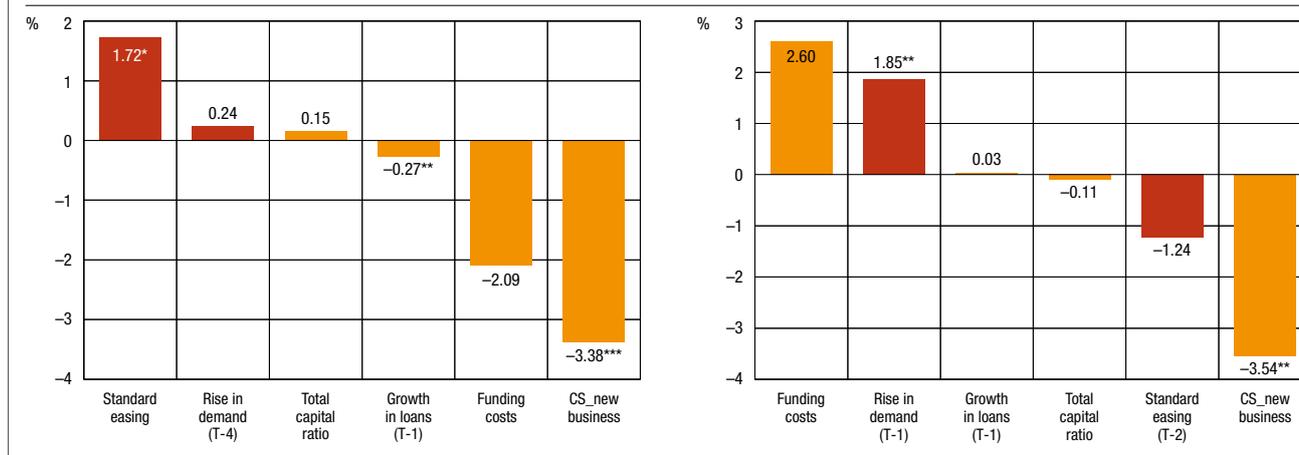
Note: \*\*\* $p < 0.01$ , \*\* $p < 0.05$  and \* $p < 0.1$ .

Source: CNB.

16 One-off effects excluded from growth rates include the shipyards' debts assumed by the Ministry of Finance (applies only to loans to enterprises), transfer of claims to another company, bank mergers and acquisitions and the change in the method of reporting on fees. The effects of changes in the exchange rates of the Croatian kuna for the euro, Swiss franc and US dollar are also excluded from the growth rates. Loans in a specific currency are loans either disbursed in or indexed to such currency.

17 The analysis was performed for all loan types using both methods of determining the dummy variable for credit standards and credit demand. However, as the variables from the Survey have very small or, usually, no statistical significance in cases where the dummy variable is determined according to the less common types of banks' answers, the results are presented in this manner.

Figure 7.10 Results for consumer credit and other lending to households



Note: \*\*\* $p < 0.01$ , \*\* $p < 0.05$  and \* $p < 0.1$ .

Source: CNB.

groups of loans, which reduces the currently limited set of data available for analysis.

### Results for consumer credit and other lending to households

The easing of standards causes a rise in the growth of consumer credit and other lending to households of 1.7 to 2.0 percentage points in the same quarter, but the statistical significance is weak. On the other hand, banks reporting a rise in demand exhibited a credit growth that exceeded that of other banks by 1.4 to 2.6 percentage points. Unlike the loans to enterprises, factors affecting the changes in standards and demand produced no statistically significant results.

The two model specifications shown in Figure 7.10 demonstrate that the effect of a rise in demand on the growth of consumer credit and other lending, achieved with a lag of one quarter, is weaker than for loans to enterprises, while the statistical significance of the effect of standard easing is small. In contrast to other loan types, the interest rate on new business

is exceptionally significant and indicates that its rise of one percentage point reduces credit growth by more than 3 percentage points on average.

The assessment of models based on available data from bank lending surveys conducted thus far has shown that there are statistically significant and, in economic terms, expected effects of standards and demand on the growth of particular loan types. Generally, credit growth reacts faster to the changes in credit demand, while the changes in credit supply affect credit growth with a somewhat greater lag. On average, control variables have had a weak effect on decreasing the significance of assessments from the basic specifications, which additionally increases the importance of standards and demand reported in the Survey as determinants of credit growth. The analysis has also confirmed the effect of reduced demand and negative expectations on credit activity. Conducting new rounds of the Survey and extending data time series will enable more exhaustive and relevant analyses of correlations between qualitative data from the Survey and quantitative monetary statistics data.

## 8 Monetary policy

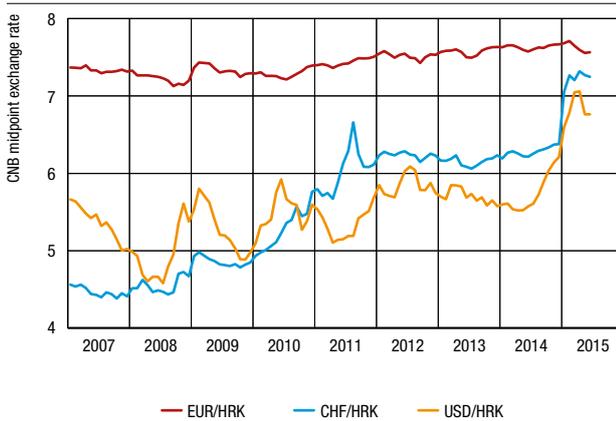
In the first half of 2015, the CNB continued to pursue its expansionary monetary policy while maintaining the stability of the exchange rate of the kuna against the euro. The high liquidity of the monetary system was additionally boosted by the central bank's foreign exchange transactions, causing domestic interest rates to remain at their historic lows. Against the backdrop of low inflation, the CNB used its monetary policy to affect domestic financing costs positively, encourage bank lending activity and stimulate the recovery of the Croatian economy. Monetary policy will maintain its expansionary nature throughout 2015 and 2016, coupled with the continued policy of maintaining a stable kuna exchange rate.

The nominal exchange rate of the kuna against the euro was relatively stable in the first half of 2015. The kuna temporarily weakened relative to the euro in the first couple of months of the year, but strengthened gradually in the following months. After the CNB's foreign exchange intervention in early 2015,

which helped prevent the excessive weakening of the domestic currency's exchange rate triggered by the adjustment of the banks' foreign exchange position to the Croatian government's decision on the fixing of the Swiss franc exchange rate in loan repayment for a period of one year, appreciation pressures prevailed in the following months as a result of an increased supply of foreign exchange deriving from the corporate sector and seasonal developments. The exchange rate of the kuna against the euro dropped from its highest level of EUR/HRK 7.72 in mid-February to EUR/HRK 7.58 at end-June. The average exchange rate of the kuna against the euro thus stood at EUR/HRK 7.63 in the first six months of 2015, equalling the average recorded in 2014.

As regards the exchange rate of the kuna against other important global currencies, its weakening against the US dollar came to a halt in the second quarter of 2015, while the exchange rate with the Swiss franc remained at the levels recorded in the

Figure 8.1 Nominal exchange rates of the kuna against selected currencies



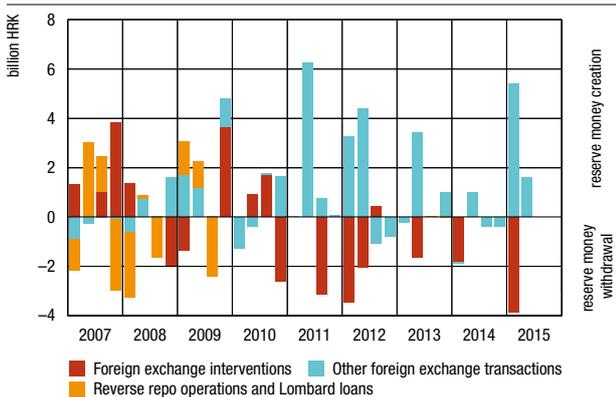
Source: CNB.

Figure 8.3 Bank liquidity and overnight interbank interest rate



Source: CNB.

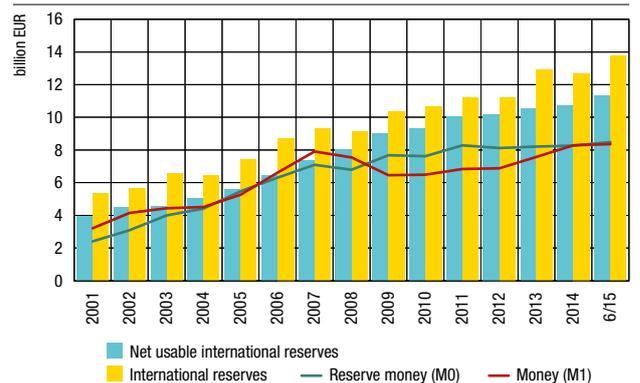
Figure 8.2 Flows of reserve money (M0) creation



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

Source: CNB.

Figure 8.4 International reserves of the CNB and monetary aggregates



Note: Net usable international reserves are defined as international reserves net of foreign liabilities of the CNB, reserve requirements in f/c, government foreign currency deposits and off-balance sheet liabilities (swaps). The most recent data available for M1 refers to end-May 2015.

Source: CNB.

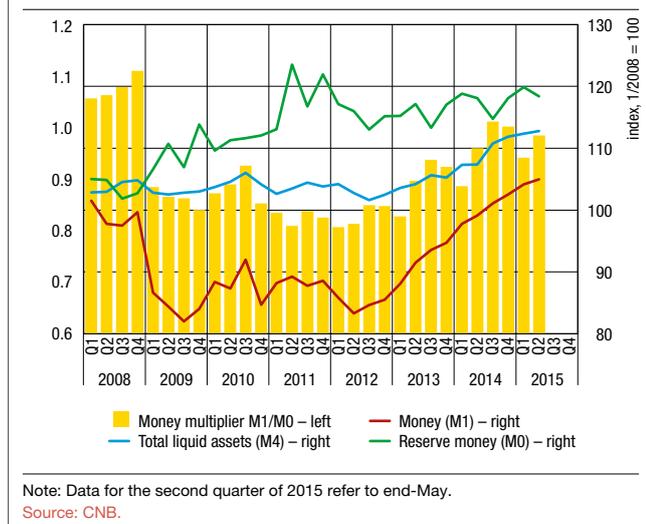
first quarter of 2015. Such developments reflected the trends in the exchange rate of the euro against the aforementioned currencies in the global financial market. The halting of the US dollar's strengthening and the moderate recovery of the euro were a consequence of more favourable expectations in the European economy stimulated by the ECB's QE policy and the continued deferral of the Fed's decision on the raising of key interest rates. In the case of the EUR/CHF exchange rate, the strengthening of the franc against the euro in early 2015 was driven by the decision of the Swiss National Bank to abandon the Swiss franc-euro cap.

In the first half of 2015, the CNB purchased a net total of EUR 419.7m in all foreign exchange transactions, whereby HRK 3.1bn of reserve money was created. Transactions with the central government were the main channel of foreign exchange purchase, resulting in a net purchase of EUR 1.2bn. The substantial volume of conversion of foreign exchange funds from the government reflects the government's heavier reliance on foreign exchange borrowing in 2015. This involves foreign exchange T-bills issued on the domestic market in February and the bond issued on the international market in April. In contrast

to its transactions with the government, the CNB's foreign exchange transactions with banks resulted in a foreign exchange sale of EUR 0.5bn. Furthermore, the CNB continued to sell foreign exchange to the European Commission in order to convert the kuna funds allocated monthly to the EC's account with the CNB by the government as payments to the EU budget. The sale of foreign exchange to the EC totalled EUR 0.3bn in the first half of 2015.

Surplus liquidity continued to grow in the same period. In the first six months of the year, banks held an average of HRK 7.2bn of surplus liquidity in their transaction accounts with the CNB, with the above mentioned amount occasionally exceeding HRK 10bn. In such circumstances, the overnight interbank interest rate in the money market sank further, hovering around 0.20% at end-June. While maintaining high liquidity, by repurchasing compulsory CNB bills from banks that record a positive increase in loans to the corporate sector, the CNB stimulates the financing of the economy. However, the banks' lending activity directed at corporates remains subdued and limited by numerous factors outside the reach of monetary policy, resulting in only a modest amount of repurchased

**Figure 8.5 Monetary aggregates and money multiplier**  
index of developments in seasonally adjusted values, deflated by the consumer price index



compulsory CNB bills in the first six months of 2015 and thus a minor influence on liquidity. From the beginning of the year to end-June, the CNB repurchased a HRK 0.2bn net worth of compulsory CNB bills from banks, while the remaining amount of compulsory CNB bills that the CNB is ready to repurchase totals HRK 2.9bn.

The CNB's international reserves saw a significant increase in the first half of 2015. In addition to the aforementioned purchase of foreign exchange, a strong contribution to the growth of gross reserves came from the investment of a part of international reserves in repo agreements, which began in February and led to a simultaneous increase in gross reserves and foreign liabilities of the CNB. These investments ended June

at EUR 0.8bn. The withdrawal of foreign exchange deposited with the CNB by the government had an opposite effect on gross international reserves, which stood at EUR 13.7bn at the end of June 2015, an increase of EUR 1.0bn (8.2%) from the end of 2014. At the same time, net usable reserves grew by 6.1% or EUR 0.6bn, reaching EUR 11.3bn. Gross and net international reserves remained considerably higher than the narrowest monetary aggregates M0 and M1.

Against the background of subdued inflation, real values of money (M1) and total liquid assets (M4) continued to trend up in the first quarter and the first two months of the second quarter of 2015. M1 grew slightly faster as a result of an increase in currency and the propensity of households to accumulate liquid financial assets in current and transaction accounts, which may be associated with the continued fall of banks' interest rates on deposits and the introduction of tax on interest income in early 2015. In contrast to wider monetary aggregates, real seasonally adjusted value of reserve money (M0) declined in the first two months of the second quarter.

In the second half of 2015 and in 2016, the CNB's monetary policy will continue to be based on supporting the stability of the kuna/euro exchange rate and maintaining a high level of primary liquidity in the monetary system. The central bank will also continue to encourage the growth in corporate placements through the repurchase of compulsory CNB bills. However, the CNB's efforts in achieving a recovery in the lending activity of banks by pursuing a high liquidity policy and reducing domestic interest rates remain limited by numerous factors and the risks for the projected lending activity are still tilted to the downside. Placements are therefore likely to stagnate in 2015, while lending activity may pick up steadily in 2016, accompanied by a moderate acceleration in the growth of monetary aggregates resulting from the gradual recovery of the Croatian economy.

## 9 Public finance

After the annual increase in the general government deficit to 5.7% of GDP (ESA 2010) in 2014, the Government of the Republic of Croatia expects that it will decline to 5% of GDP in 2015. The projected fall in the deficit reflects the consolidation measures adopted in 2014 and 2015, and a moderate recovery of economic activity. It is noteworthy that the available data of the Ministry of Finance (MoF) for the first four months of the current year show a markedly improved performance in VAT revenues relative to the same period last year, which, if such trends continue, may represent an upside risk of the generated general government deficit. On the other hand, the possibility that consumption will be increased on the eve of parliamentary elections and the reclassification of individual public companies into the general government sector could result in a larger deficit than planned. Due to the still considerable borrowing needs, public debt, which reached 86.9% of GDP at the end of April 2015, will continue to rise.

### Consolidated general government revenues and expenditures

MoF's data for the first four months of this year, on a cash basis and at the level of the consolidated central government, suggest favourable developments in general government

revenues in ESA 2010 terms. VAT revenues seem to have increased sharply mostly in consequence of a low base and not of an increase in consumption or regulatory changes. Revenues from social contributions due to the rise in the health insurance contribution from April 2014 made a strong contribution to the increase in total revenues. Revenues from excise duties increased significantly due to the rise in excise duties on refined petroleum products and tobacco products. Profit tax revenues followed the same path, so that it is worth mentioning that, according to ESA 2010, these revenues are recorded in 2014 (in national accounts statistics, general government revenues are recorded on a time adjusted basis). Income tax revenues grew sharply, despite the changes in the income tax system that began to be applied in January 2015 and had been expected to reduce this category of revenues significantly. The growth of income tax revenues may be explained mostly by the fact that these revenues are no longer deducted by the amount of refunds on the basis of annual income tax returns, for refunds are recorded as expenditure.

A growth in general government revenues and an increase in their share in GDP are also expected at the level of the whole of 2015. All of the main categories of revenues are expected to grow, except income tax revenues because of tax legislation changes. The largest contribution to total revenue growth could

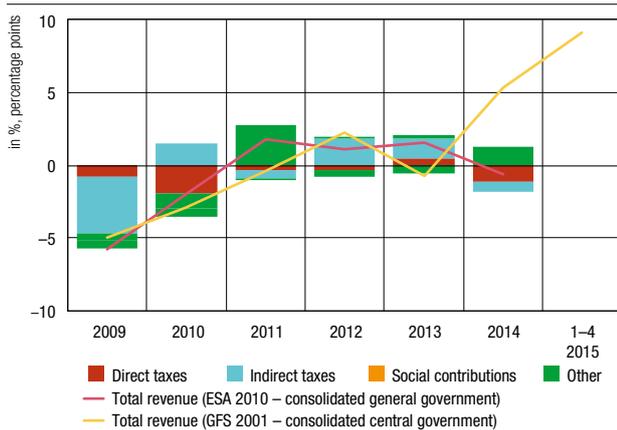
come from indirect tax revenues due to the expected increase in revenues from excises and revenues from VAT. Also, growth could be attributed to other current and capital revenues due to the enhanced absorption of EU funds; however, these funds do not have a direct impact on the general government deficit as they appear on the expenditure side of the budget at the same time. A considerable growth is also expected in revenues from social contributions and income tax because of the base effect of the increase in the health insurance contribution rate and a more restrictive taxation of the reinvested earnings of enterprises.

Consolidated central government expenditures, according to MoF's data (on a cash basis), increased slightly in the period from January to April 2015 relative to the same period of 2014. These data do not give a clear picture about the movement of expenditures according to ESA 2010 because of differences in the way in which budgetary transactions are recorded and as a result of the different scope of general government. The largest contribution to the growth of total expenditures was made by expenditures on social benefits, and yet it seems that it was mostly the consequence of a different recording of expenditures for those employed in health care, indicated by a sharp fall in expenditures

for employee compensation, which cannot be linked with the adopted consolidation measures or movements in the number of civil servants and government employees. Interest expenditures increased substantially as a result of growth in general government debt and the use of goods and services, while the majority of other expenditures decreased.

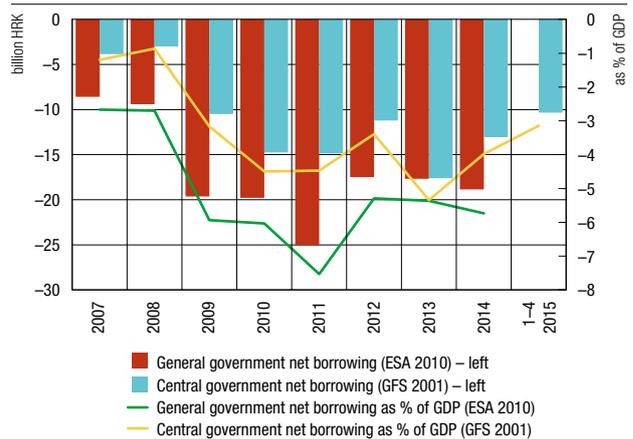
It is expected that general government expenditures, according to ESA 2010, could increase slightly at the level of the whole of 2015. Expenditures for investments might contribute to the increase in expenditures the most because of the expected absorption of EU funds, as well as interest expenditures. A rise in expenditures on social benefits is also expected, mostly due to the expected increase in the number of pensioners and in employee compensation. The increase in the latter item reflects the rise in contributions for health insurance and the adjustment of wages based on the years of service, which will partially reduce the effect of the expected mild decrease in the number of civil servants and government employees, and the base effect of the repeal of the loyalty bonus. On the other hand, expenditures for subsidies are expected to decrease because subsidies to farmers from the budget should be partially replaced by increased direct

**Figure 9.1 Consolidated general and central government revenue**  
year-on-year rate of change and contributions



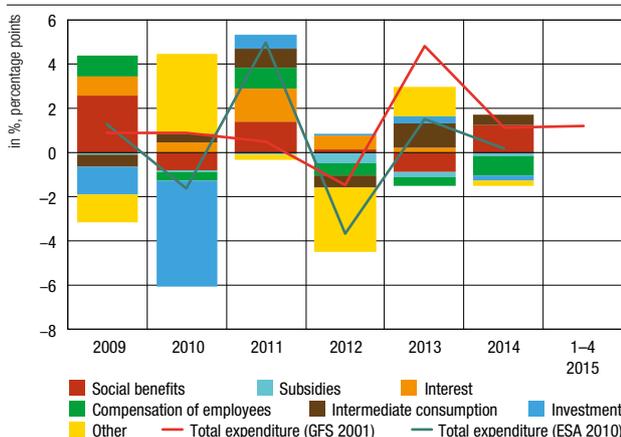
Note: Structural columns show the contributions of individual revenue categories to the change in total revenue presented according to the ESA 2010 methodology.  
Sources: MoF (CNB calculations).

**Figure 9.3 Consolidated general and central government balance**



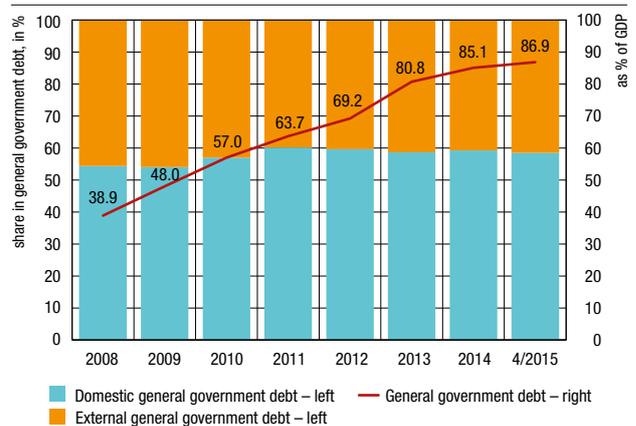
Note: Data for the first four months of 2015 show moving sums of twelve-month data.  
Sources: MoF and Eurostat (CNB calculations).

**Figure 9.2 Consolidated general and central government expenditure**  
year-on-year rate of change and contributions



Note: Structural columns show the contributions of individual expenditure categories to the change in total expenditure presented according to the ESA 2010 methodology.  
Sources: MoF (CNB calculations).

**Figure 9.4 General government debt**  
end-period stock



Note: GDP calculated as the sum of the last four available quarterly data was used for the calculation of the relative indicator in 2015.  
Source: CNB.

payments from the EU budget. A decline in capital transfers is also expected because of the expected smaller assumption of the debt of public enterprises on the basis of the 'third call of guarantee' rule.

### Consolidated general government deficit and debt

According to MoF data, central government net borrowing

(on a cash basis, GFS 2001) stood at HRK 4.4bn in the first four months of 2015, down by HRK 2.7bn from the same period last year. At the end of April, public debt stood at HRK 285.7bn or 86.9% of GDP, or up by HRK 6.2bn from the end of last year. The increase in debt was mostly the consequence of a foreign bond placement worth EUR 1.5bn. Public debt will continue to rise because of still considerable borrowing needs.

## 10 Deviations from the previous projection

The GDP projection for 2015 was slightly revised upwards (by 0.3 percentage points) partly due to better than expected performance and a sharp downward correction of projected oil prices. All GDP components were revised upwards, especially total exports and imports (by 2.5 and 2.4 percentage points) due to a continuously high performance. Gross fixed capital formation was also revised slightly upwards (by 0.2 percentage points) due to a stronger than expected recovery of investments in the first quarter and potential positive effects of a decrease in oil prices on corporate and household investments. In addition, lower oil prices could result in an increase in the purchasing power of households. This, and a more favourable labour market

projection, resulted in a revision of the personal consumption growth rate from 0.3% to 0.4%. The government consumption rate of change increased to -0.8% (from -1.2%).

Expected labour market trends are also more favourable than those from the previous projection. This is primarily due to new information from the Croatian Pension Insurance Administration suggesting that the decrease in employment in the fourth quarter of 2013 was to a large degree due to clearings from the records. These clearings can partly account for a decrease in the annual employment rate in 2014. The projection of the developments in employment in 2015 was therefore revised, with the result that stagnation in the number of employed persons is

Table 10.1 Deviations from the previous projection

	2015		
	Previous projection (12/2014)	Current projection	Deviation
<b>National accounts (real rate of change, in %)</b>			
GDP	0.2	0.5	0.3
Personal consumption	0.3	0.4	0.0
Government consumption	-1.2	-0.8	0.3
Gross fixed capital formation	0.3	0.5	0.2
Exports of goods and services	2.8	5.3	2.5
Imports of goods and services	2.6	4.9	2.4
<b>Labour market</b>			
Number of employed persons (average rate of change, in %)	-1.0	-0.1	0.9
<b>Prices</b>			
Consumer price index (average rate of change, in %)	0.2	0.0	-0.2
<b>External sector</b>			
Current account balance (as % of GDP)	0.8	1.1	0.3
Goods	-14.8	-14.6	0.2
Services	16.7	17.2	0.5
Primary income	-3.3	-3.5	-0.2
Secondary income	2.2	2.0	-0.2
Current and capital account balance (as % of GDP)	1.3	1.7	0.4
Gross external debt (as % of GDP)	107.8	110.2	2.4
<b>Monetary developments (rate of change, in %)</b>			
Total liquid assets – M4	3.0	3.8	0.9
Total liquid assets – M4 <sup>a</sup>	2.8	3.1	0.3
Credit institution placements	0.0	1.9	1.9
Credit institution placements <sup>a</sup>	0.1	0.0	0.0

<sup>a</sup> Exchange rate effects excluded.

Source: CNB.

expected, rather than a decrease of –1%. Expectations regarding nominal net wages were slightly changed due to new results. Real net wages were slightly revised on account of minor changes in the inflation projection.

The average annual inflation rate could hover around 0% in 2015, which is 0.2 percentage points lower than in the previous projection. This was mainly due to a decrease in the average annual rate of change in energy prices, caused by a sharper than expected decline in crude oil prices in the world market and an administrative cut in the price of natural gas in April. As regards global crude oil prices, the current projection for 2015 envisages a 24.6% drop in the prices of Brent crude (in kuna) from the previous year, whereas the previous projection envisaged a decrease of 13.1%. In addition, the annual rate of change in the CPI excluding food and energy was also reduced from the previous projection.

The estimate of the surplus in the current and capital account in 2015 (1.7% of GDP) was increased from the previous projection (1.3% of GDP), primarily as a result of an increase in the assessment of net goods and services exports. This was because the improved last year's performance of foreign trade was taken into account, which mostly refers to trade in services. In addition, the current projection is based on the assumption of a decrease in the price of crude oil in the world market, leading to a drop in imports of oil and refined petroleum products.

Gross external debt is currently projected to grow to 110.2%

of GDP at the end of 2011, which is an increase of 2.4 percentage points compared with the previous projection. The revision was mainly made on account of the central bank, as its gross debt grew significantly in the beginning of the year due to the investment of part of the reserves into repo agreements (although gross international reserves also increased in the same period). Furthermore, the new projection includes the effect of the reclassification of the CBRD from other domestic sectors to the government sector on the sectoral structure of gross external debt. The current projection also includes a considerably higher negative effect of cross-currency changes, resulting from an increase in the appreciation of the US dollar against the euro, on the stock of external debt.

The projection of trends in credit institutions placements remained as expected. If the exchange rate effect is excluded, placements are thus still expected to hold steady in 2015. The only change that was made related to the projection of the nominal growth of placements for 2015, due to a marked appreciation of the Swiss franc versus the kuna early in 2015. Monetary aggregates should grow at a faster than expected pace in 2015. Monetary aggregate M4 is projected to grow to 3.8% in nominal terms in 2015 (compared with 3.0%) due to an increase in foreign capital inflows, a depreciation of the kuna against the Swiss franc and the statistical reclassification of the CBRD to the central government sector, which resulted in the lowering of the M4 level and, due to a base effect, boosts nominal growth rates.

## 11 Annex

**Table 11.1 Macroeconomic projections of other institutions**  
change in %

	GDP		Household consumption		Gross fixed capital formation		Exports of goods and services		Imports of goods and services		Industrial production		Consumer prices	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
World Bank (June 2015)	0.5	1.2	-	-	-	-	-	-	-	-	-	-	-	-
Raiffeisen Research (June 2015)	0.5	1.0	-	-	-	-	-	-	-	-	1.5	2.5	0.0	1.4
International Monetary Fund (April 2015)	0.5	1.0	-	-	-	-	-	-	-	-	-	-	-0.9	0.9
Croatian National Bank (July 2015)	0.5	0.9	0.4	0.3	0.5	2.6	5.3	4.8	4.9	4.7	-	-	0.0	1.2
European Bank for Reconstruction and Development (May 2015)	0.5	0.5	-	-	-	-	-	-	-	-	-	-	-	-
Eastern Europe Consensus Forecasts (June 2015)	0.4	1.2	0.2	0.9	-0.2	2.5	-	-	-	-	1.7	2.9	0.1	1.3
Ministry of Finance (Convergence Programme of the Republic of Croatia for the period 2015–2018)	0.4	1.0	0.5	0.3	-1.3	1.8	3.7	4.6	2.8	4.0	-	-	0.1	1.1
The Institute of Economics, Zagreb (June 2015)	0.4	0.9	0.1	0.3	0.5	2.4	-	-	-	-	-	-	-	-
European Commission (May 2015)	0.3	1.2	0.1	0.5	-1.8	1.6	3.7	4.6	2.4	4.0	-	-	0.1	1.3
HAAB Economic Research (March 2015)	0.0	0.5	0.0	0.2	-2.0	2.1	-	-	-	-	1.5	2.5	-0.5	1.5

Sources: Publications of the respective institutions.



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# Statistical survey



## Classification and presentation of data on claims and liabilities

The Croatian National Bank has begun to implement the ESA 2010 standard in its statistics, which also implies a revision of the historical data produced under the ESA 1995 standard. ESA 2010 is applied to external statistics (tables on the balance of payments, international investment position and external debt), general government debt statistics and to monetary statistics. The introduction of ESA 2010 in external relations statistics is only a part of a broad set of changes arising from the application of the methodology under the IMF's Balance of Payments and International Investment Position Manual, 6th edition (BPM6).

Among others, the implementation of ESA 2010 introduces changes in the part of the sector classification of institutional units. Thus, the sector classification of counterparties will be made in accordance with the Decision on the statistical classification of institutional sectors, which is published by the Central Bureau of Statistics (CBS). This classification by sectors is based on the European System of Accounts (ESA 2010), a mandatory statistical standard of the European Union, and is aligned with the basic international statistical standard – the System of National Accounts (SNA 2008).

Table 1 Overview of the sector classification under ESA 2010

Sector classification under ESA 2010
<b>Non-financial corporations</b>
Public non-financial corporations
National private non-financial corporations
Foreign controlled non-financial corporations
<b>Financial corporations</b>
Monetary financial institutions
Central bank
Other monetary financial institutions
Deposit-taking corporations, except the central bank (Credit institutions)
Money market funds
Financial corporations, except monetary financial institutions and insurance corporations and pension funds (Other financial corporations)
Non-money market investment funds
Other financial intermediaries, except insurance corporations and pension funds (Other financial intermediaries)
Financial auxiliaries
Captive financial institutions and money lenders
Insurance corporations
Pension funds
<b>General government</b>
Central government
State government
Local government
Social security funds
<b>Households</b>
<b>Non-profit institutions serving households</b>
<b>Rest of the world</b>

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

The **non-financial corporations** sector consists of public non-financial corporations, national private non-financial corporations and foreign controlled non-financial corporations. This sector covers all institutional units which meet the criteria prescribed by the sector classification of institutional units for the relevant subsector. Non-financial corporations consist of institutional units which are independent legal entities and market producers, and whose principal activity is the production of goods and (or) non-financial services.

The major changes relate to the **financial corporations**

sector.

The financial corporations sector is subdivided into the following subsectors: monetary financial institutions, other financial corporations, insurance corporations and pension funds.

Monetary financial institutions consist of the central bank and other monetary financial institutions. The central bank is the Croatian National Bank. Other monetary financial institutions consist of deposit-taking corporations except the central bank and money market funds. Deposit-taking corporations except the central bank are credit institutions (banks, savings banks and housing savings banks). Credit institutions are institutions authorised by the Croatian National Bank under the Credit Institutions Act. The credit institutions sector does not include banks undergoing liquidation or bankruptcy proceedings. Money market funds include all financial corporations and quasi-corporations, except those classified in the central bank and in the credit institutions subsector, which are principally engaged in financial intermediation. Their business is to issue investment fund shares or units and make investments primarily in short-term debt instruments, deposits and money market fund shares or units. Their investment objective is to maintain the principal of the fund and generate yield in accordance with interest rates on money market instruments.

Other financial corporations consist of investment funds other than money market funds, other financial intermediaries, financial auxiliaries and captive financial institutions and money lenders.

Non-money market investment funds consist of all forms of collective investment schemes, except those classified in the money market funds subsector, which are principally engaged in financial intermediation. Their business is to issue investment fund shares or units which are not close substitutes for deposits and, on their own account, to make investments primarily in long-term financial assets.

Other financial intermediaries are institutions which are principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits, and close substitutes for deposits. They include leasing companies, factoring corporations, banks undergoing liquidation or bankruptcy proceedings, credit unions, etc.

Financial auxiliaries are institutions which are principally engaged in auxiliary financial activities and include, for instance, stock exchanges, exchange offices, financial regulatory authorities, insurance agents and brokers, investment firms, investment and pension fund management companies, the Central Depository and Clearing Company (CDCC), the Croatian Financial Services Supervisory Agency (HANFA), the Financial Agency (FINA), etc.

Captive financial institutions and money lenders include all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services and where most of their assets or their liabilities are not transacted on open markets. They include in particular: (a) units as legal entities such as trusts, estates, agencies accounts or "brass plate" companies; (b) holding companies that hold controlling levels of equity of a group of subsidiary corporations and whose principal activity is owning the group without administering or managing the group and providing any other service to the businesses in the group; (c) special purpose entities that qualify as institutional units and raise funds in open markets to be used by their parent corporations; (d) units which

provide financial services exclusively with own funds, or funds provided by a sponsor and incur the financial risk of the debtor defaulting. Examples are money lenders, corporations engaged in lending to students or for foreign trade from funds received from a sponsor such as a government unit or a non-profit institution, and pawnshops that predominantly engage in lending; (e) special purpose government funds, usually called sovereign wealth funds, if classified as financial corporations.

Insurance corporations consist of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as a consequence of the pooling of risks mainly in the form of direct insurance or reinsurance.

Pension funds consist of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as a consequence of the pooling of social risks and needs of the insured persons (social insurance). Pension funds as social insurance schemes provide income in retirement, and often benefits for death and disability.

The **general government** sector consists of institutional units which are non-market producers whose output is intended for individual and collective consumption, and are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth.

It consists of the following subsectors: central government, state government, local government and social security funds. The central government consists of state administration bodies (ministries, offices of the Government of the Republic of Croatia, state administration organisations and state administration offices in counties) and Croatian Motorways (from January 2008), Rijeka – Zagreb Motorway, Croatian Roads, Croatian Waters, Croatian Radiotelevision, Croatian Railways Infrastructure, Croatian Energy Market Operator (HROTE), Croatian Agency for SMEs, Innovations and Investments (HAMAG Bicro), Croatian Energy Regulatory Agency (HERA), the State Agency for Deposit Insurance and Bank Resolution (DAB) and the Croatian Bank for Reconstruction and Development.

Social security funds include the Croatian Pension Insurance Administration, the Croatian Institute for Health Insurance and the Croatian Employment Service. Local government includes units of local and regional self-government and institutional units established and controlled by the local government. There is no state government subsector in the Republic of Croatia.

The **households** sector primarily consists of individual consumers but also of individual consumers and entrepreneurs (market producers). This sector also includes individuals or groups of individuals as producers of goods and non-financial services for exclusively own final use.

The **non-profit institutions serving households** sector consists of non-profit institutions which are separate legal entities, which serve households and which are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by government and from property income.

The **rest of the world** sector is a grouping of units without

any characteristic functions and resources; it consists of non-resident units insofar as they are engaged in transactions with resident institutional units, or have other economic links with resident units. Its accounts provide an overall view of the economic relationships linking the national economy with the rest of the world. The institutions of the EU and international organisations are included. The rest of the world sector includes all foreign natural and legal persons.

Due to changes in the sector classification, all statistical series shown in the group of tables H International economic relations and Table I3 General government debt have been revised. All statistical series have been revised in tables A to G of the Statistical survey, that is: from 31 December 2010, in the part that refers to the sector classification of institutional units, from 30 June 2006, in the part that refers to the change in the methodological treatment of kuna positions indexed to foreign currency, and from 31 December 2011, in the part that refers to expanding the scope of other monetary financial institutions (to include money market funds). Data begin to be published in the group of tables E.

Up to November 2010, the sector classification in tables of the A – G group was based on the sector classification under the Decision on the Chart of Accounts for Banks, and data were based on the reporting system in accordance with the Decision relating to the bank statistical report. From December 2010 on, the sector classification of counterparties is made in accordance with the Decision on the statistical classification of institutional sectors published by the Central Bureau of Statistics (CBS). This classification by sectors is based on the European System of Accounts (ESA 2010). The data are based on the reporting system in accordance with the Decision on statistical and prudential reporting.

All data on claims and liabilities in tables A1 to D12 refer to balances at the end of the reporting period, and in tables D1 and D5, also to monthly net transactions. The value of transactions during the reporting period is calculated as the difference between the balance of financial positions at the end of the period (current and previous month) adjusted by the movement in the exchange rate, revaluation and reclassification. Revaluations comprise loans write-offs and price adjustments of securities. Reclassifications cover the changes in the balance sheet balances incurred because of the changes in the composition and structure of monetary financial institutions (e.g. disappearance of a reporting unit from the reporting population because of liquidation or bankruptcy), a change in the classification of financial instruments or changes in statistical definitions.

Foreign currency items are reported in their kuna equivalent at the CNB's midpoint exchange rate at the end of the reporting period. In tables where there is a breakdown into kuna and foreign currency items, foreign currency items include kuna items indexed to foreign currency. All items are reported on a gross basis (i.e. before value adjustments).

## A Monetary and credit aggregates

Table A1 Monetary and credit aggregates<sup>a</sup>

end of period, in million HRK and %

Year	Month	Reserve money	Money M1	Broadest money M4	Net domestic assets	Domestic credit	Monthly rates of growth				
							Reserve money	Money M1	Broadest money M4	Net domestic assets	Domestic credit
2001	December	17,803.2	23,688.1	107,189.5	58,528.2	74,976.2	8.01	12.97	11.75	3.71	1.17
2002	December	23,027.9	30,850.7	118,098.3	85,280.9	97,557.1	10.72	6.10	1.87	8.11	2.16
2003	December	30,586.2	33,888.7	131,921.9	99,150.5	111,849.0	8.90	1.78	0.29	3.24	0.66
2004	December	33,924.4	34,562.1	143,851.7	112,119.8	127,681.7	8.69	2.86	0.33	2.22	2.00
2005	December	40,390.8	38,817.1	159,167.3	135,873.9	149,743.8	9.38	4.34	0.04	1.85	1.86
2006	December	46,331.2	48,521.0	188,080.9	160,528.1	184,675.5	3.17	4.75	1.61	3.36	3.01
2007	December	51,923.9	57,878.3	221,726.6	172,320.0	213,048.8	3.73	6.71	3.93	3.51	2.67
2008	December	49,743.0	55,222.3	230,792.5	189,134.4	235,840.0	-9.89	8.17	3.17	5.61	2.06
2009	December	56,141.9	47,181.7	228,521.7	186,016.1	234,506.4	4.55	3.13	-0.19	-0.81	0.11
2010	December	56,249.1	47,974.1	232,802.6	190,934.0	245,564.3	2.81	-0.76	-2.12	-0.02	-1.39
2011	December	62,379.2	51,489.3	245,955.3	214,784.1	257,362.6	3.81	3.48	2.81	5.77	1.02
2012	December <sup>a</sup>	61,264.7	51,938.5	254,741.5	207,290.5	242,086.5	3.19	4.10	0.11	0.40	-2.17
2013	December	62,693.1	57,897.8	264,927.0	202,603.4	240,772.8	2.31	2.85	0.30	0.38	-0.68
2014	June	62,653.5	60,133.2	263,012.1	201,786.7	238,577.3	-3.01	4.65	0.21	-0.89	-0.28
	July	63,100.0	62,395.8	270,611.3	202,131.5	239,818.3	0.71	3.76	2.89	0.17	0.52
	August	62,840.6	64,734.5	275,662.5	199,966.3	238,370.5	-0.41	3.75	1.87	-1.07	-0.60
	September	62,137.7	62,860.2	274,641.0	195,088.7	238,024.7	-1.12	-2.90	-0.37	-2.44	-0.15
	October	61,702.6	61,113.3	273,709.5	195,655.1	238,142.4	-0.70	-2.78	-0.34	0.29	0.05
	November	62,631.3	60,669.0	273,976.1	197,437.2	238,298.2	1.51	-0.73	0.10	0.91	0.07
	December	63,318.0	63,437.3	273,305.2	198,183.5	237,004.6	1.10	4.56	-0.24	0.38	-0.54
2015	January	62,113.7	60,878.1	272,704.4	206,276.1	240,446.7	-1.90	-4.03	-0.22	4.08	1.45
	February	60,618.5	61,429.4	274,243.2	205,967.5	239,648.5	-2.41	0.91	0.56	-0.15	-0.33
	March	64,682.5	60,912.8	271,191.7	195,577.2	239,294.4	6.70	-0.84	-1.11	-5.04	-0.15
	April	63,689.1	61,323.0	268,953.6	196,057.7	238,175.9	-1.54	0.67	-0.83	0.25	-0.47
	May	64,177.4	63,194.6	270,793.7	198,609.5	238,232.1	0.77	3.05	0.68	1.30	0.02

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds. <sup>b</sup> Within Domestic credit, claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

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

In February 2015, data on all the monetary aggregates have been revised, that is: from 31 December 2010, in the part that refers to the sector classification of institutional units and the change in the methodological treatment of kuna positions indexed to foreign currency, and from 31 December 2011, in the part that refers to expanding the scope of other monetary financial institutions (to include money market funds).

Reserve money is taken over in its entirety from the Balance sheet of the Croatian National Bank (Table C1).

Money (M1) is defined in the same way as the corresponding item in the Consolidated balance sheet of monetary financial institutions (Table B1). It comprises currency outside credit institutions, deposits with the CNB by other financial institutions

as well as demand deposits with credit institutions.

Broadest money (M4) comprises money (M1), savings and time deposits, foreign currency deposits as well as bonds and money market instruments and money market funds' shares/units (all components are taken over from the Consolidated balance sheet of monetary financial institutions, Table B1).

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

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

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

## B Monetary financial institutions

Table B1 Consolidated balance sheet of monetary financial institutions<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec. <sup>b</sup>	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
<b>ASSETS</b>								
1 Foreign assets (net)	41,868.6	31,171.3	47,451.0	62,323.7	75,121.6	75,614.5	72,896.0	72,184.2
2 Domestic credit	276,273.5	303,669.9	300,540.9	295,940.9	295,996.1	297,031.1	295,642.7	297,373.3
2.1 Claims on central government and social security funds (net)	30,709.2	46,307.3	58,454.3	55,168.1	58,991.5	57,736.7	57,466.8	59,141.2
2.2 Claims on other domestic sectors	241,270.0	251,964.1	236,414.5	234,117.8	229,571.6	232,499.9	231,049.1	231,198.0
2.3 Claims on other banking institutions	....	....	....	....	....	....	....	....
2.4 Claims on non-banking financial institutions	....	....	....	....	....	....	....	....
2.5 Claims on non-MMF investment funds	384.2	358.1	324.5	322.7	336.2	407.5	405.5	412.1
2.6 Claims on other financial intermediaries	2,292.0	3,869.5	4,017.4	4,322.3	5,016.2	4,868.3	5,062.7	5,087.1
2.7 Claims on financial auxiliaries	963.7	1,033.1	1,068.4	1,247.7	1,335.7	1,241.4	1,270.5	1,195.0
2.8 Claims on insurance corporations and pension funds	654.3	137.8	261.8	762.4	744.9	277.3	388.2	339.8
<b>Total (1+2)</b>	<b>318,142.1</b>	<b>334,841.2</b>	<b>347,991.9</b>	<b>358,264.5</b>	<b>371,117.7</b>	<b>372,645.6</b>	<b>368,538.7</b>	<b>369,557.4</b>
<b>LIABILITIES</b>								
1 Money	47,974.1	51,489.3	51,938.5	57,897.8	63,437.3	60,912.8	61,323.0	63,194.6
2 Savings and time deposits	29,142.0	33,676.8	31,689.8	33,407.1	34,471.8	35,033.7	34,542.5	34,466.1
3 Foreign currency deposits	154,697.9	152,197.1	160,443.7	162,656.3	164,866.6	164,752.2	163,086.2	162,604.0
4 Bonds and money market instruments	988.6	1,728.7	2,412.0	1,995.3	2,161.3	2,266.0	2,020.1	1,707.2
5 MMFs shares/units	....	6,863.4	8,257.6	8,970.5	8,368.1	8,227.0	7,981.7	8,821.8
6 Restricted and blocked deposits	3,580.9	3,399.7	5,274.1	4,718.4	3,216.1	3,533.2	3,497.0	3,686.7
7 Other items (net)	81,758.6	85,486.2	87,976.2	88,619.1	94,596.5	97,920.7	96,088.1	95,077.1
<b>Total (1+2+3+4+5+6+7)</b>	<b>318,142.1</b>	<b>334,841.2</b>	<b>347,991.9</b>	<b>358,264.5</b>	<b>371,117.7</b>	<b>372,645.6</b>	<b>368,538.7</b>	<b>369,557.4</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds. <sup>b</sup> Claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

**Table B1 Consolidated balance sheet of monetary financial institutions** • The Consolidated balance sheet of monetary financial institutions shows consolidated data from the Balance sheet of the Croatian National Bank (Table C1) and the Consolidated balance sheet of other monetary financial institutions (Table D1).

In March 2013, data on all the items have been revised from July 1999 onward to include housing savings banks in addition to the Croatian National Bank, banks and savings banks. In February 2015, all of the data have been revised, that is: from 31 December 2010, in the part that refers to the sector classification of institutional units and the change in the methodological treatment of kuna positions indexed to foreign currency, and from 31 December 2011, in the part that refers to expanding the scope of other monetary financial institutions (to include money market funds). In June 2015, all of the data have been revised, that is: from 30 June 2006, in the part that refers to the change in the methodological treatment of kuna positions indexed to foreign currency.

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

Domestic credit is the sum of the corresponding items in the Balance sheet of the Croatian National Bank and the Consolidated balance sheet of other monetary financial institutions. Claims on the central government are reported on a net basis, i.e. decreased by central government deposits with the CNB and other monetary financial institutions.

Money is the sum of currency outside credit institutions, deposits by other financial institutions with the CNB and demand deposits with credit institutions (item Demand deposits in the Consolidated balance sheet of other monetary financial institutions, Table D1).

Items Savings and time deposits, Foreign currency deposits as well as Bonds and money market instruments are entirely taken over from the Consolidated balance sheet of other monetary financial institutions, while item Restricted and blocked deposits represents the sum of the corresponding items in the Balance sheet of the Croatian National Bank (excluding credit institutions' blocked deposits with the CNB) and the Consolidated balance sheet of other monetary financial institutions. Issued shares/units refer to the money market funds' issued shares/units. Other items (net) are unclassified liabilities decreased by unclassified assets.

Table B2 Number of other reporting monetary financial institutions and their classification by total assets

Year	Month	Total number of other monetary financial institutions	Total number of credit institutions	Banks	Savings banks	Housing savings banks	Savings banks <sup>a</sup>	Money market funds	Other monetary financial institutions classified according to their total assets					
									Less than 100 million kuna	100 million kuna to less than 500 million kuna	500 million kuna to less than 1 billion kuna	1 billion kuna to less than 2 billion kuna	2 billion kuna to less than 10 billion kuna	10 billion kuna and over
1	2	3 = 4 + 9	4 = 5 to 8	5	6	7	8	9	10	11	12	13	14	15
2001	December	69	69	44	0	4	21	0	20	20	8	7	10	4
2002	December	59	59	46	0	3	10	0	12	16	9	9	8	5
2003	December	53	53	42	0	4	7	0	7	16	9	7	8	6
2004	December	49	49	39	0	4	6	0	7	13	10	8	5	6
2005	December	43	43	36	0	4	3	0	4	10	8	8	7	6
2006	December	43	43	35	0	5	3	0	6	6	6	11	6	8
2007	December	42	42	35	0	5	2	0	5	5	2	16	5	9
2008	December	43	43	35	1	5	2	0	4	8	1	14	7	9
2009	December	43	43	34	2	5	2	0	5	6	3	14	7	8
2010	December	38	38	32	1	5	0	0	1	5	2	12	10	8
2011	December	59	37	31	1	5	0	22	9	15	4	12	11	8
2012	December	56	36	30	1	5	0	20	6	15	3	13	11	8
2013	December	55	35	29	1	5	0	20	6	14	4	13	10	8
2014	June	55	35	29	1	5	0	20	6	14	3	13	10	9
	July	55	35	29	1	5	0	20	6	14	2	14	10	9
	August	55	35	29	1	5	0	20	6	14	3	13	10	9
	September	55	35	29	1	5	0	20	6	14	2	14	10	9
	October	55	35	29	1	5	0	20	6	14	2	14	10	9
	November	55	35	29	1	5	0	20	6	13	3	14	10	9
	December	53	33	27	1	5	0	20	5	13	4	13	9	9
2015	January	53	33	27	1	5	0	20	5	12	5	12	10	9
	February	53	33	27	1	5	0	20	5	13	4	12	10	9
	March	53	33	27	1	5	0	20	5	13	4	13	9	9
	April	53	33	27	1	5	0	20	5	12	5	13	9	9
	May	53	33	27	1	5	0	20	5	12	5	13	9	9

<sup>a</sup> Savings banks operated under the Act on Banks and Savings Banks of 1993.

Table B2 Number of other reporting monetary financial institutions and their classification by total assets • The table shows the total number of credit institutions and money market funds which report monthly to the CNB. Their operations are shown in the Consolidated balance sheet of other monetary financial institutions.

Up to February 2005, monetary statistics included institutions

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

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

## C Croatian National Bank

Table C1 Balance sheet of the Croatian National Bank<sup>a</sup>  
end of period, in million HRK

	2010	2011	2012	2013	2014	2015		
	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Apr.	May
<b>ASSETS</b>								
1 Foreign assets	78,728.2	84,302.0	84,782.1	98,583.0	97,206.1	108,230.3	111,854.5	107,374.0
1.1 Gold	-	-	-	-	-	-	-	-
1.2 Holdings of SDRs	2,634.5	2,716.3	2,662.3	2,601.4	2,789.1	2,970.8	2,962.9	2,938.6
1.3 Reserve position in the IMF	1.4	1.4	1.4	1.4	1.6	1.7	1.8	1.8
1.4 Currency and demand deposits with foreign banks	1,483.0	1,887.2	10,647.4	7,576.9	3,878.5	3,458.5	3,418.8	3,508.6
1.5 Time deposits with foreign banks	22,702.9	18,676.4	6,298.8	20,819.1	22,153.9	35,187.1	39,938.7	31,406.1
1.6 Securities in f/c	51,906.5	61,020.7	65,172.2	67,584.3	68,383.0	66,612.1	65,532.2	69,518.9
1.7 Non-convertible foreign exchange	0.0	0.0	0.0	-	-	-	-	-
2 Claims on central government	0.3	251.8	-	-	0.6	-	0.5	-
2.1 Claims in kuna	0.3	251.8	-	-	0.6	-	0.5	-
2.2 Claims in f/c	-	-	-	-	-	-	-	-
3 Claims on other domestic sectors	3.1	2.8	2.5	2.3	2.0	2.0	1.9	1.9
4 Claims on credit institutions	12.9	139.2	11.8	11.3	11.0	10.7	10.6	10.6
4.1 Loans to credit institutions	12.9	139.2	11.8	11.3	11.0	10.7	10.6	10.6
Lombard loans	-	-	-	-	-	-	-	-
Short-term liquidity loans	-	126.8	-	-	-	-	-	-
Other loans	12.9	12.4	11.8	11.3	11.0	10.7	10.6	10.6
Reverse repo transactions	-	-	-	-	-	-	-	-
4.2 Overdue claims	-	-	-	-	-	-	-	-
5 Claims on other financial institutions	0.7	0.7	-	-	-	-	-	-
<b>Total (1+2+3+4+5)</b>	<b>78,745.2</b>	<b>84,696.5</b>	<b>84,796.4</b>	<b>98,596.6</b>	<b>97,219.6</b>	<b>108,243.0</b>	<b>111,867.6</b>	<b>107,386.5</b>
<b>LIABILITIES</b>								
1 Reserve money	56,249.1	62,379.2	61,264.7	62,693.1	63,318.0	64,682.5	63,689.1	64,177.4
1.1 Currency outside credit institutions	15,262.7	16,689.1	16,947.0	17,420.6	18,520.2	18,385.6	18,757.7	19,321.1
1.2 Credit institutions' cash in vaults	4,048.7	4,253.9	4,681.0	4,564.7	4,635.8	4,419.7	4,665.4	4,686.2
1.3 Credit institutions' deposits	36,937.6	41,436.0	39,636.7	40,707.7	40,162.0	41,877.2	40,266.0	40,170.1
Settlement accounts	10,246.1	12,705.0	11,509.2	15,080.9	15,084.7	17,247.6	15,354.2	15,367.9
Statutory reserve in kuna	22,705.1	25,755.0	24,555.7	22,024.6	21,899.8	21,879.0	21,807.5	21,734.4
CNB bills on obligatory basis	-	-	-	3,602.2	3,177.4	2,750.6	3,104.3	3,067.8
Overnight deposits	3,986.4	2,976.0	3,571.9	-	-	-	-	-
1.4 Deposits of other financial institutions	-	0.2	-	-	0.0	0.0	-	-
2 Restricted and blocked deposits	5,979.3	5,754.0	7,954.8	6,401.2	3,884.9	3,922.5	3,845.0	3,869.1
2.1 Statutory reserve in f/c	4,773.2	5,538.3	5,094.5	4,418.8	3,744.8	3,806.2	3,730.5	3,749.3
2.2 Restricted deposits	1,206.0	215.8	2,860.2	1,982.5	140.1	116.3	114.5	119.8
2.3 Blocked f/c deposits	-	-	-	-	-	-	-	-
3 Foreign liabilities	2,638.5	2,711.5	2,648.4	3,219.1	3,699.5	9,169.5	14,478.1	10,431.8
3.1 Use of IMF credit	-	-	-	-	-	-	-	-
3.2 Liabilities to international institutions	2,638.5	2,711.5	2,648.4	3,219.1	3,408.3	4,015.8	4,292.4	3,448.6
3.3 Liabilities to foreign banks	-	0.0	0.0	0.0	291.2	5,153.7	10,185.7	6,983.3
4 Deposits of central government and social security funds	4,211.0	1,619.6	738.1	13,797.6	11,553.0	14,348.4	14,623.7	13,714.9
4.1 Demand deposits	1,484.5	1,030.1	659.7	3,139.7	2,991.2	3,381.3	5,643.4	4,886.0
Central government demand deposits	1,484.5	1,030.1	659.7	3,139.7	2,991.2	3,381.3	5,643.4	4,886.0
Demand deposits of social security funds	-	-	-	-	-	-	-	-
4.2 Central government f/c deposits	2,726.4	589.5	78.5	10,657.9	8,561.8	10,967.1	8,980.4	8,828.8
4.3 CNB bills	-	-	-	-	-	-	-	-
5 CNB bills	-	-	-	-	-	-	-	-
5.1 CNB bills in kuna	-	-	-	-	-	-	-	-
5.2 CNB bills in f/c	-	-	-	-	-	-	-	-
6 Capital accounts	10,460.3	13,076.9	13,068.5	13,407.7	15,699.2	17,076.6	16,192.3	16,189.0
7 Other items (net)	-792.9	-844.6	-878.1	-922.0	-934.9	-956.4	-960.6	-995.6
<b>Total (1+2+3+4+5+6+7)</b>	<b>78,745.2</b>	<b>84,696.5</b>	<b>84,796.4</b>	<b>98,596.6</b>	<b>97,219.6</b>	<b>108,243.0</b>	<b>111,867.6</b>	<b>107,386.5</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial institutions to the sector central government.

**Table C1 Balance sheet of the Croatian National Bank** • The table reports data on claims and liabilities of the Croatian National Bank (central bank).

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

Claims on central government are loans, overdue claims on the budget of the Republic of Croatia and investments in short-term securities of the Republic of Croatia. In accordance with the Croatian National Bank Act that entered into force in July 2008, the Croatian National Bank may not extend credit to the Republic of Croatia. Hence, this item comprises only overdue claims on the budget of the Republic of Croatia based on the payment system operations and the liabilities to the IMF and foreign banks.

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

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

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

Reserve money consists of currency outside credit institutions, cash in credit institutions' vaults, credit institutions' deposits with the CNB and deposits of other financial institutions with the CNB.

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

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

Restricted and blocked deposits include required foreign currency reserves and accrued interest, restricted deposits and blocked foreign currency deposits. Credit institutions are required to set aside the reserve requirements against certain foreign currency sources of funds and the marginal reserve requirements (from August 2004 to October 2008) in special accounts at the Croatian National Bank. Restricted deposits are kuna funds set aside on the basis of a court order or regulations, kuna funds set aside in the period between May 1999 and April 2002 and deposits of banks undergoing bankruptcy proceedings. From March 2010 on, this item includes CBRD funds related to the accounts of the programme for the development of the economy. Blocked foreign currency deposits are funds that were set aside in special accounts at the Croatian National Bank for repaying unpaid amounts due to foreign creditors.

Foreign liabilities include use of IMF credits, liabilities to international financial institutions and foreign banks and accrued interest, as well as the allocation of special drawing rights that was shown under the Capital accounts until 2008.

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

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

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

Other items (net) are unclassified liabilities decreased by unclassified assets of the Balance sheet of the Croatian National Bank.

## D Other monetary financial institutions

Table D1 Consolidated balance sheet of other monetary financial institutions<sup>a</sup>  
end-of-period balance and transactions during the period, in million HRK

	2010	2011	2012	2013	2014	2015		
	Dec.	Dec.	Dec. <sup>b</sup>	Dec.	Dec.	Mar.	Apr.	May
<b>ASSETS</b>								
1 Reserves with the CNB	45,745.5	51,114.0	49,411.3	49,707.5	48,560.4	50,116.2	48,665.2	48,618.9
1.1 In kuna	40,169.1	45,590.6	44,316.8	45,288.8	44,815.6	46,310.0	44,934.7	44,869.6
1.2 In f/c	5,576.4	5,523.5	5,094.5	4,418.8	3,744.8	3,806.2	3,730.5	3,749.3
2 Foreign assets	47,878.2	40,069.6	39,144.3	36,681.3	43,943.2	39,100.5	37,842.8	38,571.6
3 Claims on central government and social security funds	57,113.6	68,207.5	79,807.2	87,857.7	89,724.0	90,770.6	90,377.6	91,185.2
4 Claims on other domestic sectors	241,266.9	251,961.3	236,412.0	234,115.5	229,569.6	232,497.9	231,047.3	231,196.1
4.1 Claims on local government	3,375.2	3,559.1	3,485.2	4,231.8	4,714.0	4,589.9	4,401.0	4,393.4
4.2 Claims on non-financial corporations	107,687.2	116,840.4	103,157.0	102,452.6	98,401.5	99,273.7	98,648.1	98,461.8
4.3 Claims on households	130,204.4	131,561.8	129,769.8	127,431.1	126,454.1	128,634.3	127,998.1	128,340.9
5 Claims on other banking institutions	....	....	....	....	....	....	....	....
6 Claims on non-banking financial institutions	....	....	....	....	....	....	....	....
7 Claims on non-MMF investment funds	384.2	358.1	324.5	322.7	336.2	407.5	405.5	412.1
8 Claims on other financial intermediaries	2,291.4	3,868.8	4,017.4	4,322.3	5,016.2	4,868.3	5,062.7	5,087.1
9 Claims on financial auxiliaries	963.7	1,033.1	1,068.4	1,247.7	1,335.7	1,241.4	1,270.5	1,195.0
10 Claims on insurance corporations and pension funds	654.3	137.8	261.8	762.4	744.9	277.3	388.2	339.8
<b>Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>396,297.8</b>	<b>416,750.2</b>	<b>410,446.9</b>	<b>415,017.1</b>	<b>419,230.2</b>	<b>419,279.8</b>	<b>415,059.7</b>	<b>416,605.9</b>
<b>LIABILITIES</b>								
1 Demand deposits	32,711.3	34,800.0	34,991.5	40,477.2	44,917.1	42,527.2	42,565.3	43,873.5
2 Savings and time deposits	29,142.0	33,676.8	31,689.8	33,407.1	34,471.8	35,033.7	34,542.5	34,466.1
3 Foreign currency deposits	154,697.9	152,197.1	160,443.7	162,656.3	164,866.6	164,752.2	163,086.2	162,604.0
4 Bonds and money market instruments	988.6	1,728.7	2,412.0	1,995.3	2,161.3	2,266.0	2,020.1	1,707.2
5 MMFs shares/units	....	6,863.4	8,257.6	8,970.5	8,368.1	8,227.0	7,981.7	8,821.8
6 Foreign liabilities	82,099.3	90,488.9	73,827.0	69,721.5	62,328.2	62,546.8	62,323.3	63,329.6
7 Deposits of central government and social security funds	22,193.7	20,532.4	20,614.7	18,892.0	19,180.1	18,685.5	18,287.6	18,329.1
8 Credit from central bank	12.9	139.1	11.8	11.3	11.0	10.7	10.6	10.6
9 Restricted and blocked deposits	2,374.9	3,183.9	2,413.9	2,735.9	3,076.0	3,416.9	3,382.4	3,566.9
10 Capital accounts	72,555.2	77,208.3	80,700.6	83,245.1	87,151.2	87,773.3	86,510.6	87,037.1
11 Other items (net)	-478.1	-4,068.4	-4,915.7	-7,095.4	-7,301.1	-5,959.6	-5,650.8	-7,140.1
<b>Total (1+2+3+4+5+6+7+8+9+10+11)</b>	<b>396,297.8</b>	<b>416,750.2</b>	<b>410,446.9</b>	<b>415,017.1</b>	<b>419,230.2</b>	<b>419,279.8</b>	<b>415,059.7</b>	<b>416,605.9</b>
<b>TRANSACTIONS</b>								
<b>ASSETS</b>								
1 Reserves with the CNB	....	1,926.7	1,307.3	808.5	713.1	4,150.4	-1,411.7	-44.1
1.1 In kuna	....	2,010.1	1,275.9	1,358.9	726.1	4,106.4	-1,375.3	-65.1
1.2 In f/c	....	-83.4	31.4	-550.4	-13.0	44.0	-36.4	21.1
2 Foreign assets	....	-1,669.7	-1,734.4	-660.3	252.5	-3,620.3	-926.7	810.3
3 Claims on central government and social security funds	....	-1,064.1	2,641.7	1,384.5	1,278.6	-2,396.6	41.2	894.5
4 Claims on other domestic sectors	....	1,163.0	-4,177.8	-1,548.2	-649.7	230.3	-79.2	-27.4
4.1 Claims on local government	....	143.3	154.4	169.5	170.4	-43.1	-161.9	-6.8
4.2 Claims on non-financial corporations	....	1,436.2	-3,889.0	-1,460.1	-768.1	65.5	-39.4	-114.1
4.3 Claims on households	....	-416.5	-443.1	-257.6	-52.0	207.9	122.1	93.5
5 Claims on other banking institutions	....	....	....	....	....	....	....	....
6 Claims on non-banking financial institutions	....	....	....	....	....	....	....	....
7 Claims on non-MMF investment funds	....	33.2	-9.0	-6.3	-9.6	63.6	-8.1	8.5
8 Claims on other financial intermediaries	....	191.1	343.0	-119.5	19.3	-158.4	207.5	26.1
9 Claims on financial auxiliaries	....	13.4	69.8	49.4	20.3	55.2	31.9	-75.5
10 Claims on insurance corporations and pension funds	....	-286.8	97.6	352.0	75.8	-54.0	111.8	-47.9
<b>Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>....</b>	<b>306.8</b>	<b>-1,461.9</b>	<b>260.2</b>	<b>1,700.2</b>	<b>-1,729.8</b>	<b>-2,033.4</b>	<b>1,544.5</b>
<b>LIABILITIES</b>								
1 Demand deposits	....	1,442.5	1,825.6	1,546.3	2,792.7	-473.7	38.2	1,308.1
2 Savings and time deposits	....	-582.6	43.1	-24.1	-1,396.9	337.4	-491.2	-76.5

	2010 Dec.	2011 Dec.	2012 Dec. <sup>b</sup>	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
3 Foreign currency deposits	....	-2,507.6	-1,715.8	-630.1	-1,049.8	-2,270.0	-337.2	-300.0
4 Bonds and money market instruments	....	90.3	195.6	-241.7	-113.4	10.7	-239.6	-312.1
5 MMFs shares/units	....	....	28.8	-78.1	-1,214.7	-568.2	-186.3	1,219.7
6 Foreign liabilities	....	1,706.3	-1,754.3	-294.7	2,707.7	133.6	206.3	865.0
7 Deposits of central government and social security funds	....	274.3	535.3	-104.4	-412.7	227.6	-329.5	48.8
8 Credit from central bank	....	25.0	0.0	0.0	0.0	-0.1	0.0	0.0
9 Restricted and blocked deposits	....	403.7	-55.6	-135.2	-299.3	61.1	-24.7	184.0
10 Capital accounts	....	-152.6	-1,357.4	-43.2	-131.2	-270.4	-1,262.7	526.6
11 Other items (net)	....	-392.6	792.9	265.4	817.8	1,082.2	593.2	-1,919.3
<b>Total (1+2+3+4+5+6+7+8+9+10+11)</b>	....	<b>306.8</b>	<b>-1,461.9</b>	<b>260.2</b>	<b>1,700.2</b>	<b>-1,729.8</b>	<b>-2,033.4</b>	<b>1,544.5</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds. <sup>b</sup> Claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

**Table D1 Consolidated balance sheet of other monetary financial institutions** • The Consolidated balance sheet of other monetary financial institutions include data on claims and liabilities of other monetary financial institutions (credit institutions and money market funds).

In March 2013, data on all the items have been revised from July 1999 onward to include housing savings banks in addition to the Croatian National Bank, banks and savings banks. In February 2015, all of the data have been revised, that is: from 31 December 2010, in the part that refers to the sector classification of institutional units and the change in the methodological treatment of kuna positions indexed to foreign currency, and from 31 December 2011, in the part that refers to expanding the scope of other monetary financial institutions (to include money market funds). In June 2015, all of the data have been revised, that is: from 30 June 2006, in the part that refers to the change in the methodological treatment of kuna positions indexed to foreign currency.

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

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

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

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

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

Up to November 2010, items Demand deposits, Savings and time deposits, Foreign currency deposits as well as Bonds and money market instruments comprised credit institutions'

liabilities to other domestic sectors, other banking institutions and non-banking financial institutions. From December 2010 on, these items comprise credit institutions' liabilities to other domestic sectors, non-MMF investment funds, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

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

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

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

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

The issued money market fund shares/units are the remaining claims on the assets of institutional units that have issued the shares or units.

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

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

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

Up to November 2010, Restricted and blocked deposits comprised the following banks' liabilities: kuna and foreign currency restricted deposits by other domestic sectors, other banking institutions, non-banking financial institutions, central government as well as foreign legal and natural persons, and households' blocked foreign currency deposits, regulated by the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia.

From December 2010 on, Restricted and blocked deposits comprise the following credit institutions' liabilities: kuna and foreign currency restricted deposits by other domestic sectors,

other financial intermediaries, financial auxiliaries, insurance corporations and pension funds, central government as well as foreign legal and natural persons, and households' blocked foreign currency deposits, regulated by the Act on Converting Households' Foreign Currency Deposits into the Public Debt of the Republic of Croatia.

Capital accounts are share capital, retained earnings (loss), profit (loss) for the previous year, profit (loss) for the current year, legal reserves, reserves provided for by the articles of

association and other capital reserves, reserves for general banking risks, deferred tax in equity, dividends paid in the current year, revaluation reserves, collectively and individually assessed impairment provisions for off-balance sheet items, value adjustments and collectively assessed impairment provisions.

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

**Table D2 Foreign assets of other monetary financial institutions<sup>a</sup>**  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Foreign assets in t/c	47,120.0	39,267.7	37,526.2	35,544.1	42,387.1	37,940.1	36,038.8	36,990.3
1.1 Claims on foreign financial institutions	32,056.3	29,655.0	28,730.5	26,954.4	31,191.6	27,376.7	26,090.0	26,686.5
Foreign currencies	1,623.1	1,940.5	1,758.0	1,804.9	1,826.9	1,821.1	1,916.5	2,101.7
Demand deposits	1,175.2	2,377.1	5,457.7	4,414.0	7,246.4	4,964.7	6,035.1	5,838.8
Time and notice deposits	27,129.2	22,372.8	15,915.9	15,751.5	17,815.8	16,017.6	13,788.0	14,398.0
Securities	1,896.5	2,847.4	5,360.6	4,821.8	3,758.7	3,991.5	3,969.8	3,970.8
Loans and advances	170.1	8.7	187.7	53.2	448.9	482.4	281.5	282.5
Shares and participations	62.1	108.5	50.6	109.0	94.9	99.5	99.0	94.7
1.2 Claims on foreign non-financial institutions	15,063.7	9,612.6	8,795.7	8,589.8	11,195.5	10,563.4	9,948.8	10,303.8
Claims on foreign governments	12,906.2	7,569.0	6,969.8	6,333.0	8,924.8	8,232.9	7,631.2	7,810.9
Claims on other non-residents	2,140.4	2,036.7	1,799.9	2,220.2	2,227.8	2,310.1	2,268.8	2,443.7
Securities	271.7	55.1	0.1	14.4	32.1	50.5	47.1	70.1
Loans and advances	1,868.7	1,981.6	1,799.9	2,205.7	2,195.7	2,259.6	2,221.7	2,373.6
Shares and participations	17.1	6.9	26.0	36.6	43.0	20.5	48.8	49.2
2 Foreign assets in kuna	758.3	802.0	1,618.1	1,137.2	1,556.2	1,160.4	1,804.1	1,581.3
2.1 Claims on foreign financial institutions	713.7	764.4	1,583.4	1,105.3	1,509.1	1,111.0	1,684.8	1,459.9
2.2 Claims on foreign non-banks	44.5	37.6	34.8	31.9	47.0	49.4	119.2	121.4
o/w: Loans and advances	44.2	37.2	34.5	31.6	46.7	49.1	118.9	121.1
<b>Total (1+2)</b>	<b>47,878.2</b>	<b>40,069.6</b>	<b>39,144.3</b>	<b>36,681.3</b>	<b>43,943.2</b>	<b>39,100.5</b>	<b>37,842.8</b>	<b>38,571.6</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Tables D2 – D12** • This group of tables (with the exception of tables D5, D5a, D5b, D5c and D5d) provides a detailed analysis of the relevant asset and liability items of the Consolidated balance sheet of other monetary financial institutions (Table D1).

**Table D2 Foreign assets of other monetary financial institutions** • This table shows other monetary financial institutions' claims on foreign legal and natural persons.

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

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

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
<b>1 In kuna</b>	<b>18,538.8</b>	<b>21,967.5</b>	<b>25,125.3</b>	<b>29,638.7</b>	<b>30,666.8</b>	<b>29,501.0</b>	<b>29,427.5</b>	<b>29,612.2</b>
1.1 Claims on central government	18,537.8	21,965.2	25,123.8	29,637.8	30,663.6	29,498.5	29,425.1	29,609.9
Securities	12,633.4	15,926.5	14,474.8	19,428.9	24,987.5	23,273.5	23,218.8	23,410.7
o/w: Bonds (c/part to f/c savings deposits)	17.1	16.3	15.6	15.6	–	–	–	–
Loans and advances	5,904.4	6,038.7	10,649.0	10,208.8	5,676.1	6,224.9	6,206.3	6,199.1
1.2 Claims on social security funds	1.0	2.2	1.6	0.9	3.2	2.5	2.4	2.3
Securities	–	–	–	–	–	–	–	–
Loans and advances	1.0	2.2	1.6	0.9	3.2	2.5	2.4	2.3
<b>2 In f/c</b>	<b>38,574.8</b>	<b>46,240.0</b>	<b>54,681.9</b>	<b>58,219.0</b>	<b>59,057.2</b>	<b>61,269.6</b>	<b>60,950.1</b>	<b>61,572.9</b>
2.1 Claims on central government	38,574.8	46,240.0	54,681.9	58,219.0	59,057.2	61,269.6	60,950.1	61,572.9
Securities	9,591.2	10,858.6	14,208.1	13,210.5	12,837.4	15,272.2	15,260.3	15,402.9
Loans and advances	28,983.5	35,381.4	40,473.8	45,008.5	46,219.9	45,997.4	45,689.8	46,170.0
2.2 Claims on social security funds	–	–	–	–	–	–	–	–
Securities	–	–	–	–	–	–	–	–
Loans and advances	–	–	–	–	–	–	–	–
<b>Total (1+2)</b>	<b>57,113.6</b>	<b>68,207.5</b>	<b>79,807.2</b>	<b>87,857.7</b>	<b>89,724.0</b>	<b>90,770.6</b>	<b>90,377.6</b>	<b>91,185.2</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D3 Other monetary financial institutions' claims on the central government and social security funds** • The table shows other monetary financial institutions' kuna and foreign currency claims on the central government and social security funds. Item Securities, shown under kuna claims on the central government,

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

**Table D3a Other monetary financial institutions' foreign currency claims and kuna claims indexed to foreign currency on the central government and social security funds<sup>a</sup>**

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
<b>1 In f/c</b>	<b>23,275.0</b>	<b>29,208.8</b>	<b>36,639.0</b>	<b>38,823.6</b>	<b>40,830.1</b>	<b>43,436.0</b>	<b>43,076.5</b>	<b>43,822.7</b>
1.1 Claims on central government	23,275.0	29,208.8	36,639.0	38,823.6	40,830.1	43,436.0	43,076.5	43,822.7
Securities	292.4	1,367.1	6,934.9	5,571.3	7,285.6	10,006.5	10,013.8	10,174.6
Loans and advances	22,982.6	27,841.7	29,704.1	33,252.4	33,544.5	33,429.5	33,062.7	33,648.1
1.2 Claims on social security funds	–	–	–	–	–	–	–	–
Securities	–	–	–	–	–	–	–	–
Loans and advances	–	–	–	–	–	–	–	–
<b>2 Kuna claims indexed to foreign currency</b>	<b>15,299.8</b>	<b>17,031.2</b>	<b>18,042.9</b>	<b>19,395.4</b>	<b>18,227.1</b>	<b>17,833.6</b>	<b>17,873.6</b>	<b>17,750.3</b>
2.1 Claims on central government	15,299.8	17,031.2	18,042.9	19,395.4	18,227.1	17,833.6	17,873.6	17,750.3
Securities	9,298.8	9,491.5	7,273.1	7,639.3	5,551.7	5,265.7	5,246.5	5,228.4
o/w: Bonds (c/part to f/c savings deposits)	17.0	16.3	15.6	15.6	–	–	–	–
Loans and advances	6,001.0	7,539.7	10,769.7	11,756.1	12,675.4	12,567.9	12,627.1	12,521.9
2.2 Claims on social security funds	–	–	–	–	–	–	–	–
Securities	–	–	–	–	–	–	–	–
Loans and advances	–	–	–	–	–	–	–	–
<b>Total (1+2)</b>	<b>38,574.8</b>	<b>46,240.0</b>	<b>54,681.9</b>	<b>58,219.0</b>	<b>59,057.2</b>	<b>61,269.6</b>	<b>60,950.1</b>	<b>61,572.9</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D3a Other monetary financial institutions' foreign currency claims and kuna claims indexed to foreign currency on the central government and social security funds** • The table

provides a detailed analysis of the claims in foreign currency item in Table D3, showing separately foreign currency claims and claims indexed to foreign currency.

Table D4 Other monetary financial institutions' claims on other domestic sectors<sup>a</sup>

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec. <sup>b</sup>	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Claims in kuna	66,135.9	66,472.7	65,057.6	67,002.6	70,885.7	72,469.0	72,627.7	73,105.9
1.1 Money market instruments	1,720.7	2,031.5	3,203.5	3,708.3	3,987.6	4,025.2	4,093.8	4,039.5
1.2 Bonds	1,381.8	1,228.9	1,270.1	979.2	962.7	905.1	888.0	860.1
1.3 Loans and advances	61,952.5	62,147.3	59,552.3	61,113.9	65,384.1	67,003.1	67,108.3	67,673.3
1.4 Shares and participations	1,080.9	1,065.0	1,031.7	1,201.2	551.4	535.6	537.6	532.9
2 Claims in f/c	175,131.0	185,488.6	171,354.4	167,112.9	158,683.9	160,028.9	158,419.6	158,090.3
2.1 Securities	624.2	1,108.9	1,279.1	1,103.5	955.3	828.8	806.8	761.9
2.2 Loans and advances	174,506.7	184,379.7	170,075.3	166,009.4	157,728.6	159,200.1	157,612.8	157,328.4
<b>Total (1+2)</b>	<b>241,266.9</b>	<b>251,961.3</b>	<b>236,412.0</b>	<b>234,115.5</b>	<b>229,569.6</b>	<b>232,497.9</b>	<b>231,047.3</b>	<b>231,196.1</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds. <sup>b</sup> Claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.

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

From January 2004 to November 2010, factoring and

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

Table D4a Other monetary financial institutions' foreign currency claims and kuna claims indexed to foreign currency on other domestic sectors<sup>a</sup>

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Kuna claims not indexed to foreign currency	20,584.0	22,565.5	15,834.4	17,496.0	16,314.6	17,044.0	16,963.3	16,727.9
1.1 Money market instruments	46.0	41.7	7.5	1.0	68.4	41.5	60.3	48.7
1.2 Bonds	35.0	112.5	143.4	226.9	243.0	304.3	306.2	306.0
1.3 Loans and advances	20,478.0	22,387.2	15,676.2	17,261.9	16,003.2	16,698.1	16,596.8	16,373.2
1.4 Shares and participations	25.0	24.1	7.3	6.2	–	–	–	–
2 Kuna claims indexed to foreign currency	154,547.0	162,923.1	155,520.0	149,616.8	142,369.3	142,984.9	141,456.3	141,362.4
2.1 Securities	518.2	930.6	1,120.9	869.4	643.9	483.0	440.3	407.3
2.2 Loans and advances	154,028.8	161,992.5	154,399.1	148,747.5	141,725.5	142,501.9	141,015.9	140,955.1
<b>Total (1+2)</b>	<b>175,131.0</b>	<b>185,488.6</b>	<b>171,354.4</b>	<b>167,112.9</b>	<b>158,683.9</b>	<b>160,028.9</b>	<b>158,419.6</b>	<b>158,090.3</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D4a Other monetary financial institutions' foreign currency claims and kuna claims indexed to foreign currency on other domestic sectors** • The table provides a detailed analysis

of the Claims in foreign currency item in Table D4, showing separately foreign currency claims and claims indexed to foreign currency.

Table D5 Distribution of other monetary financial institutions' loans by domestic institutional sectors<sup>a</sup>  
end-of-period balance and transactions during the period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
<b>LOANS IN KUNA</b>								
1 Loans to central government and social security funds	5,905.4	6,041.0	10,650.5	10,209.8	5,679.3	6,227.5	6,208.7	6,201.5
1.1 Loans to central government	5,904.4	6,038.7	10,649.0	10,208.8	5,676.1	6,224.9	6,206.3	6,199.1
1.2 Loans to social security funds	1.0	2.2	1.6	0.9	3.2	2.5	2.4	2.3
2 Loans to local government	884.7	916.3	933.3	796.4	856.3	879.4	751.6	757.5
3 Loans to non-financial corporations	28,249.8	30,211.6	27,945.2	28,447.7	29,219.4	30,090.9	29,808.9	29,828.6
4 Loans to households	32,818.0	31,019.4	30,673.9	31,869.7	35,308.5	36,032.7	36,547.8	37,087.2
o/w: Housing loans	4,747.7	4,607.0	4,544.4	4,415.9	4,551.7	4,601.1	4,643.6	4,705.2
5 Loans to other banking institutions	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	16.0	16.3	7.8	23.6	34.6	77.4	58.5	65.1
8 Loans to other financial intermediaries	758.3	981.6	1,392.2	1,543.1	1,677.6	1,648.7	1,524.1	1,430.6
9 Loans to financial auxiliaries	445.1	367.6	478.9	636.3	684.0	500.7	519.5	452.9
10 Loans to insurance corporations and pension funds	483.7	22.0	130.7	470.5	560.9	42.3	155.9	145.7
<b>A Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>69,560.9</b>	<b>69,575.8</b>	<b>72,212.5</b>	<b>73,997.0</b>	<b>74,020.4</b>	<b>75,499.6</b>	<b>75,575.0</b>	<b>75,969.2</b>
<b>LOANS IN F/C</b>								
1 Loans to central government and social security funds	28,983.5	35,381.4	40,473.8	45,008.5	46,219.9	45,997.4	45,689.8	46,170.0
1.1 Loans to central government	28,983.5	35,381.4	40,473.8	45,008.5	46,219.9	45,997.4	45,689.8	46,170.0
1.2 Loans to social security funds	-	-	-	-	-	-	-	-
2 Loans to local government	2,239.6	2,439.8	2,398.2	3,325.3	3,777.9	3,634.6	3,576.1	3,563.1
3 Loans to non-financial corporations	74,893.5	81,430.8	68,636.5	67,129.3	62,810.7	62,969.5	62,592.3	62,518.0
4 Loans to households	97,373.6	100,509.1	99,040.5	95,554.9	91,140.1	92,595.9	91,444.3	91,247.3
o/w: Housing loans	56,220.9	58,422.2	58,129.2	57,044.2	55,675.8	57,788.6	57,097.7	57,144.1
5 Loans to other banking institutions	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	-	12.0	9.5	21.2	6.1	29.9	40.3	42.2
8 Loans to other financial intermediaries	1,296.8	1,507.2	1,285.8	1,401.9	1,942.6	1,823.7	1,879.4	1,997.4
9 Loans to financial auxiliaries	176.5	302.6	227.9	179.7	192.6	281.6	291.7	282.8
10 Loans to insurance corporations and pension funds	3.4	6.3	22.0	118.9	2.6	53.7	51.0	12.8
<b>B Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>204,967.0</b>	<b>221,589.3</b>	<b>212,094.4</b>	<b>212,739.6</b>	<b>206,092.4</b>	<b>207,386.4</b>	<b>205,564.9</b>	<b>205,833.5</b>
<b>TOTAL (A+B)</b>	<b>274,527.9</b>	<b>291,165.1</b>	<b>284,306.8</b>	<b>286,736.6</b>	<b>280,112.8</b>	<b>282,886.0</b>	<b>281,139.9</b>	<b>281,802.7</b>
<b>TRANSACTIONS</b>								
<b>LOANS IN KUNA</b>								
1 Loans to central government and social security funds	....	77.8	509.5	-119.4	-905.3	-2,396.8	-18.7	-7.2
1.1 Loans to central government	....	77.7	509.2	-119.2	-905.2	-2,396.3	-18.6	-7.1
1.2 Loans to social security funds	....	0.1	0.3	-0.2	-0.1	-0.5	-0.1	-0.1
2 Loans to local government	....	-5.8	12.2	3.7	1.7	2.1	-127.9	5.9
3 Loans to non-financial corporations	....	-33.6	-1,288.9	280.0	-378.1	4.1	-171.3	32.9
4 Loans to households	....	-12.6	-50.1	141.0	257.6	566.8	523.5	544.6
5 Loans to other banking institutions	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	....	-7.5	-13.8	0.1	-2.2	39.5	-18.9	6.6
8 Loans to other financial intermediaries	....	142.8	351.2	27.7	-31.4	-100.4	-124.6	-93.5
9 Loans to financial auxiliaries	....	15.8	119.4	75.4	-7.9	7.2	18.9	-66.6
10 Loans to insurance corporations and pension funds	....	-268.8	98.4	264.7	75.9	-105.2	113.6	-10.2
<b>A Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>....</b>	<b>-91.9</b>	<b>-262.1</b>	<b>673.2</b>	<b>-989.5</b>	<b>-1,982.6</b>	<b>194.5</b>	<b>412.5</b>

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
<b>LOANS IN F/C</b>								
1 Loans to central government and social security funds	....	-735.0	2,093.7	809.0	1,130.5	-40.1	32.4	530.1
1.1 Loans to central government	....	-735.0	2,093.7	809.0	1,130.5	-40.1	32.4	530.1
1.2 Loans to social security funds	....	-	-	-	-	-	-	-
2 Loans to local government	....	155.9	144.0	160.8	171.3	-44.7	-31.8	-12.3
3 Loans to non-financial corporations	....	1,296.3	-3,653.9	-1,936.9	-137.4	-19.7	93.2	-19.3
4 Loans to households	....	-424.3	-416.7	-397.9	-309.4	-359.4	-401.7	-451.5
5 Loans to other banking institutions	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	....	-6.7	0.0	-6.2	-7.3	23.8	10.8	1.9
8 Loans to other financial intermediaries	....	47.2	-9.2	-67.7	50.6	-58.0	68.8	119.7
9 Loans to financial auxiliaries	....	-2.5	-49.6	-16.3	-0.5	47.8	12.9	-9.0
10 Loans to insurance corporations and pension funds	....	0.0	0.0	106.8	0.0	51.2	-1.9	-37.7
<b>B Total (1+2+3+4+5+6+7+8+9+10)</b>	....	<b>331.0</b>	<b>-1,891.8</b>	<b>-1,348.2</b>	<b>897.8</b>	<b>-399.1</b>	<b>-217.3</b>	<b>121.9</b>
<b>TOTAL (A+B)</b>	....	<b>239.1</b>	<b>-2,153.9</b>	<b>-675.0</b>	<b>-91.7</b>	<b>-2,381.7</b>	<b>-22.8</b>	<b>534.4</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D5 Distribution of other monetary financial institutions' loans by domestic institutional sectors** • The table shows data on kuna and foreign currency loans granted by credit institutions to domestic sectors, including acceptances, financial leases, payments made on the basis of guarantees and similar instruments, purchased claims, and until December 2003 factoring and forfeiting. From December 2010 on, loans include the following types of loans: overnight loans, loans for payments made on the basis of guarantees and similar instruments, reverse repo loans, shares in syndicated loans, financial leases, consumer

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

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

Table D5a Distribution of other monetary financial institutions' foreign currency and kuna loans indexed to foreign currency by domestic institutional sectors<sup>a</sup>

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
<b>LOANS IN FOREIGN CURRENCY</b>								
1 Loans to central government and social security funds	22,982.6	27,841.7	29,704.1	33,252.4	33,544.5	33,429.5	33,062.7	33,648.1
1.1 Loans to central government	22,982.6	27,841.7	29,704.1	33,252.4	33,544.5	33,429.5	33,062.7	33,648.1
1.2 Loans to social security funds	–	–	–	–	–	–	–	–
2 Loans to local government	13.6	12.4	10.3	8.6	6.8	6.4	6.3	6.3
3 Loans to non-financial corporations	20,132.5	22,059.0	15,413.7	16,999.2	15,737.9	16,447.7	16,336.7	16,106.7
4 Loans to households	331.9	315.8	252.2	254.1	258.4	244.0	253.8	260.2
5 Loans to other banking institutions	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	–	1.0	–	14.9	–	19.7	30.1	32.1
8 Loans to other financial intermediaries	388.0	544.0	355.8	619.3	579.5	593.8	624.5	640.6
9 Loans to financial auxiliaries	17.5	48.8	39.0	42.0	42.4	131.8	143.8	143.6
10 Loans to insurance corporations and pension funds	0.0	0.0	17.5	106.9	–	51.2	48.5	10.4
<b>A Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>43,866.1</b>	<b>50,822.7</b>	<b>45,792.6</b>	<b>51,297.5</b>	<b>50,169.6</b>	<b>50,924.0</b>	<b>50,506.4</b>	<b>50,848.1</b>
<b>KUNA LOANS INDEXED TO FOREIGN CURRENCY</b>								
1 Loans to central government and social security funds	6,001.0	7,539.7	10,769.7	11,756.1	12,675.4	12,567.9	12,627.1	12,521.9
1.1 Loans to central government	6,001.0	7,539.7	10,769.7	11,756.1	12,675.4	12,567.9	12,627.1	12,521.9
1.2 Loans to social security funds	–	–	–	–	–	–	–	–
2 Loans to local government	2,226.0	2,427.4	2,387.9	3,316.7	3,771.0	3,628.2	3,569.8	3,556.8
3 Loans to non-financial corporations	54,761.0	59,371.8	53,222.8	50,130.1	47,072.8	46,521.8	46,255.6	46,411.3
4 Loans to households	97,041.7	100,193.3	98,788.3	95,300.7	90,881.7	92,351.9	91,190.6	90,987.0
5 Loans to other banking institutions	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	–	11.0	9.5	6.3	6.1	10.2	10.2	10.1
8 Loans to other financial intermediaries	908.8	963.2	930.0	782.6	1,363.1	1,230.0	1,254.9	1,356.8
9 Loans to financial auxiliaries	159.0	253.8	189.0	137.7	150.1	149.9	147.9	139.1
10 Loans to insurance corporations and pension funds	3.4	6.3	4.5	11.9	2.6	2.5	2.5	2.5
<b>B Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>161,100.9</b>	<b>170,766.6</b>	<b>166,301.8</b>	<b>161,442.1</b>	<b>155,922.8</b>	<b>156,462.4</b>	<b>155,058.6</b>	<b>154,985.5</b>
<b>TOTAL (A+B)</b>	<b>204,967.0</b>	<b>221,589.3</b>	<b>212,094.4</b>	<b>212,739.6</b>	<b>206,092.4</b>	<b>207,386.4</b>	<b>205,564.9</b>	<b>205,833.5</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

Table D5a Distribution of other monetary financial institutions' foreign currency and kuna loans indexed to foreign currency by domestic institutional sectors • The table provides a

detailed analysis of the Loans in foreign currency item in Table D5, showing separately loans in foreign currency and loans indexed to foreign currency.

Table D5b Distribution of other monetary financial institutions' loans by domestic institutional sectors and original maturity<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Loans to central government and social security funds	34,889.0	41,422.4	51,124.3	55,218.3	51,899.1	52,224.8	51,898.5	52,371.5
1.1 Loans to central government	34,887.9	41,420.1	51,122.8	55,217.3	51,895.9	52,222.3	51,896.1	52,369.1
Up to 1 year	1,884.5	1,368.3	2,932.7	904.2	923.1	914.9	911.2	913.6
Over 1 and up to 5 years	10,305.2	11,398.2	16,379.1	22,137.7	24,038.6	24,232.1	24,371.3	24,333.7
Over 5 years	22,698.3	28,653.7	31,811.0	32,175.4	26,934.2	27,075.4	26,613.6	27,121.9
1.2 Loans to social security funds	1.0	2.2	1.6	0.9	3.2	2.5	2.4	2.3
Up to 1 year	1.0	2.2	1.6	0.9	0.4	0.0	0.0	0.0
Over 1 and up to 5 years	–	–	–	–	2.8	2.5	2.4	2.3
Over 5 years	0.0	0.0	0.0	0.0	–	–	–	–
2 Loans to local government	3,124.3	3,356.1	3,331.5	4,121.7	4,634.1	4,514.1	4,327.7	4,320.6
Up to 1 year	195.0	322.0	258.0	150.4	197.8	229.8	113.7	124.7
Over 1 and up to 5 years	543.3	459.3	781.6	714.6	591.9	526.3	652.3	640.8
Over 5 years	2,386.0	2,574.9	2,291.8	3,256.7	3,844.5	3,758.0	3,561.8	3,555.1
3 Loans to non-financial corporations	103,143.3	111,642.4	96,581.7	95,577.0	92,030.0	93,060.5	92,401.2	92,346.6
Up to 1 year	26,920.1	28,492.4	23,379.8	22,783.6	22,422.8	23,596.0	22,872.9	22,625.3
Over 1 and up to 5 years	33,807.6	35,173.9	26,647.0	24,862.6	21,631.5	21,496.9	21,741.4	21,698.7
Over 5 years	42,415.6	47,976.1	46,554.9	47,930.8	47,975.8	47,967.5	47,786.9	48,022.6
4 Loans to households	130,191.6	131,528.5	129,714.4	127,424.6	126,448.6	128,628.7	127,992.1	128,334.5
Up to 1 year	12,092.6	12,138.1	12,484.0	12,007.9	12,144.2	12,167.5	12,175.5	12,252.0
Over 1 and up to 5 years	10,979.3	10,276.4	9,471.9	9,599.3	9,859.3	9,875.8	9,819.3	9,879.7
Over 5 years	107,119.7	109,114.0	107,758.5	105,817.4	104,445.1	106,585.3	105,997.3	106,202.8
5 Loans to non-MMF investment funds	16.0	28.3	17.3	44.7	40.7	107.3	98.8	107.3
Up to 1 year	16.0	28.3	17.3	44.7	40.7	107.3	98.8	107.3
Over 1 and up to 5 years	–	–	–	–	–	–	–	–
Over 5 years	–	–	–	–	–	–	–	–
6 Loans to other financial intermediaries	2,055.1	2,488.8	2,678.0	2,945.0	3,620.2	3,472.4	3,403.5	3,428.0
Up to 1 year	1,073.0	1,466.8	1,527.5	1,624.4	1,715.6	1,546.3	1,434.1	1,507.0
Over 1 and up to 5 years	362.4	422.0	598.1	402.0	1,014.3	1,069.7	1,131.2	1,091.1
Over 5 years	619.8	600.0	552.3	918.6	890.3	856.4	838.2	829.8
7 Loans to financial auxiliaries	621.6	670.2	706.8	816.0	876.5	782.3	811.2	735.7
Up to 1 year	474.3	468.7	533.9	699.8	735.8	645.4	677.0	598.3
Over 1 and up to 5 years	123.2	111.2	98.4	48.4	39.7	36.3	34.2	33.9
Over 5 years	24.1	90.3	74.5	67.8	101.1	100.6	99.9	103.5
8 Loans to insurance corporations and pension funds	487.1	28.3	152.7	589.4	563.5	96.0	206.9	158.6
Up to 1 year	483.7	24.1	149.2	586.6	560.9	93.5	204.4	156.1
Over 1 and up to 5 years	0.0	0.0	0.0	–	0.1	0.1	0.1	0.1
Over 5 years	3.4	4.2	3.5	2.7	2.6	2.5	2.4	2.4
<b>Total (1+2+3+4+5+6+7+8)</b>	<b>274,527.9</b>	<b>291,165.1</b>	<b>284,306.8</b>	<b>286,736.6</b>	<b>280,112.8</b>	<b>282,886.0</b>	<b>281,139.9</b>	<b>281,802.7</b>
Up to 1 year	43,140.3	44,310.9	41,284.0	38,802.6	38,741.3	39,300.7	38,487.6	38,284.3
Over 1 and up to 5 years	56,120.9	57,841.0	53,976.2	57,764.5	57,178.1	57,239.6	57,752.1	57,680.4
Over 5 years	175,266.7	189,013.2	189,046.6	190,169.4	184,193.5	186,345.7	184,900.2	185,838.0

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

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

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

Table D5c Distribution of other monetary financial institutions' loans to households by purpose and currency composition<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Consumer loans	159.9	121.3	102.3	74.2	44.3	32.8	30.4	28.7
1.1 Kuna loans not indexed to f/c	128.2	101.3	91.3	68.5	41.4	30.3	28.0	26.4
1.2 Kuna loans indexed to f/c	31.7	20.0	11.0	5.7	2.9	2.5	2.4	2.3
o/w: Indexed to EUR	28.5	18.7	10.6	5.5	2.9	2.5	2.4	2.3
o/w: Indexed to CHF	3.1	1.3	0.3	0.2	0.0	0.0	0.0	0.0
1.3 Foreign currency loans	–	–	–	–	–	–	–	–
2 Housing loans	60,968.5	63,029.2	62,673.6	61,460.1	60,227.5	62,389.8	61,741.3	61,849.3
2.1 Kuna loans not indexed to f/c	4,747.7	4,607.0	4,544.4	4,415.9	4,551.7	4,601.1	4,643.6	4,705.2
2.2 Kuna loans indexed to f/c	56,207.7	58,409.7	58,117.9	57,034.1	55,666.4	57,778.4	57,087.6	57,134.1
o/w: Indexed to EUR	30,730.6	33,763.7	34,989.3	35,536.5	35,378.6	35,110.8	34,783.8	34,654.4
o/w: Indexed to CHF	25,441.7	24,604.9	23,086.0	21,459.8	20,244.8	22,620.0	22,256.7	22,432.9
2.3 Foreign currency loans	13.2	12.5	11.3	10.1	9.3	10.2	10.0	10.1
3 Mortgage loans	3,513.0	3,261.3	3,073.7	3,007.4	2,844.3	2,863.5	2,820.4	2,806.7
3.1 Kuna loans not indexed to f/c	234.8	131.3	117.3	179.9	178.0	183.7	184.7	184.4
3.2 Kuna loans indexed to f/c	3,263.0	3,129.0	2,953.8	2,821.7	2,663.8	2,677.2	2,633.2	2,619.8
o/w: Indexed to EUR	2,649.0	2,524.9	2,422.3	2,340.1	2,231.6	2,193.6	2,161.7	2,144.8
3.3 Foreign currency loans	15.2	1.1	2.5	5.8	2.5	2.6	2.5	2.5
4 Car loans	6,236.8	4,539.5	3,175.0	2,162.6	1,439.3	1,314.4	1,274.3	1,243.6
4.1 Kuna loans not indexed to f/c	1,458.6	1,385.0	1,200.7	982.8	803.7	767.3	761.7	757.3
4.2 Kuna loans indexed to f/c	4,772.2	3,150.7	1,972.5	1,179.1	635.1	546.6	512.1	485.9
o/w: Indexed to EUR	1,600.2	1,402.3	1,169.6	897.3	571.4	498.8	471.4	450.1
o/w: Indexed to CHF	3,171.7	1,748.3	802.8	281.7	63.7	47.8	40.7	35.8
4.3 Foreign currency loans	6.1	3.7	1.8	0.7	0.5	0.5	0.5	0.5
5 Credit card loans	4,386.8	4,109.3	3,941.2	3,834.6	3,831.0	3,789.5	3,795.5	3,799.3
5.1 Kuna loans not indexed to f/c	4,382.9	4,105.4	3,937.8	3,832.3	3,829.3	3,787.6	3,793.8	3,797.7
5.2 Kuna loans indexed to f/c	1.8	1.7	1.4	0.5	0.1	0.1	0.1	0.1
o/w: Indexed to EUR	1.8	1.7	1.4	0.5	0.1	0.1	0.1	0.1
5.3 Foreign currency loans	2.2	2.3	2.0	1.8	1.6	1.8	1.7	1.6
6 Overdrafts on transaction accounts	8,069.0	8,196.0	8,613.1	8,353.5	8,157.4	8,149.4	8,193.6	8,251.1
6.1 Kuna loans not indexed to f/c	8,068.8	8,195.5	8,612.6	8,352.9	8,156.9	8,149.1	8,193.3	8,250.8
6.2 Kuna loans indexed to f/c	–	0.0	–	–	–	–	–	–
o/w: Indexed to EUR	–	0.0	–	–	–	–	–	–
6.3 Foreign currency loans	0.3	0.4	0.4	0.5	0.5	0.3	0.3	0.3
7 Any-purpose cash loans	33,686.1	36,284.5	36,436.3	37,229.2	39,064.8	39,162.2	39,254.5	39,419.9
7.1 Kuna loans not indexed to f/c	10,485.2	10,350.8	9,931.9	11,674.6	14,976.4	15,713.9	16,151.8	16,551.5
7.2 Kuna loans indexed to f/c	23,133.2	25,930.9	26,504.4	25,553.7	24,087.9	23,447.9	23,102.2	22,868.0
o/w: Indexed to EUR	22,371.5	25,408.7	26,148.2	25,304.8	23,875.0	23,219.8	22,882.7	22,648.4
7.3 Foreign currency loans	67.7	2.7	–	0.9	0.5	0.4	0.4	0.4
8 Other loans	13,171.3	11,987.4	11,699.2	11,303.2	10,839.9	10,927.2	10,882.1	10,935.8
8.1 Kuna loans not indexed to f/c	3,311.9	2,143.0	2,237.8	2,362.8	2,771.0	2,799.8	2,790.8	2,813.9
8.2 Kuna loans indexed to f/c	9,632.2	9,551.4	9,227.3	8,706.1	7,825.4	7,899.2	7,853.0	7,877.0
o/w: Indexed to EUR	8,830.4	8,755.0	8,463.5	8,046.3	7,185.5	7,204.5	7,164.3	7,181.3
8.3 Foreign currency loans	227.2	293.1	234.1	234.3	243.5	228.2	238.4	244.9
<b>Total (1+2+3+4+5+6+7+8)</b>	<b>130,191.6</b>	<b>131,528.5</b>	<b>129,714.4</b>	<b>127,424.6</b>	<b>126,448.6</b>	<b>128,628.7</b>	<b>127,992.1</b>	<b>128,334.5</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

Table D5c Distribution of other monetary financial institutions' loans to households by purpose and currency composition

- The table provides a detailed analysis of kuna and f/c loans to households in Table D5 by purpose, showing separately loans

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

Table D5d Distribution of other monetary financial institutions' working capital and investment loans to non-financial corporations by currency composition<sup>a</sup>

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Working capital loans	39,267.6	45,557.6	39,633.8	39,483.2	37,400.0	38,274.3	38,274.2	38,147.0
1.1 Kuna loans not indexed to f/c	13,279.2	15,504.5	14,790.7	15,327.0	15,411.1	16,164.3	16,109.7	16,093.1
1.2 Kuna loans indexed to f/c	18,858.1	21,233.8	18,117.8	16,955.6	16,085.2	16,076.0	16,079.0	16,046.1
o/w: Indexed to EUR	18,246.7	20,739.3	17,820.2	16,674.1	15,801.4	15,766.1	15,773.2	15,738.2
o/w: Indexed to CHF	509.5	383.8	270.6	263.2	241.2	262.5	259.6	262.5
1.3 Foreign currency loans	7,130.3	8,819.2	6,725.3	7,200.6	5,903.7	6,034.0	6,085.5	6,007.8
o/w: In EUR	6,035.8	7,485.4	6,243.2	6,677.0	5,395.5	5,420.7	5,592.9	5,524.5
o/w: In USD	986.4	1,175.3	365.4	407.2	426.5	553.8	433.6	423.5
2 Investment loans	38,026.1	41,013.5	36,578.9	34,781.9	33,746.9	33,285.7	32,985.2	33,191.3
2.1 Kuna loans not indexed to f/c	6,581.0	6,287.2	5,604.2	5,974.9	6,474.3	6,446.7	6,416.7	6,442.6
2.2 Kuna loans indexed to f/c	26,246.2	28,548.5	26,391.1	24,382.2	22,988.2	22,607.5	22,397.9	22,579.9
o/w: Indexed to EUR	23,819.7	26,716.2	24,983.1	23,266.6	22,006.3	21,651.4	21,466.4	21,647.2
o/w: Indexed to CHF	2,378.6	1,789.2	1,372.9	1,089.7	955.1	927.9	904.2	905.7
2.3 Foreign currency loans	5,199.0	6,177.8	4,583.6	4,424.8	4,284.5	4,231.5	4,170.5	4,168.8
o/w: In EUR	4,807.0	5,402.9	4,354.7	4,294.6	4,129.6	4,063.1	4,006.3	4,005.1
o/w: In USD	31.3	406.2	12.4	11.9	56.3	60.1	58.5	58.3
<b>Total (1+2)</b>	<b>77,293.7</b>	<b>86,571.1</b>	<b>76,212.7</b>	<b>74,265.2</b>	<b>71,146.9</b>	<b>71,560.1</b>	<b>71,259.4</b>	<b>71,338.3</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

Table D5d Distribution of other monetary financial institutions' working capital and investment loans to non-financial corporations by currency composition • The table provides a detailed analysis of kuna and f/c loans to non-financial corporations in Table D5 by purpose, showing separately loans not

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

Table D6 Demand deposits with other monetary financial institutions<sup>a</sup>

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Local government	2,210.7	2,152.1	2,202.0	2,326.2	2,951.5	2,293.6	2,285.9	2,448.4
2 Non-financial corporations	14,026.4	15,562.3	15,117.7	18,471.8	20,206.7	18,346.1	17,960.5	18,820.5
3 Households	15,285.2	15,874.4	15,994.5	17,681.9	19,520.8	19,814.1	19,899.7	20,002.2
4 Other banking institutions	....	....	....	....	....	....	....	....
5 Non-banking financial institutions	....	....	....	....	....	....	....	....
6 Non-MMF investment funds	127.7	136.5	121.4	130.0	109.6	115.8	140.2	99.6
7 Other financial intermediaries	521.4	495.5	713.1	646.8	762.0	610.6	772.6	788.2
8 Financial auxiliaries	350.3	262.0	480.1	427.6	1,106.8	1,014.3	1,197.7	1,259.9
9 Insurance corporations and pension funds	189.6	317.2	362.7	792.9	259.7	332.9	308.6	454.7
10 Less: Checks of other banks and checks in collection	-0.1	0.0	0.0	0.0	0.0	-	-	-
<b>Total (1+2+3+4+5+6+7+8+9+10)</b>	<b>32,711.3</b>	<b>34,800.0</b>	<b>34,991.5</b>	<b>40,477.2</b>	<b>44,917.1</b>	<b>42,527.2</b>	<b>42,565.3</b>	<b>43,873.5</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

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

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

2010 on, demand deposits are the sum of balances in transaction accounts of other domestic sectors, non-MMF investment funds, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds, minus currency in the payment system (i.e. checks in credit institutions' vaults and checks in collection). Credit institutions' obligations arising from kuna payment instruments issued are included in the household sector.

Table D7 Kuna deposits with other monetary financial institutions<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Savings deposits	2,461.5	2,466.4	2,322.3	2,559.5	2,253.0	2,071.0	2,068.5	2,159.8
1.1 Local government	0.1	21.2	18.8	2.4	0.1	14.0	17.1	17.1
1.2 Non-financial corporations	272.6	396.6	365.4	655.9	455.9	273.4	304.6	381.7
1.3 Households	2,156.1	2,007.8	1,894.2	1,852.5	1,756.3	1,741.0	1,720.4	1,723.2
1.4 Other banking institutions	....	....	....	....	....	....	....	....
1.5 Non-banking financial institutions	....	....	....	....	....	....	....	....
1.6 Non-MMF investment funds	-	-	-	-	-	-	-	-
1.7 Other financial intermediaries	9.7	30.0	30.1	38.6	39.7	41.4	25.6	36.9
1.8 Financial auxiliaries	12.3	7.7	8.3	1.3	1.0	1.1	0.8	0.9
1.9 Insurance corporations and pension funds	10.6	3.1	5.4	8.8	-	-	-	-
2 Time and notice deposits	26,680.5	31,210.5	29,367.5	30,847.6	32,218.8	32,962.7	32,474.1	32,306.3
2.1 Local government	264.9	268.6	228.2	197.5	217.8	658.0	686.4	697.7
2.2 Non-financial corporations	7,387.8	9,626.2	6,152.8	5,804.4	6,139.4	6,418.4	6,073.1	5,816.5
2.3 Households	15,657.1	17,881.0	19,962.5	21,959.2	22,386.7	22,233.2	22,142.7	22,041.1
2.4 Other banking institutions	....	....	....	....	....	....	....	....
2.5 Non-banking financial institutions	....	....	....	....	....	....	....	....
2.6 Non-MMF investment funds	172.2	69.6	62.2	51.1	37.5	53.7	75.3	77.0
2.7 Other financial intermediaries	250.5	400.0	455.7	525.9	470.4	604.6	601.9	606.8
2.8 Financial auxiliaries	993.8	768.1	544.4	710.0	519.7	606.9	569.4	611.8
2.9 Insurance corporations and pension funds	1,954.3	2,197.0	1,961.8	1,599.5	2,447.3	2,387.9	2,325.2	2,455.4
<b>Total (1+2)</b>	<b>29,142.0</b>	<b>33,676.8</b>	<b>31,689.8</b>	<b>33,407.1</b>	<b>34,471.8</b>	<b>35,033.7</b>	<b>34,542.5</b>	<b>34,466.1</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

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

2010 on, the table shows kuna savings and time deposits by other domestic sectors, non-MMF investment funds, other financial intermediaries, financial auxiliaries as well as insurance corporations and pension funds.

Table D8 Foreign currency deposits with other monetary financial institutions<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Savings deposits	22,869.5	22,828.2	23,652.9	25,284.0	28,967.8	29,374.7	29,790.7	29,676.4
1.1 Local government	20.6	11.0	22.4	30.6	29.2	29.2	28.6	28.7
1.2 Non-financial corporations	5,640.5	5,399.1	5,962.7	6,780.6	8,002.4	8,111.0	7,763.8	7,717.4
1.3 Households	16,480.3	16,949.9	16,574.0	17,787.2	19,370.5	20,011.2	19,921.6	20,165.8
1.4 Other banking institutions	....	....	....	....	....	....	....	....
1.5 Non-banking financial institutions	....	....	....	....	....	....	....	....
1.6 Non-MMF investment funds	132.1	77.6	161.9	184.4	266.5	222.7	212.3	173.4
1.7 Other financial intermediaries	382.1	159.9	402.4	269.4	616.5	557.5	694.3	423.9
1.8 Financial auxiliaries	176.4	23.7	34.4	71.7	469.3	347.4	480.1	647.8
1.9 Insurance corporations and pension funds	37.5	207.1	495.1	160.1	213.4	95.7	689.9	519.4
2 Time deposits	131,828.4	129,368.9	136,790.9	137,372.3	135,898.8	135,377.5	133,295.5	132,927.6
2.1 Local government	163.7	106.4	92.7	69.7	59.8	57.0	56.1	56.1
o/w: Indexed to f/c	152.0	96.3	84.0	62.3	55.5	50.8	49.9	49.8
2.2 Non-financial corporations	14,582.7	10,159.5	11,134.9	10,707.0	8,954.8	9,085.9	8,682.5	8,827.7
o/w: Indexed to f/c	1,030.9	895.1	815.1	556.3	523.4	480.1	473.4	482.9
2.3 Households	111,484.7	115,711.4	121,241.8	123,242.8	123,393.1	123,441.2	121,901.6	121,361.2
o/w: Indexed to f/c	7,007.3	7,037.1	6,995.4	6,799.1	7,145.9	6,946.9	6,837.9	6,777.5
2.4 Other banking institutions	....	....	....	....	....	....	....	....
o/w: Indexed to f/c	....	....	....	....	....	....	....	....
2.5 Non-banking financial institutions	....	....	....	....	....	....	....	....
o/w: Indexed to f/c	....	....	....	....	....	....	....	....
2.6 Non-MMF investment funds	380.5	222.4	72.5	73.8	61.8	64.7	70.3	87.6
o/w: Indexed to f/c	24.0	-	0.2	-	-	-	-	-
2.7 Other financial intermediaries	3,183.2	1,988.9	1,650.7	1,942.7	1,709.4	1,344.0	1,285.5	1,056.1
o/w: Indexed to f/c	131.0	163.9	144.0	163.0	199.9	193.9	197.0	193.6
2.8 Financial auxiliaries	396.3	40.6	482.6	251.1	106.3	88.0	77.0	93.4
o/w: Indexed to f/c	8.9	-	5.0	10.7	4.4	2.3	0.0	1.2
2.9 Insurance corporations and pension funds	1,637.3	1,139.6	2,115.6	1,085.3	1,613.6	1,296.9	1,222.4	1,445.6
o/w: Indexed to f/c	395.4	239.4	270.1	128.4	80.0	76.7	73.6	73.6
<b>Total (1+2)</b>	<b>154,697.9</b>	<b>152,197.1</b>	<b>160,443.7</b>	<b>162,656.3</b>	<b>164,866.6</b>	<b>164,752.2</b>	<b>163,086.2</b>	<b>162,604.0</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

Table D8 Foreign currency deposits with other monetary financial institutions • Up to November 2010, the table shows foreign currency savings and time deposits by other domestic sectors, other banking institutions and non-banking financial institutions. From December 2010 on, the table shows foreign currency savings and time deposits by other domestic sectors, non-MMF investment funds, other financial intermediaries,

financial auxiliaries as well as insurance corporations and pension funds.

Foreign currency savings deposits are all foreign currency sight deposits and foreign currency payment instruments issued, while foreign currency time deposits also include foreign currency notice deposits.

Table D8a Currency composition of time deposits of households and non-financial corporations<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Kuna deposits not indexed to foreign currency	23,045.0	27,507.2	26,115.3	27,763.6	28,526.1	28,651.6	28,215.8	27,857.6
1.1 Deposits of households	15,657.1	17,881.0	19,962.5	21,959.2	22,386.7	22,233.2	22,142.7	22,041.1
1.2 Deposits of non-financial corporations	7,387.8	9,626.2	6,152.8	5,804.4	6,139.4	6,418.4	6,073.1	5,816.5
2 Kuna deposits indexed to foreign currency	8,038.2	7,932.1	7,810.5	7,355.3	7,669.3	7,427.0	7,311.4	7,260.4
2.1 Deposits of households	7,007.3	7,037.1	6,995.4	6,799.1	7,145.9	6,946.9	6,837.9	6,777.5
2.1.1 Indexed to EUR	6,807.8	6,852.9	6,829.8	6,654.1	7,002.2	6,794.3	6,695.1	6,637.3
2.1.2 Indexed to USD	64.4	61.3	55.4	42.7	47.0	44.8	36.9	33.3
2.1.3 Indexed to other currencies	135.1	122.9	110.1	102.3	96.6	107.8	105.9	106.9
2.2 Deposits of non-financial corporations	1,030.9	895.1	815.1	556.3	523.4	480.1	473.4	482.9
2.2.1 Indexed to EUR	1,020.2	888.2	812.7	555.0	520.7	477.2	470.5	480.0
2.2.2 Indexed to USD	9.9	6.2	1.8	0.7	2.3	2.5	2.5	2.5
2.2.3 Indexed to other currencies	0.8	0.7	0.6	0.5	0.4	0.4	0.4	0.4
3 Foreign currency deposits	118,029.2	117,938.7	124,566.3	126,594.5	124,678.5	125,100.0	123,272.8	122,928.5
3.1 Deposits of households	104,477.4	108,674.3	114,246.5	116,443.8	116,247.2	116,494.2	115,063.7	114,583.7
3.1.1 In EUR	97,163.6	98,753.6	103,102.6	105,813.6	105,015.8	103,814.6	102,672.6	102,298.5
3.1.2 In USD	5,316.9	6,447.6	6,967.3	6,943.6	7,728.7	8,941.3	8,653.8	8,610.4
3.1.3 In other currencies	1,996.9	3,473.1	4,176.6	3,686.5	3,502.7	3,738.4	3,737.3	3,674.8
3.2 Deposits of non-financial corporations	13,551.8	9,264.4	10,319.8	10,150.7	8,431.3	8,605.7	8,209.1	8,344.8
3.2.1 In EUR	12,528.8	8,065.1	9,063.1	9,116.7	7,417.8	7,612.3	7,248.5	7,345.8
3.2.2 In USD	901.8	1,042.3	1,071.2	962.5	879.3	908.2	864.8	907.2
3.2.3 In other currencies	121.3	157.0	185.5	71.5	134.2	85.2	95.8	91.8
<b>Total (1+2+3)</b>	<b>149,112.4</b>	<b>153,378.0</b>	<b>158,492.0</b>	<b>161,713.4</b>	<b>160,873.9</b>	<b>161,178.6</b>	<b>158,799.9</b>	<b>158,046.4</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D8a Currency composition of time deposits of households and non-financial corporations** • The table provides a detailed analysis of the time deposits of households and non-financial corporations items in tables D7 and D8, showing separately kuna deposits not indexed to foreign currency, kuna

deposits indexed to foreign currency and foreign currency deposits. Within deposits indexed to foreign currency and foreign currency deposits, separately reported are deposits indexed to/denominated in the euro, the US dollar and other currencies.

Table D8b Maturity composition of time deposits by sectors<sup>a</sup>  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Local government	428.6	375.1	320.9	267.2	277.6	715.0	742.5	753.7
Up to 1 year	276.5	237.8	226.6	190.4	178.0	618.6	647.4	656.6
Over 1 and up to 2 years	28.9	35.3	16.5	12.9	36.8	37.2	36.8	38.8
Over 2 years	123.2	101.9	77.9	63.9	62.8	59.1	58.3	58.4
2 Non-financial corporations	21,970.6	19,785.6	17,287.7	16,511.3	15,094.1	15,504.3	14,755.6	14,644.2
Up to 1 year	17,158.1	14,265.1	12,657.2	13,242.0	11,075.3	11,175.2	10,743.9	10,660.3
Over 1 and up to 2 years	3,460.7	3,991.6	3,280.7	1,989.8	1,987.2	2,342.9	2,614.7	2,471.4
Over 2 years	1,351.8	1,528.9	1,349.8	1,279.6	2,031.6	1,986.3	1,397.0	1,512.5
3 Households	127,141.8	133,592.4	141,204.3	145,202.1	145,779.8	145,674.3	144,044.3	143,402.3
Up to 1 year	77,919.0	77,231.8	81,914.7	73,552.9	65,616.2	64,304.7	63,271.5	62,772.4
Over 1 and up to 2 years	23,228.2	27,752.7	28,108.2	36,602.4	39,749.4	39,812.9	39,302.9	39,070.1
Over 2 years	25,994.6	28,607.9	31,181.4	35,046.8	40,414.2	41,556.6	41,469.9	41,559.7
4 Non-MMF investment funds	552.7	292.0	134.6	124.9	99.3	118.4	145.6	164.6
Up to 1 year	552.7	276.6	131.1	118.0	69.3	83.1	97.3	113.3
Over 1 and up to 2 years	–	–	0.8	0.8	20.0	20.0	20.0	20.6
Over 2 years	–	15.4	2.7	6.1	9.9	15.3	28.4	30.7
5 Other financial intermediaries	3,433.7	2,389.0	2,106.4	2,468.6	2,179.8	1,948.6	1,887.4	1,662.9
Up to 1 year	2,571.2	2,243.1	1,964.0	2,094.6	1,775.9	1,526.7	1,459.5	1,299.7
Over 1 and up to 2 years	853.2	139.4	142.3	374.0	402.8	421.0	427.0	362.3
Over 2 years	9.3	6.5	0.0	–	1.1	0.9	0.9	0.9
6 Financial auxiliaries	1,390.0	808.7	1,027.0	961.1	626.1	694.8	646.5	705.2
Up to 1 year	1,341.7	759.0	830.7	704.6	505.8	524.8	474.4	532.3
Over 1 and up to 2 years	3.6	5.5	152.2	145.3	7.5	58.0	60.5	61.5
Over 2 years	44.7	44.1	44.1	111.3	112.7	112.1	111.6	111.5
7 Insurance corporations and pension funds	3,591.6	3,336.6	4,077.4	2,684.8	4,060.8	3,684.8	3,547.6	3,901.0
Up to 1 year	2,189.8	2,082.3	2,840.9	1,423.3	2,105.1	1,922.5	1,755.3	2,323.8
Over 1 and up to 2 years	676.1	528.0	644.2	717.0	966.7	600.4	603.7	440.4
Over 2 years	725.7	726.4	592.4	544.4	989.0	1,161.9	1,188.6	1,136.7
<b>Total time deposits (1+2+3+4+5+6+7)</b>	<b>158,509.0</b>	<b>160,579.3</b>	<b>166,158.4</b>	<b>168,220.0</b>	<b>168,117.6</b>	<b>168,340.3</b>	<b>165,769.6</b>	<b>165,233.9</b>
Up to 1 year	102,009.0	97,095.7	100,565.2	91,325.8	81,325.5	80,155.6	78,449.2	78,358.3
Over 1 and up to 2 years	28,250.6	32,452.5	32,344.9	39,842.2	43,170.5	43,292.4	43,065.5	42,465.1
Over 2 years	28,249.3	31,031.1	33,248.3	37,052.0	43,621.5	44,892.3	44,254.8	44,410.4

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

Table D8b Maturity composition of time deposits by sectors • The table provides a detailed analysis of the Time deposits item in tables D7 and D8, showing separately time deposits by sectors, with the division according to original maturity of up to one year, over one and up to two years and over two years.

**Table D9 Bonds and money market instruments<sup>a</sup>**  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Money market instruments (net)	-	-	-	-	-	5.0	5.0	5.0
2 Bonds (net)	940.1	1,684.5	1,584.2	1,597.7	1,402.2	1,396.6	1,383.7	1,419.4
3 Other domestic borrowing	48.5	44.2	827.8	397.6	759.2	864.4	631.5	282.9
3.1 Local government	-	-	-	-	-	-	-	-
3.2 Non-financial corporations	0.0	0.0	786.5	317.0	723.1	828.1	595.8	240.1
3.3 Other banking institutions	....	....	....	....	....	....	....	....
3.4 Non-banking financial institutions	....	....	....	....	....	....	....	....
3.5 Non-MMF investment funds	-	-	-	-	-	-	-	2.8
3.6 Other financial intermediaries	48.5	1.6	2.1	1.7	1.2	1.0	1.0	1.0
3.7 Financial auxiliaries	-	16.4	39.2	78.9	34.9	35.3	34.7	39.0
3.8 Insurance corporations and pension funds	-	26.1	-	-	-	-	-	-
<b>Total (1+2+3)</b>	<b>988.6</b>	<b>1,728.7</b>	<b>2,412.0</b>	<b>1,995.3</b>	<b>2,161.3</b>	<b>2,266.0</b>	<b>2,020.1</b>	<b>1,707.2</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

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

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

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

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

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

**Table D10 Foreign liabilities of other monetary financial institutions<sup>a</sup>**  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Foreign liabilities in f/c	61,020.4	69,965.3	58,926.5	54,685.8	51,825.9	51,779.7	51,502.5	52,453.0
1.1 Liabilities to foreign financial institutions	51,070.5	60,081.6	48,548.7	44,540.4	41,706.3	41,359.6	40,870.1	41,823.8
o/w: Indexed to f/c	2,234.8	2,069.6	1,097.3	1,104.1	1,110.6	1,291.1	1,278.1	1,293.8
Subordinated and hybrid instruments	3,029.2	3,271.9	3,239.8	3,045.0	3,119.9	3,525.4	3,496.5	3,888.6
Demand deposits	203.4	180.4	179.1	276.2	457.6	903.0	766.1	801.2
Time and notice deposits	21,525.3	28,430.5	17,377.5	18,771.8	16,925.3	17,656.7	17,856.5	18,807.9
Loans and advances	26,312.6	28,198.8	27,752.2	22,447.4	21,203.5	19,274.5	18,751.1	18,326.2
Bonds	-	-	-	-	-	-	-	-
1.2 Liabilities to foreign non-financial institutions	9,949.9	9,883.7	10,377.8	10,145.3	10,119.5	10,420.2	10,632.4	10,629.1
o/w: Indexed to f/c	29.8	23.9	23.1	21.4	22.3	23.4	23.2	23.2
Subordinated and hybrid instruments	11.1	14.8	13.9	10.4	5.7	6.7	6.6	6.6
Savings and time deposits	9,934.8	9,866.5	10,211.8	9,829.4	10,113.8	10,413.5	10,625.8	10,622.5
Savings deposits	1,421.3	1,398.5	1,606.5	1,725.8	2,072.4	2,338.6	2,341.8	2,385.1
Time and notice deposits	8,513.5	8,468.0	8,605.3	8,103.6	8,041.4	8,074.9	8,284.0	8,237.4
Loans and advances	4.1	2.5	152.1	305.5	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
2 Foreign liabilities in kuna	21,078.9	20,523.6	14,900.6	15,035.8	10,502.3	10,767.1	10,820.7	10,876.7
2.1 Liabilities to foreign financial institutions	20,731.1	20,024.2	14,317.8	14,476.6	9,814.3	10,065.0	10,098.5	10,058.8
Subordinated and hybrid instruments	36.3	48.5	41.3	36.3	-	-	-	-
Demand deposits	696.5	655.3	724.4	924.6	1,650.3	1,321.4	1,931.0	1,842.3
Time and notice deposits	14,664.0	15,463.5	11,398.4	9,806.1	7,728.7	8,339.7	7,773.7	7,772.9
Loans and advances	5,257.8	3,736.6	1,996.7	3,362.7	113.5	82.7	73.4	123.2
Bonds	76.5	-	30.9	0.0	0.0	-	-	-
MMFs shares/units	....	120.3	126.1	346.9	321.8	321.2	320.5	320.5
2.2 Liabilities to foreign non-financial institutions	347.8	499.4	582.8	559.2	688.0	702.1	722.2	817.9
Subordinated and hybrid instruments	8.5	10.2	10.3	10.3	10.3	10.3	10.3	10.3
Demand deposits	221.7	327.7	364.8	326.1	437.8	445.4	455.0	501.2
Time and notice deposits	117.2	141.2	181.9	191.1	203.5	213.6	217.0	268.7
Loans and advances	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	-	-	-	-	-	-	-	-
MMFs shares/units	....	20.3	25.8	31.8	36.5	32.8	39.9	37.7
<b>Total (1+2)</b>	<b>82,099.3</b>	<b>90,488.9</b>	<b>73,827.0</b>	<b>69,721.5</b>	<b>62,328.2</b>	<b>62,546.8</b>	<b>62,323.3</b>	<b>63,329.6</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D10 Foreign liabilities of other monetary financial institutions** • The table shows other monetary financial institutions' total foreign currency and kuna liabilities to foreign legal and natural persons, with the exception of restricted kuna and foreign currency deposits by foreign legal and natural persons.

Foreign liabilities of other monetary financial institutions comprise foreign currency liabilities and foreign kuna liabilities.

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

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

In March 2013, data on item Loans have been revised to exclude data related to subordinated and hybrid instruments. Item "o/w: Subordinated and hybrid instruments", which was up to March 2013 reported under Loans and advances, has been reclassified accordingly. It is now reported as a separate item and includes all instruments on the liability side having the features of a subordinated or hybrid instrument.

**Table D11 Deposits of the central government and social security funds with other monetary financial institutions<sup>a</sup>**  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 In kuna	8,329.8	8,095.5	9,128.0	8,759.0	9,003.5	9,168.5	9,335.9	8,754.9
1.1 Central government deposits	8,329.5	8,094.9	9,128.0	8,722.1	9,002.3	9,167.2	9,334.4	8,753.3
Demand deposits	1,592.5	1,997.0	2,040.7	2,258.0	2,385.2	2,630.1	2,723.0	2,650.5
Savings deposits	0.1	0.1	19.8	31.6	30.9	56.9	50.8	43.4
Time and notice deposits	1,228.2	984.0	833.5	942.6	740.4	863.0	981.7	841.8
Loans and advances	5,508.8	5,113.8	6,233.9	5,490.0	5,845.9	5,617.2	5,578.9	5,217.7
1.2 Deposits of social security funds	0.3	0.6	0.0	36.9	1.1	1.3	1.5	1.6
Demand deposits	0.3	0.6	0.0	36.9	1.1	1.3	1.5	1.6
Savings deposits	-	-	-	-	-	-	-	-
Time and notice deposits	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-
2 In f/c	13,863.9	12,436.9	11,486.7	10,133.1	10,176.6	9,517.1	8,951.7	9,574.3
2.1 Central government deposits	13,828.3	12,394.0	11,442.0	10,099.4	10,162.2	9,494.1	8,924.3	9,547.9
Savings deposits	1,169.6	811.0	1,826.2	864.6	1,258.6	1,141.1	797.8	1,087.1
Time and notice deposits	1,909.6	1,671.6	495.0	505.9	773.5	514.8	620.9	685.9
Refinanced loans and advances	10,749.2	9,911.4	9,120.7	8,728.8	8,130.1	7,838.2	7,505.6	7,774.9
2.2 Deposits of social security funds	35.6	42.9	44.7	33.6	14.4	23.0	27.4	26.4
Savings deposits	24.3	31.3	33.0	23.8	5.2	14.3	18.9	17.9
Time and notice deposits	11.2	11.6	11.8	9.9	9.2	8.6	8.5	8.5
Loans and advances	-	-	-	-	-	-	-	-
<b>Total (1+2)</b>	<b>22,193.7</b>	<b>20,532.4</b>	<b>20,614.7</b>	<b>18,892.0</b>	<b>19,180.1</b>	<b>18,685.5</b>	<b>18,287.6</b>	<b>18,329.1</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

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

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

**Table D12 Restricted and blocked deposits with other monetary financial institutions<sup>a</sup>**  
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		
						Mar.	Apr.	May
1 Restricted deposits	2,374.9	3,183.9	2,413.9	2,735.9	3,076.0	3,416.9	3,382.4	3,566.9
1.1 In kuna	1,257.5	1,571.4	1,428.7	1,707.1	2,032.1	2,046.6	2,156.8	2,241.4
1.2 In f/c	1,117.4	1,612.5	985.2	1,028.9	1,043.9	1,370.3	1,225.7	1,325.5
2 Blocked f/c deposits of households	-	-	-	-	-	-	-	-
<b>Total (1+2)</b>	<b>2,374.9</b>	<b>3,183.9</b>	<b>2,413.9</b>	<b>2,735.9</b>	<b>3,076.0</b>	<b>3,416.9</b>	<b>3,382.4</b>	<b>3,566.9</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include kuna items indexed to foreign currency, and starting from June 2006, kuna items indexed to foreign currency are reclassified to foreign exchange positions. From December 2011 onwards, data also include money market funds.

**Table D12 Restricted and blocked deposits with other monetary financial institutions** • The table shows households' restricted (kuna and foreign currency) deposits and blocked deposits. Blocked foreign currency deposits include households'

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

## E Non-MMF investment funds

Table E1: Aggregated balance sheet of investment funds<sup>a</sup>

end-of-period balance and transactions during the period, in million HRK

	2011	2012	2013	2014	2015			
	Dec.	Dec.	Dec.	Dec.	Jan.	Feb.	Mar.	Apr.
<b>ASSETS</b>								
1 Deposits and loans given	552.3	478.3	486.9	745.0	872.8	743.6	663.7	777.8
1.1 Domestic sectors	551.5	478.0	485.2	744.6	872.4	743.1	663.3	775.9
o/w: MMFs	522.8	448.4	460.4	552.8	652.3	570.5	545.8	587.1
1.2 Rest of the world	0.8	0.3	1.7	0.4	0.4	0.4	0.3	1.9
2 Investment in debt securities	1,526.4	979.4	841.1	1,511.2	1,527.9	1,688.2	1,987.4	2,039.9
2.1 Domestic sectors	970.0	574.1	635.9	1,321.2	1,334.4	1,507.6	1,737.3	1,802.5
o/w: Non-financial corporations	564.7	267.8	141.9	123.6	132.6	172.8	181.3	185.1
o/w: Financial corporations	27.3	16.1	4.6	6.2	4.6	4.6	4.4	5.6
o/w: General government	378.1	290.2	489.3	1,191.4	1,197.2	1,330.2	1,551.6	1,611.9
2 Rest of the world	556.4	405.3	205.3	190.0	193.6	180.5	250.1	237.4
o/w: Non-financial corporations	88.0	110.2	127.0	62.0	68.3	71.3	72.2	66.4
o/w: Financial corporations	19.5	56.4	32.0	5.3	5.8	6.3	6.3	6.3
o/w: General government	448.9	238.6	46.3	122.7	119.5	102.9	171.6	164.8
3 Investment in equities and other share capital	4,357.4	4,208.7	4,028.9	4,385.5	4,514.0	4,638.7	4,700.3	4,816.0
3.1 Domestic sectors	2,260.9	2,388.4	2,285.1	2,734.5	2,774.1	2,782.6	2,750.1	2,813.5
o/w: Non-financial corporations	1,898.2	2,079.8	2,005.8	2,491.5	2,513.2	2,523.7	2,500.8	2,567.0
o/w: Financial corporations	362.7	308.7	279.3	242.9	260.9	259.0	249.3	246.5
3.2 Rest of the world	2,096.5	1,820.2	1,743.8	1,651.1	1,739.9	1,856.1	1,950.2	2,002.5
o/w: Non-financial corporations	1,548.4	1,332.2	1,342.4	1,250.5	1,301.0	1,342.6	1,372.3	1,396.0
o/w: Financial corporations	548.1	488.0	401.4	400.6	439.0	513.4	578.0	606.5
4 Non-financial assets	289.0	206.0	121.3	115.0	115.0	105.7	105.6	105.5
5 Other assets (including financial derivatives)	160.2	205.1	128.3	131.2	155.5	238.4	223.8	253.8
<b>Total (1+2+3+4+5)</b>	<b>6,885.2</b>	<b>6,077.5</b>	<b>5,606.5</b>	<b>6,887.8</b>	<b>7,185.2</b>	<b>7,414.4</b>	<b>7,680.8</b>	<b>7,993.1</b>
<b>LIABILITIES</b>								
1 Deposits and liabilities received	36.4	22.3	44.7	182.2	249.5	191.2	164.9	222.6
2 Investment funds' shares/units issued	6,708.6	5,943.2	5,321.9	6,433.6	6,616.0	6,824.7	7,114.7	7,357.5
2.1 Domestic sectors	6,498.9	5,721.8	5,132.9	6,245.1	6,425.0	6,629.6	6,926.5	7,161.2
o/w: Non-financial corporations	425.7	381.7	319.0	492.4	513.1	515.1	534.4	522.6
o/w: Financial corporations	2,000.2	1,608.4	1,311.9	1,424.4	1,445.1	1,486.6	1,484.1	1,534.8
o/w: Households	2,901.1	2,424.2	2,176.3	2,699.3	2,813.6	2,957.3	3,247.5	3,390.6
2.2 Rest of the world	209.7	221.4	189.0	188.5	191.1	195.1	188.2	196.3
o/w: Non-financial corporations	47.8	37.2	7.1	8.2	8.2	8.4	1.9	1.9
o/w: Financial corporations	80.6	117.2	110.9	89.3	90.6	89.0	89.2	90.7
o/w: Households	77.1	66.9	67.3	90.9	92.3	97.8	97.2	103.7
3 Other liabilities (including financial derivatives)	140.2	112.0	239.9	272.1	319.7	398.6	401.2	413.0
<b>Total (1+ 2+ 3)</b>	<b>6,885.2</b>	<b>6,077.5</b>	<b>5,606.5</b>	<b>6,887.8</b>	<b>7,185.2</b>	<b>7,414.4</b>	<b>7,680.8</b>	<b>7,993.1</b>
<b>TRANSACTIONS</b>								
<b>ASSETS</b>								
1 Deposits and loans given	–	62.2	75.4	40.0	122.3	–130.0	–79.1	116.6
1.1 Domestic sectors	–	62.1	74.0	40.0	122.3	–130.0	–79.0	115.0
o/w: MMFs	–	55.1	71.9	–105.5	93.7	–82.3	–23.9	43.6
1.2 Rest of the world	–	0.1	1.4	0.0	0.0	0.0	–0.1	1.6
2 Investment in debt securities	–	–82.6	–56.9	143.2	–24.5	150.5	289.6	69.1
2.1 Domestic sectors	–	–115.1	–22.8	126.1	–19.3	166.8	223.2	78.9
o/w: Non-financial corporations	–	–52.9	–28.0	1.6	7.4	39.1	7.1	5.8
o/w: Financial corporations	–	–4.7	0.0	0.0	–1.7	0.0	–0.3	1.2
o/w: General government	–	–57.5	5.2	124.4	–25.1	127.6	216.4	71.9

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015			
					Jan.	Feb.	Mar.	Apr.
2 Rest of the world	–	32.5	–34.1	17.1	–5.2	–16.3	66.4	–9.8
o/w: Non-financial corporations	–	11.0	–8.8	0.1	5.2	1.1	–1.4	–5.9
o/w: Financial corporations	–	–5.0	–5.3	0.6	0.4	0.4	0.0	0.0
o/w: General government	–	26.6	–20.0	16.4	–10.8	–17.8	67.8	–3.9
3 Investment in equities and other share capital	–	–69.9	6.7	48.8	45.0	40.5	61.3	20.5
3.1 Domestic sectors	–	–13.4	56.1	135.0	24.2	14.2	–18.4	2.2
o/w: Non-financial corporations	–	5.8	68.0	119.0	7.4	20.0	–7.8	3.6
o/w: Financial corporations	–	–19.1	–12.0	16.0	16.8	–5.8	–10.6	–1.3
3.2 Rest of the world	–	–56.6	–49.4	–86.2	20.8	26.3	79.7	18.3
o/w: Non-financial corporations	–	–49.1	–26.2	–71.8	0.3	–26.9	22.0	–11.6
o/w: Financial corporations	–	–7.5	–23.2	–14.5	20.4	53.2	57.7	29.9
4 Non-financial assets	–	–8.5	0.0	0.0	0.0	–9.4	–0.1	–0.1
5 Other assets (including financial derivatives)	–	–53.1	–22.4	–38.9	20.9	79.4	–21.5	18.8
<b>Total (1+2+3+4+5)</b>	<b>–</b>	<b>–151.9</b>	<b>2.8</b>	<b>193.0</b>	<b>163.6</b>	<b>131.0</b>	<b>250.2</b>	<b>224.9</b>
<b>LIABILITIES</b>								
1 Deposits and loans received	–	–31.2	–6.0	131.8	67.3	–58.4	–26.0	58.4
2 Investment funds' shares/units issued	–	–74.6	43.2	102.7	53.2	112.3	277.7	156.0
2.1 Domestic sectors	–	–69.8	52.1	101.8	55.1	109.1	282.8	149.8
o/w: Non-financial corporations	–	0.0	21.4	3.1	17.3	–0.1	17.0	–11.9
o/w: Financial corporations	–	–18.5	–2.8	–5.0	–2.2	22.0	–11.1	36.5
o/w: General government	–	–47.4	–14.0	98.7	46.8	90.7	265.5	129.0
2.2 Rest of the world	–	–4.8	–8.9	0.9	–1.8	3.2	–5.2	6.3
o/w: Non-financial corporations	–	–3.0	–2.0	–0.1	0.0	0.3	–6.5	0.0
o/w: Financial corporations	–	–0.9	–5.2	–1.2	–0.9	–1.8	0.7	0.4
o/w: Households	–	–0.9	–1.7	2.1	–1.0	4.7	0.7	5.9
3 Other liabilities (including financial derivatives)	–	–46.2	–34.4	–41.4	43.2	77.0	–1.6	10.5
<b>Total (1+ 2+ 3)</b>	<b>–</b>	<b>–151.9</b>	<b>2.8</b>	<b>193.0</b>	<b>163.6</b>	<b>131.0</b>	<b>250.2</b>	<b>224.9</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. The CBRD is reclassified from the sector other financial intermediaries to the sector central government.

#### Table E1: Aggregated balance sheet of investment funds

• The table shows data on claims and liabilities of investment funds (except money market funds which are aggregated in the credit institutions' balance sheet) and monthly net transactions for each asset and liability position. Data are reported on an aggregate basis, which means that investment funds' assets

also include the funds' investments in other investment funds' shares/units.

The balances and net transactions of financially significant positions of assets and liabilities are shown separately for resident and non-resident counterparties and according to the counterparty's classification into a specific economic sector.

Table E2: Investment funds' shares/units issued by type of investment and type of fund<sup>a</sup>  
end-of-period balance and transactions during the period, in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015			
					Jan.	Feb.	Mar.	Apr.
<b>Investment funds' shares/units issued by type of investment</b>								
1 Bonds	814.4	542.3	394.0	911.1	1,007.9	1,082.8	1,207.0	1,293.5
2 Equities	3,634.2	3,406.3	3,274.5	3,209.4	3,242.6	3,263.5	3,284.6	3,392.9
3 Mixed	1,454.2	1,170.7	866.9	931.6	979.8	1,063.9	1,152.7	1,199.7
4 Real estate	404.0	295.7	128.1	118.8	118.7	115.7	115.5	115.2
5 Others	401.8	528.2	658.4	1,262.7	1,267.0	1,298.8	1,355.0	1,356.1
<b>Total (1+2+3+4+5)</b>	<b>6,708.6</b>	<b>5,943.2</b>	<b>5,321.9</b>	<b>6,433.6</b>	<b>6,616.0</b>	<b>6,824.7</b>	<b>7,114.7</b>	<b>7,357.5</b>
<b>Investment funds' shares/units issued by type of fund</b>								
1 Open-ended	5,090.8	4,365.9	3,939.0	4,971.4	5,136.0	5,325.4	5,629.2	5,826.2
2 Closed-ended	1,617.9	1,577.3	1,382.9	1,462.2	1,480.1	1,499.3	1,485.5	1,531.4
<b>Total (1+2)</b>	<b>6,708.6</b>	<b>5,943.2</b>	<b>5,321.9</b>	<b>6,433.6</b>	<b>6,616.0</b>	<b>6,824.7</b>	<b>7,114.7</b>	<b>7,357.5</b>
<b>Transactions</b>								
<b>Investment funds' shares/units issued by type of investment</b>								
1 Bonds	–	–10.8	–18.5	35.7	67.8	70.0	117.5	92.4
2 Equities	–	–18.6	–31.1	5.7	–39.7	–44.7	25.7	7.1
3 Mixed	–	–36.0	–9.0	63.5	24.8	61.9	80.5	49.6
4 Real estate	–	–9.9	–3.2	–0.2	–0.1	–3.0	–0.2	–0.2
5 Others	–	0.8	105.0	–2.0	0.5	28.3	54.2	7.3
<b>Total (1+2+3+4+5)</b>	<b>–</b>	<b>–74.6</b>	<b>43.2</b>	<b>102.7</b>	<b>53.2</b>	<b>112.3</b>	<b>277.7</b>	<b>156.0</b>
<b>Investment funds' shares/units issued by type of fund</b>								
1 Open-ended	–	–60.3	42.3	97.8	61.7	110.2	276.1	170.6
2 Closed-ended	–	–14.3	0.8	4.9	–8.5	2.2	1.6	–14.6
<b>Total (1+2)</b>	<b>–</b>	<b>–74.6</b>	<b>43.2</b>	<b>102.7</b>	<b>53.2</b>	<b>112.3</b>	<b>277.7</b>	<b>156.0</b>

<sup>a</sup> From December 2010 onwards, data are harmonised with the ESA 2010 methodology. The CBRD is reclassified from the sector other financial intermediaries to the sector central government.

Table E2: Investment funds' shares/units issued by type of investment and type of fund • The table reports a detailed structure of the investment funds' shares/units issued (except MMFs which are aggregated in the credit institutions' balance sheet) by the type of investment and the type of fund.

The type of investment implies the fund's investment policy given in the prospectus, predominantly in bonds, equities, a combination of bonds and equities (mixed funds), real estate and other types of investment (hedge funds), venture capital

funds, and others). By the type of fund, we distinguish between open-ended and closed-ended funds. The shares/units in an open-ended investment fund are purchased, directly or indirectly, at the request of the holder of the share/unit from the investment fund's assets. The shares/units in a closed-ended fund, established in the form of a stock company or a limited liability company, cannot be purchased from the closed-ended fund's assets at holder's request.

## F Monetary policy instruments and liquidity

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

Year	Month	CNB discount rate	CNB repo rate <sup>a</sup>	Credit rates					
				On Lombard credits <sup>b</sup>	On intervention credits	On intra-day refinance facility <sup>b</sup>	On short-term liquidity credits	On inaccurately calculated statutory reserves <sup>b</sup>	On arrears
1	2	3	4	5	6	7	8	9	10
2001	December	5.90	–	10.00	–	–	11.00	15.00	18.00
2002	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2003	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2004	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2005	December	4.50	3.50	7.50 <sup>c</sup>	–	–	8.50 <sup>c</sup>	15.00	15.00
2006	December	4.50	3.50	7.50	–	–	8.50	15.00	15.00
2007	December	9.00 <sup>d</sup>	4.06	7.50	–	–	8.50	15.00	15.00
2008	December	9.00	6.00	9.00	–	–	10.00	15.00	14.00
2009	December	9.00	–	9.00	–	–	10.00	15.00	14.00
2010	December	9.00	–	9.00	–	–	10.00	15.00	14.00
2011	December	7.00	–	6.25	–	–	7.25	15.00	12.00
2012	December	7.00	–	6.25	–	–	7.25	14.50	12.00
2013	December	7.00	–	5.00 <sup>e</sup>	–	–	6.00 <sup>e</sup>	12.00 <sup>e</sup>	12.00
2014	June	7.00	–	5.00	–	–	6.00	12.00	12.00
	July	7.00	–	5.00	–	–	6.00	12.00	12.00
	August	7.00	–	5.00	–	–	6.00	12.00	12.00
	September	7.00	–	5.00	–	–	6.00	12.00	12.00
	October	7.00	–	5.00	–	–	6.00	12.00	12.00
	November	7.00	–	5.00	–	–	6.00	12.00	12.00
	December	7.00	–	5.00	–	–	6.00	12.00	12.00
2015	January	7.00	–	5.00	–	–	6.00	12.00	12.00
	February	7.00	–	5.00	–	–	6.00	12.00	12.00
	March	7.00	–	5.00	–	–	6.00	12.00	12.00
	April	7.00	–	5.00	–	–	6.00	12.00	12.00
	May	7.00	–	5.00	–	–	6.00	12.00	12.00

<sup>a</sup> Weighted averages of weighted repo rates achieved at regular reverse repo auctions of the CNB in the reporting month. <sup>b</sup> Breaks in the series of data are explained in notes on methodology. <sup>c</sup> Since 14 December 2005. <sup>d</sup> Since 31 December 2007. <sup>e</sup> Since 7 December 2013.

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

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

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

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

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

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

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

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

Year	Month	Interest rates on statutory reserves dep. with the CNB	Interest rates on CNB bills on an obligatory basis	Interest rates on CNB bills on a voluntary basis <sup>a</sup>				Interest rates on f/c CNB bills on a voluntary basis					Interest rates on overnight deposits
				Due in 7 days	Due in 35 days	Due in 70 days	Due in 105 days	Due in 35 days	Due in 63 days	Due in 91 days	Due in 182 days	Due in 364 days	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
2001	December	2.00	–	–	3.36	4.26	4.85	–	2.62	3.06	–	–	–
2002	December	1.75	–	–	2.08	–	–	2.30	2.68	–	–	–	–
2003	December	1.25	0.50	–	–	–	–	1.75	1.48	–	–	–	–
2004	December	1.25	–	–	–	–	–	–	–	–	–	–	–
2005	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2006	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2007	December	0.75	0.75	–	–	–	–	–	–	–	–	–	0.50
2008	December	0.75	0.25	–	–	–	–	–	–	–	–	–	0.50
2009	December	0.75	0.25	–	–	–	–	–	–	–	–	–	0.50
2010	December	0.75	–	–	–	–	–	–	–	–	–	–	0.50
2011	December	0.00	–	–	–	–	–	–	–	–	–	–	0.25
2012	December	0.00	–	–	–	–	–	–	–	–	–	–	0.25
2013	December	0.00	–	–	–	–	–	–	–	–	–	–	0.00
2014	June	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	July	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	August	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	September	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	October	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	November	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	December	0.00	–	–	–	–	–	–	–	–	–	–	0.00
2015	January	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	February	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	March	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	April	0.00	–	–	–	–	–	–	–	–	–	–	0.00
	May	0.00	–	–	–	–	–	–	–	–	–	–	0.00

<sup>a</sup> Breaks in the series of data are explained in notes on methodology.

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

Interest rates paid by the CNB for appropriated statutory reserve funds are set by a decision of the Council of the Croatian National Bank. Until April 2005, the appropriated statutory reserve funds included the calculated statutory reserve funds that were deposit in a special statutory reserve account with the CNB, or maintained (in average) in banks' settlement accounts, or deposited in a special account with the CNB for the settlement of net positions in the National Clearing System (NCS). From April 2005, they include the calculated statutory reserve funds allocated to a special statutory reserve account with the CNB. From March 2011 on, the CNB pays no remuneration on the reserve requirement funds (column 3).

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

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

From April 1998 on, columns 9 through 13 report the weighted average interest rates on CNB bills on a voluntary basis in EUR and USD (until December 1998, in DEM and USD)

attained at CNB bills' auctions as a weighted average of subscribed amounts in those two currencies.

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

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

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

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

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

Table F3 Banks' reserve requirements

daily averages and percentages, in million HRK and %

Year	Month	Weighted average res. requirement in % on res. base	Reserve requirement (RR)			Other obligatory deposits with the CNB	Statutory reserves deposited with the CNB		Weighted avg. remuneration rate on immobilised funds in kuna	Weighted avg. remuneration rate on allocated funds in f/c
			Total	In kuna	In f/c		In kuna	In f/c		
1	2	3	4 = 5 + 6	5	6	7	8	9	10	11
2001	December	19.67	21,187.1	8,691.5	12,495.5	–	6,287.8	5,950.0	1.97	2.73
2002	December	19.00	25,985.1	11,447.1	14,538.0	–	8,156.7	7,139.9	1.72	2.16
2003	December	19.00	31,009.4	18,023.8	12,985.6	109.4	12,459.8	6,850.2	1.17	1.47
2004	December	18.00	33,615.7	20,040.9	13,574.8	430.1	14,664.1	10,171.3	1.22	1.36
2005	December	18.00	37,424.5	24,997.9	12,426.6	3,940.2	17,497.7	9,271.4	0.52	0.92
2006	December	17.00	40,736.4	28,966.1	11,770.4	7,332.5	20,257.0	8,780.9	0.52	1.06
2007	December	17.00	44,465.9	31,809.1	12,656.8	6,641.1	22,266.4	9,203.5	0.53	1.29
2008	December	14.87	41,474.4	29,179.7	12,294.7	461.9	20,425.8	8,807.0	0.52	0.81
2009	December	14.00	40,423.5	33,693.7	6,729.8	30.9	23,585.6	4,898.0	0.52	–
2010	December	13.00	38,990.6	32,374.8	6,615.8	–	22,662.4	4,736.7	0.52	–
2011	December	14.00	44,443.2	36,936.6	7,506.7	–	25,654.6	5,437.9	–	–
2012	December	13.50	42,272.1	35,107.8	7,164.3	–	24,575.4	5,120.7	–	–
2013	December	12.48	39,283.2	32,733.2	6,550.0	2,655.2	22,913.3	4,605.3	–	–
2014	June	12.00	37,388.1	31,159.7	6,228.4	3,349.6	21,811.8	4,397.9	–	–
	July	12.00	37,324.0	31,135.6	6,188.4	3,424.0	21,794.9	4,367.1	–	–
	August	12.00	37,080.6	30,940.2	6,140.4	3,634.0	21,658.7	4,316.3	–	–
	September	12.00	37,393.9	31,214.2	6,179.8	3,381.1	21,850.9	4,321.3	–	–
	October	12.00	37,828.2	31,592.2	6,236.0	3,493.2	22,115.7	4,346.2	–	–
	November	12.00	37,816.0	31,568.6	6,247.3	3,545.7	22,098.4	3,969.3	–	–
	December	12.00	37,589.8	31,351.3	6,238.5	3,568.0	21,945.9	3,743.1	–	–
2015	January	12.00	37,488.3	31,259.6	6,228.6	3,164.1	21,881.7	3,737.2	–	–
	February	12.00	37,514.0	31,246.7	6,267.2	2,960.5	21,872.7	3,760.3	–	–
	March	12.00	37,578.0	31,253.8	6,324.1	2,815.7	21,877.7	3,794.5	–	–
	April	12.00	37,455.7	31,177.4	6,278.3	2,762.4	21,824.2	3,767.0	–	–
	May	12.00	37,307.2	31,089.6	6,217.6	3,100.8	21,762.7	3,730.6	–	–

reserve requirements in kuna and in foreign currency were unified, i.e. reserve requirements rate, periods for calculating, allocating and maintaining reserve requirements were unified, as well as a minimum percentage of the total reserve requirements deposited with the Croatian National Bank. From September 2001 on, column 5 includes also the f/c component of reserve requirements that is set aside/maintained in kuna.

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

Column 7 shows the total amount of other obligatory deposits with the CNB, including CNB bills on an obligatory basis, those CNB bills on a voluntary basis used by banks to maintain the prescribed minimal liquidity (LAR), special statutory

reserves until July 1995, special reserve requirement on liabilities arising from issued securities from March 2006 to February 2009, statutory reserves on f/c deposits, f/c credits from foreign banks and guarantees for such credits and marginal reserve requirement (from August 2004 to October 2008).

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

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

Column 10 shows the weighted average remuneration rate on all forms of immobilised kuna funds which include reserve requirements and other obligatory deposits with the CNB. From March 2011 on, the CNB pays no remuneration on the reserve requirement funds.

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
2001	December	794.4	17,247.4	3.23	2.6	2,656.2	2,630.8	3,360.9
2002	December	1,225.0	10,398.0	3.53	0.6	4,965.5	1,273.9	4,279.5
2003	December	451.6	20,561.4	0.98	501.6	–	4,316.0	3,073.2
2004	December	1,495.5	26,126.1	2.64	0.0	–	–	4,581.7
2005	December	672.5	20,493.4	0.96	0.2	–	–	4,163.3
2006	December	840.8	20,239.1	0.83	–	–	–	5,993.7
2007	December	1,161.5	30,412.6	1.03	330.4	–	–	4,449.4
2008	December	1,168.7	28,101.4	1.03	289.1	–	–	6,171.2
2009	December	880.0	24,885.6	0.91	–	–	–	4,776.6
2010	December	407.1	30,511.9	0.42	–	–	–	5,705.9
2011	December	333.0	15,693.8	0.32	97.3	–	–	8,157.7
2012	December	612.4	5,113.4	0.61	–	–	–	8,010.0
2013	December	5,390.9	4,944.6	5.14	2.3	–	–	12,495.7
2014	June	6,748.9	5,742.6	6.49	–	–	–	14,214.4
	July	5,333.0	6,931.0	5.09	–	–	–	14,492.4
	August	4,419.8	8,174.2	4.24	–	–	–	14,618.7
	September	4,553.9	8,891.0	4.31	–	–	–	14,519.7
	October	5,074.8	9,183.0	4.73	–	–	–	14,541.9
	November	5,643.8	8,460.8	5.28	–	–	–	14,724.5
	December	5,970.3	7,473.8	5.67	–	–	–	14,588.2
2015	January	6,143.9	7,220.2	5.86	–	–	–	14,382.8
	February	5,157.4	6,951.6	4.97	–	–	–	13,794.1
	March	7,451.8	6,586.9	7.28	–	–	–	13,129.3
	April	8,643.9	6,085.0	8.40	–	–	–	13,109.4
	May	7,601.3	5,713.6	7.33	–	–	–	13,279.8

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** • 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 G1a Credit institutions' interest rates on kuna deposits not indexed to foreign currency (new business)**  
weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May
					Mar.	Apr.	
					Interest rate		
<b>1 Households</b>							
1.1 Overnight deposits	0.25	0.24	0.22	0.20	0.20	0.20	21,964.4
o/w: Transaction accounts	0.20	0.19	0.16	0.13	0.12	0.12	20,225.8
o/w: Savings deposits	0.68	0.70	0.87	1.03	1.07	1.09	1,723.2
1.2 Time deposits	3.75	3.43	2.89	2.43	2.37	2.33	2,020.1
1.2.1 Up to 3 months	3.17	2.39	2.12	1.66	1.69	1.59	601.2
1.2.2 Over 3 and up to 6 months	3.76	3.53	2.84	2.43	2.30	2.26	366.8
1.2.3 Over 6 months and up to 1 year	4.06	3.91	3.25	2.68	2.63	2.63	640.0
1.2.4 Over 1 and up to 2 years	4.42	4.43	3.64	3.13	3.01	3.01	302.7
1.2.5 Over 2 years	4.78	4.32	3.82	3.14	3.00	3.34	109.4
1.3 Deposits redeemable at notice	2.86	–	–	–	–	–	–
1.3.1 Up to 3 months	2.86	–	–	–	–	–	–
1.3.2 Over 3 months	–	–	–	–	–	–	–
<b>2 Non-financial corporations</b>							
2.1 Overnight deposits	0.64	0.60	0.43	0.32	0.28	0.27	19,328.9
o/w: Transaction accounts	0.59	0.56	0.39	0.31	0.27	0.25	18,947.1
o/w: Savings deposits	2.46	2.21	1.40	1.00	1.25	1.13	381.7
2.2 Time deposits	3.03	2.68	1.77	1.84	1.37	1.45	1,017.9
2.2.1 Up to 3 months	2.79	2.05	1.17	1.08	0.98	0.92	736.9
2.2.2 Over 3 and up to 6 months	4.91	3.63	2.37	1.73	1.75	1.71	93.9
2.2.3 Over 6 months and up to 1 year	4.98	3.95	3.20	2.25	2.04	2.06	151.3
2.2.4 Over 1 and up to 2 years	2.92	3.89	3.26	3.05	2.22	2.54	28.0
2.2.5 Over 2 years	3.96	4.87	2.13	2.70	2.61	0.86	7.8
<b>3 Repos</b>	–	0.43	–	0.13	0.12	0.05	240.1

**Tables G1 •** The tables contain the weighted monthly averages of credit institutions' interest rates and total volumes of new deposit business of credit institutions in the reporting month, in particular for kuna deposits not indexed to f/c, for kuna deposits indexed to f/c and for foreign currency deposits. Deposits in tables G1a through G1c are further broken down to deposits placed by households and non-financial corporations, by instrument, the classification by maturity and by the currency of indexation or by the currency, depending on the presentation format in the individual table.

In principle, the basis for the calculation of the weighted averages for deposits includes the amounts received during the reporting month (new business), while for overnight deposits the basis for the calculation of the weighted averages includes the end-of-month book balances.

New business includes newly received deposits during the reporting month, defined as any new agreement between the customer and the reporting institution. This means that they cover all financial contracts that specify for the first time the interest rate of the deposit, and all renegotiations of the terms and conditions of the existing deposit contracts.

When the terms and conditions of the existing contracts are being renegotiated, the active involvement of the customer in the renegotiations is essential, while any automatic changes to the terms and conditions of the contract by the reporting institution

are not considered new business.

Kuna and foreign currency deposits, which serve as a deposit for the granting of loans, are covered by the data in the table.

Short-term deposits are deposits with original maturity of up to and including one year, while long-term deposits are deposits with original maturity exceeding one year.

Overnight deposits are broken down to transaction accounts and savings deposits. Transaction account is the account through which an account holder in the reporting institution settles his payables and through which he collects his receivables.

The reporting institution uses this instrument only for the presentation of cash funds in accounts with the credit balance. Transaction account is the account opened with a reporting institution on the basis of a contract on the opening of such an account. This item includes restricted deposits, or different temporary (restricted) deposits which, for a specific purpose, can be transferred from current and giro accounts (e.g. funds set aside pursuant to a court's order, funds for international payments, funds for the purchase of foreign currency and purchase of securities, brokerage and custodial-based deposits, coverage for letters of credit, etc.). Savings deposits are deposits without a predetermined date of maturity or period of notice, which the depositor cannot debit by issuing a cashless payment order. Such accounts are primarily intended for savings.

Time deposits are deposits the use of which the depositor

**Table G1b Credit institutions' interest rates on kuna deposits indexed to foreign currency (new business)**  
weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Households</b>								
1.1 Overnight deposits	3.22	3.20	3.21	3.36	2.14	2.16	2.34	2.9
o/w: Transaction accounts	1.80	2.02	3.96	2.84	2.84	2.00	2.00	0.0
o/w: Savings deposits	3.22	3.21	3.21	3.36	2.13	2.16	2.34	2.9
1.2 Time deposits	3.19	2.87	3.48	2.52	2.71	2.41	3.36	52.5
1.2.1 Up to 3 months	2.18	1.75	1.34	0.92	1.49	1.14	1.28	2.1
1.2.2 Over 3 and up to 6 months	3.01	1.90	1.74	1.84	1.45	2.02	1.88	0.4
1.2.3 Over 6 months and up to 1 year	4.27	4.85	4.81	1.68	2.32	1.13	2.18	0.8
1.2.4 Over 1 and up to 2 years	4.43	3.74	4.03	2.58	2.56	2.60	4.24	17.5
1.2.5 Over 2 years	3.18	3.08	3.55	2.99	2.91	2.81	3.06	31.6
o/w: EUR	3.27	3.03	3.61	2.69	2.71	2.41	3.36	52.5
Short-term	2.94	2.57	3.72	1.66	1.60	1.15	1.58	3.3
Long-term	3.31	3.14	3.59	2.97	2.88	2.79	3.48	49.1
o/w: USD	1.88	1.51	1.10	0.79	-	-	-	-
Short-term	1.88	1.51	1.10	0.79	-	-	-	-
Long-term	0.00	-	-	-	-	-	-	-
1.3 Deposits redeemable at notice	-	-	-	-	-	-	-	-
1.3.1 Up to 3 months	-	-	-	-	-	-	-	-
1.3.2 Over 3 months	-	-	-	-	-	-	-	-
<b>2 Non-financial corporations</b>								
2.1 Overnight deposits	0.47	0.80	1.05	0.98	0.86	0.88	0.56	44.7
o/w: Transaction accounts	1.00	-	-	-	-	-	-	-
o/w: Savings deposits	0.47	0.80	1.05	0.98	0.86	0.88	0.56	44.7
2.2 Time deposits	3.54	4.76	3.23	3.65	2.06	1.50	1.74	5.9
2.2.1 Up to 3 months	2.79	3.64	2.01	1.09	-	1.55	-	-
2.2.2 Over 3 and up to 6 months	1.46	5.96	1.34	1.94	0.75	1.39	-	-
2.2.3 Over 6 months and up to 1 year	4.94	3.48	3.36	1.80	1.90	1.99	1.85	3.9
2.2.4 Over 1 and up to 2 years	2.41	4.73	2.79	1.95	2.31	0.02	3.30	0.0
2.2.5 Over 2 years	4.24	2.40	1.37	4.12	0.10	2.90	1.51	2.0
o/w: EUR	3.55	4.76	3.23	3.65	2.06	1.50	1.74	5.9
Short-term	3.18	4.79	3.26	1.85	1.59	1.82	1.85	3.9
Long-term	3.72	4.64	2.53	4.11	2.14	0.91	1.51	2.0
o/w: USD	1.15	4.00	3.80	3.00	-	-	-	-
Short-term	1.15	4.00	3.80	3.00	-	-	-	-
Long-term	-	-	-	-	-	-	-	-
<b>3 Repos</b>	-	-	-	-	-	-	-	-

renounces for a specific agreed time. Time deposit funds cannot be used for payments. These deposits also include time deposits with agreed notice period in which case the request for the disposal of funds has not been submitted yet.

Deposits redeemable at notice are savings deposits and time deposits for which a request for the disposal of funds has been

submitted.

Repos are a counterpart of cash received in exchange for securities sold by reporting institutions at a given price under a firm commitment to repurchase the same (or similar) securities at a fixed price on a specified future date.



**Table G2a Credit institutions' interest rates on kuna loans to households not indexed to foreign currency (new business)**  
weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Revolving loans, overdrafts and credit card credit</b>	<b>10.71</b>	<b>10.63</b>	<b>10.20</b>	<b>9.49</b>	<b>9.53</b>	<b>9.52</b>	<b>9.50</b>	<b>11,519.1</b>
o/w: Revolving loans	9.51	10.55	10.46	9.98	10.00	8.87	8.83	40.0
o/w: Overdrafts	11.51	11.44	11.36	10.53	10.57	10.56	10.55	7,201.8
o/w: Credit card credit	10.42	10.08	9.67	9.08	9.08	9.06	9.04	3,640.3
o/w: Sole proprietors	10.23	10.43	10.32	9.95	9.91	9.71	9.66	304.7
<b>2 Consumer loans</b>	<b>6.22</b>	<b>5.90</b>	<b>6.26</b>	<b>7.11</b>	<b>6.77</b>	<b>6.70</b>	<b>6.64</b>	<b>24.5</b>
2.1 Short-term	5.08	3.08	3.17	6.97	6.83	6.92	6.78	1.5
2.1.1 Floating rate and up to 1 year initial rate fixation	5.08	3.08	3.17	6.97	6.83	6.92	6.78	1.5
2.2 Long-term	6.43	6.92	7.14	7.12	6.76	6.68	6.63	23.0
2.2.1 Floating rate and up to 1 year initial rate fixation	6.49	6.90	6.07	7.19	7.11	6.90	7.07	3.9
2.2.2 Floating rate and over 1 year initial rate fixation	6.00	7.39	7.70	7.09	6.68	6.64	6.54	19.0
<b>3 Loans for house purchases</b>	<b>5.34</b>	<b>5.74</b>	<b>5.81</b>	<b>5.27</b>	<b>5.18</b>	<b>5.20</b>	<b>5.23</b>	<b>125.7</b>
3.1 Floating rate and up to 1 year initial rate fixation	5.25	5.70	5.83	5.30	5.15	5.14	5.19	98.9
3.2 Over 1 and up to 5 years initial rate fixation	6.43	7.99	5.42	5.50	4.59	0.00	–	0.0
3.3 Over 5 and up to 10 years initial rate fixation	6.82	7.13	5.27	5.28	5.02	5.10	5.65	8.7
3.4 Over 10 years initial rate fixation	5.90	5.64	5.86	5.12	5.44	5.51	5.21	18.1
<b>4 For other purposes</b>	<b>7.91</b>	<b>9.01</b>	<b>9.00</b>	<b>8.64</b>	<b>8.76</b>	<b>8.85</b>	<b>8.79</b>	<b>871.7</b>
4.1 Short-term	6.28	7.34	7.98	7.99	8.08	8.31	8.76	60.6
4.1.1 Floating rate and up to 1 year initial rate fixation	6.28	7.34	7.98	7.99	8.08	8.31	8.76	60.6
4.2 Long-term	8.40	9.15	9.11	8.75	8.83	8.90	8.79	811.1
4.2.1 Floating rate and up to 1 year initial rate fixation	8.42	9.15	8.85	8.40	8.47	8.64	8.62	246.2
4.2.2 Floating rate and over 1 year initial rate fixation	7.80	9.07	9.35	9.06	9.01	9.01	8.87	565.0
o/w: Sole proprietors	6.43	7.69	7.64	6.92	6.97	6.80	6.98	46.1

**Tables G2** • The tables contain the weighted monthly averages of interest rates and total volumes of new lending business of credit institutions with households in the reporting month, in particular for kuna loans not indexed to f/c, for kuna loans indexed to f/c and for foreign currency loans. Loans to households in tables G2a through G2c are further broken down to loans to households by type of instruments, by original maturity, by the period of initial rate fixation and by the currency of indexation (EUR and CHF), or by the currency (EUR and CHF), depending on the presentation format in the individual table.

The “of which” position under the loans to households is shown in the tables for loans granted to sole proprietors.

In principle, the basis for the calculation of the weighted averages for loans are the amounts of loans granted during the reporting month (new business), while for revolving loans, overdrafts and credit card credit, the end-of-month book balances are the basis for the calculation of the weighted averages. Only loans classified as risk group A are covered.

New loans granted during the reporting month are considered new business, defined as any new agreement between the customer and the reporting institution. This means that they cover all financial contracts that specify for the first time the interest rate of the loan, and all renegotiations of the terms and conditions of the existing loan contracts. When the terms and conditions of the existing contracts are being renegotiated, the active involvement of the customer in the renegotiations is essential, while any automatic changes to the terms and conditions of the contract by the reporting institution are not considered new business.

The initial period of fixation of the interest rate is the period

defined as a predetermined period of time at the start of a contract during which the value of the interest rate cannot change.

Short-term loans are loans with original maturity of up to and including one year, while long-term loans are loans with original maturity over one year.

Revolving loans include loans that meet the following conditions: there is no obligation of regular repayment of funds, the customer may use or withdraw funds to a pre-approved credit limit without giving prior notice to the reporting institution, the amount of available loan can increase or decrease as funds are borrowed and repaid, the loan may be used repeatedly. This item excludes revolving loans provided through credit cards and overdrafts.

Overdrafts refer to receivables on used overdrafts of counterparties.

In addition to the above, the table in particular shows credit card credits with the collection of interest, which include credit card credits with the card company guarantee.

Receivables on deferred card payments are not shown as a separate item, but are shown under items Revolving loans, overdrafts and credit card credit.

The convenience credit card is a card in the case of which the customer is due, without the payment of interest, to settle his liabilities after he receives a notice about it from the reporting institution, usually once a month. Consumer loans are loans granted to households for the purpose of personal use in the consumption of goods and services.

Loans for house purchases include all mortgage and other loans extended for the purchase, construction and completion of a flat, for the purchase, construction and completion

Table G2b Credit institutions' interest rates on kuna loans to households indexed to foreign currency (new business) weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Revolving loans, overdrafts and credit card credit</b>	<b>10.91</b>	<b>9.39</b>	<b>8.30</b>	<b>7.48</b>	<b>7.36</b>	<b>7.27</b>	<b>7.35</b>	<b>21.1</b>
o/w: Revolving loans	10.91	9.39	8.30	7.48	7.36	7.27	7.35	21.1
o/w: Overdrafts	11.26	-	-	-	-	-	-	-
o/w: EUR	11.26	-	-	-	-	-	-	-
Short-term	11.26	-	-	-	-	-	-	-
Long-term	-	-	-	-	-	-	-	-
o/w: Credit card credit	12.68	-	-	-	-	-	-	-
o/w: EUR	12.68	-	-	-	-	-	-	-
Short-term	-	-	-	-	-	-	-	-
Long-term	12.68	-	-	-	-	-	-	-
o/w: Sole proprietors	10.95	9.39	8.31	7.38	7.36	7.27	7.35	20.6
<b>2 Consumer loans</b>	<b>7.06</b>	<b>7.07</b>	<b>7.03</b>	<b>7.90</b>	<b>7.42</b>	<b>7.97</b>	<b>7.29</b>	<b>0.7</b>
2.1 Short-term	10.99	6.19	7.01	10.29	6.51	9.04	10.29	0.0
2.1.1 Floating rate and up to 1 year initial rate fixation	10.99	6.19	7.01	10.29	6.51	9.04	10.29	0.0
2.2 Long-term	7.06	7.09	7.03	7.80	7.42	7.96	7.09	0.7
2.2.1 Floating rate and up to 1 year initial rate fixation	7.08	6.93	6.94	7.25	7.05	7.46	6.71	0.6
2.2.2 Floating rate and over 1 year initial rate fixation	7.01	9.13	7.08	8.25	8.71	9.04	9.53	0.1
o/w: EUR	7.18	7.08	7.06	7.90	7.42	7.97	7.29	0.7
Short-term	10.99	6.19	7.01	10.29	6.51	9.04	10.29	0.0
Long-term	7.17	7.10	7.06	7.80	7.42	7.96	7.09	0.7
o/w: CHF	6.83	6.89	6.75	-	-	-	-	-
Short-term	-	-	-	-	-	-	-	-
Long-term	6.83	6.89	6.75	-	-	-	-	-
<b>3 Loans for house purchases</b>	<b>5.63</b>	<b>5.22</b>	<b>5.12</b>	<b>5.13</b>	<b>5.01</b>	<b>5.02</b>	<b>4.97</b>	<b>267.5</b>
3.1 Floating rate and up to 1 year initial rate fixation	5.80	5.16	5.16	5.27	5.04	5.09	5.04	208.2
3.2 Over 1 and up to 5 years initial rate fixation	5.49	5.28	5.37	5.16	5.15	5.14	4.17	1.4
3.3 Over 5 and up to 10 years initial rate fixation	4.78	4.58	4.40	4.74	4.59	4.86	4.84	20.6
3.4 Over 10 years initial rate fixation	5.12	5.74	5.10	4.80	4.79	4.73	4.70	37.3
o/w: EUR	5.66	5.42	5.32	5.22	5.09	5.08	5.07	252.3
Short-term	5.50	5.39	5.54	5.36	4.97	5.11	5.20	23.4
Long-term	5.68	5.43	5.29	5.20	5.11	5.08	5.06	228.9
o/w: CHF	5.53	3.50	2.30	3.60	2.93	3.38	3.28	15.2
Short-term	-	-	-	-	-	0.75	-	-
Long-term	5.53	3.50	2.30	3.60	2.93	3.49	3.28	15.2
<b>4 For other purposes</b>	<b>8.65</b>	<b>8.40</b>	<b>6.86</b>	<b>7.53</b>	<b>7.64</b>	<b>7.69</b>	<b>7.86</b>	<b>522.5</b>
4.1 Short-term	8.50	8.03	6.42	6.44	6.51	6.25	6.82	28.5
4.1.1 Floating rate and up to 1 year initial rate fixation	8.50	8.03	6.42	6.44	6.51	6.25	6.82	28.5
4.2 Long-term	8.67	8.45	6.90	7.65	7.71	7.79	7.92	494.0
4.2.1 Floating rate and up to 1 year initial rate fixation	8.66	8.44	8.04	7.94	8.04	8.11	8.15	339.7
4.2.2 Floating rate and over 1 year initial rate fixation	8.72	8.49	6.21	7.12	7.07	7.19	7.42	154.3
o/w: EUR	8.68	8.41	6.88	7.54	7.65	7.70	7.87	520.5
Short-term	8.55	8.07	6.47	6.45	6.51	6.18	6.82	28.5
Long-term	8.69	8.46	6.92	7.67	7.72	7.80	7.93	492.0
o/w: Sole proprietors	7.32	7.36	6.58	5.98	6.02	6.53	6.43	50.1

of buildings which have a maximum of four flats or for the improvement of a flat, residential facilities or residential buildings (regardless of whether they are granted to an individual borrower or jointly to all tenants of a residential building). Lending for

house purchases comprises loans secured on residential property that are used for the purpose of house purchase and, where identifiable, other loans for house purchases made on a personal basis or secured against other forms of assets.

**Table G2c Credit institutions' interest rates on foreign currency loans to households (new business)**  
 weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Revolving loans, overdrafts and credit card credit</b>	<b>0.29</b>	<b>0.53</b>	<b>0.55</b>	<b>0.49</b>	<b>0.40</b>	<b>0.42</b>	<b>0.53</b>	<b>35.3</b>
o/w: Revolving loans	8.78	7.35	7.68	7.47	7.47	7.40	9.76	1.5
o/w: Overdrafts	12.00	12.00	12.00	12.00	12.00	12.00	12.00	0.3
o/w: Credit card credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.6
o/w: Sole proprietors	3.83	5.40	5.35	5.14	4.98	4.87	6.65	2.3
<b>2 Consumer loans</b>	<b>7.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1 Short-term	-	-	-	-	-	-	-	-
2.1.1 Floating rate and up to 1 year initial rate fixation	-	-	-	-	-	-	-	-
2.2 Long-term	7.98	-	-	-	-	-	-	-
2.2.1 Floating rate and up to 1 year initial rate fixation	7.98	-	-	-	-	-	-	-
2.2.2 Floating rate and over 1 year initial rate fixation	-	-	-	-	-	-	-	-
<b>3 Loans for house purchases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3.1 Floating rate and up to 1 year initial rate fixation	-	-	-	-	-	-	-	-
3.2 Over 1 and up to 5 years initial rate fixation	-	-	-	-	-	-	-	-
3.3 Over 5 and up to 10 years initial rate fixation	-	-	-	-	-	-	-	-
3.4 Over 10 years initial rate fixation	-	-	-	-	-	-	-	-
<b>4 For other purposes</b>	<b>6.82</b>	<b>-</b>	<b>6.64</b>	<b>5.42</b>	<b>6.22</b>	<b>6.03</b>	<b>6.36</b>	<b>9.0</b>
4.1 Short-term	5.85	-	6.59	6.27	6.26	6.23	6.24	8.4
4.1.1 Floating rate and up to 1 year initial rate fixation	5.85	-	6.59	6.27	6.26	6.23	6.24	8.4
4.2 Long-term	9.95	-	6.69	5.24	5.92	4.50	7.98	0.6
4.2.1 Floating rate and up to 1 year initial rate fixation	-	-	7.43	5.24	6.03	4.50	7.25	0.4
4.2.2 Floating rate and over 1 year initial rate fixation	9.95	-	5.22	-	5.02	-	9.38	0.2
o/w: Sole proprietors	6.82	-	6.81	5.81	6.03	5.00	6.94	2.2

Loans for other purposes cover the following types of loans: overnight loans, loans for payments made based on guarantees and other warranties, reverse repos, shares in syndicated loans, financial lease, loans granted for the purpose of education, mortgage loans, car purchase loans, margin loans, Lombard

loans, loans for working capital, construction loans, loans to agriculture, loans to tourism, investments loans, loans for export financing, cash general-purpose loans, factoring and forfeiting and other loans.

**Table G3a Credit institutions' interest rates on kuna loans to non-financial corporations not indexed to foreign currency (new business)**  
weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
<b>1 Revolving loans, overdrafts and credit card credit</b>	<b>7.40</b>	<b>7.49</b>	<b>6.82</b>	<b>6.96</b>	<b>7.04</b>	<b>6.86</b>	<b>6.94</b>	<b>2,385.4</b>
o/w: Revolving loans and overdrafts	7.39	7.47	6.78	6.93	6.99	6.84	6.98	2,264.3
o/w: Credit card credit	11.26	11.31	10.95	10.82	10.64	10.68	10.49	63.6
<b>2 Loans up to an amount of HRK 2 million</b>	<b>7.83</b>	<b>6.95</b>	<b>6.40</b>	<b>6.27</b>	<b>6.31</b>	<b>6.22</b>	<b>6.26</b>	<b>315.3</b>
2.1 Floating rate and up to 3 months initial rate fixation	7.94	7.04	6.27	6.29	6.36	6.40	6.39	269.5
2.2 Over 3 months and up to 1 year initial rate fixation	7.18	6.77	7.02	6.25	5.44	5.51	5.44	34.8
2.3 Over 1 and up to 3 years initial rate fixation	8.02	3.50	6.98	6.97	7.81	7.03	5.89	7.6
2.4 Over 3 and up to 5 years initial rate fixation	–	5.10	7.84	5.55	5.02	4.82	5.97	1.3
2.5 Over 5 and up to 10 years initial rate fixation	5.99	5.08	5.64	2.00	4.07	2.27	4.93	2.0
2.6 Over 10 years initial rate fixation	–	4.00	–	6.00	5.64	3.28	0.00	0.1
<b>3 Loans from HRK 2 million to HRK 7.5 million</b>	<b>7.07</b>	<b>4.52</b>	<b>4.68</b>	<b>3.96</b>	<b>4.12</b>	<b>3.52</b>	<b>4.22</b>	<b>348.4</b>
3.1 Floating rate and up to 3 months initial rate fixation	6.92	4.52	4.58	3.78	3.87	3.43	4.15	320.9
3.2 Over 3 months and up to 1 year initial rate fixation	8.07	5.53	6.47	5.89	5.47	4.40	4.01	16.0
3.3 Over 1 and up to 3 years initial rate fixation	3.03	3.03	–	–	7.03	4.23	6.36	11.5
3.4 Over 3 and up to 5 years initial rate fixation	–	–	4.07	4.90	–	–	–	–
3.5 Over 5 and up to 10 years initial rate fixation	6.00	1.00	3.03	4.55	4.86	3.74	–	0.0
3.6 Over 10 years initial rate fixation	–	–	–	–	–	–	–	–
<b>4 Loans over HRK 7.5 million</b>	<b>7.55</b>	<b>5.68</b>	<b>4.32</b>	<b>4.12</b>	<b>3.20</b>	<b>2.85</b>	<b>3.72</b>	<b>1,948.2</b>
4.1 Floating rate and up to 3 months initial rate fixation	7.74	5.68	4.27	3.99	3.17	2.77	3.59	1,797.4
4.2 Over 3 months and up to 1 year initial rate fixation	6.35	–	–	4.87	3.87	6.36	4.94	18.0
4.3 Over 1 and up to 3 years initial rate fixation	7.47	–	–	–	3.86	5.54	6.04	82.8
4.4 Over 3 and up to 5 years initial rate fixation	–	–	–	–	–	–	4.14	50.0
4.5 Over 5 and up to 10 years initial rate fixation	5.06	–	3.03	10.47	3.00	–	–	–
4.6 Over 10 years initial rate fixation	–	–	–	–	–	–	–	–

**Tables G3** • The tables contain the weighted monthly averages of interest rates and total volumes of new lending business of credit institutions with non-financial corporations in the reporting month, in particular for kuna loans not indexed to f/c, for kuna loans indexed to f/c and for foreign currency loans. Loans to non-financial corporations in tables G3a through G3c are broken down to revolving loans, overdrafts and credit card credit as well as by the amount of granted loans: loans up to an amount of HRK 2 million, loans over HRK 2 million to HRK 7.5 million and loans over HRK 7.5 million.

The amount refers to the single loan transaction, and not to

all business between non-financial corporations and the reporting agents. The reason for this is the separation of loans to large and small corporations. Without this division, loans to large corporations would dominate the weighted average interest rate. A further breakdown refers to original maturity and the currency (EUR and CHF) or the currency of indexation (EUR and CHF), depending on the presentation format in the individual table. The types of loans, the basis for the calculation of the weighted averages, the definition of new business and the initial period of fixation of the interest rate are explained in notes on methodology under G2 tables.

**Table G3b Credit institutions' interest rates on kuna loans to non-financial corporations indexed to foreign currency (new business)**  
 weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Revolving loans, overdrafts and credit card credit</b>	<b>8.96</b>	<b>8.30</b>	<b>6.86</b>	<b>6.57</b>	<b>6.60</b>	<b>6.40</b>	<b>6.35</b>	<b>410.6</b>
o/w: Revolving loans and overdrafts	8.96	8.30	6.86	6.57	6.60	6.40	6.35	410.6
o/w: Credit card credit	-	-	-	-	-	-	-	-
<b>2 Loans up to an amount of HRK 2 million</b>	<b>8.19</b>	<b>7.52</b>	<b>6.94</b>	<b>6.22</b>	<b>6.34</b>	<b>6.40</b>	<b>6.49</b>	<b>213.0</b>
2.1 Floating rate and up to 3 months initial rate fixation	8.19	7.56	7.02	6.27	6.69	6.59	6.63	192.7
2.2 Over 3 months and up to 1 year initial rate fixation	7.51	5.96	6.47	5.36	3.75	4.04	4.66	6.9
2.3 Over 1 and up to 3 years initial rate fixation	8.70	9.20	5.64	4.61	2.74	4.80	5.86	2.1
2.4 Over 3 and up to 5 years initial rate fixation	9.71	-	6.30	5.61	2.98	4.51	5.20	3.7
2.5 Over 5 and up to 10 years initial rate fixation	8.69	7.40	4.82	6.02	5.66	4.93	5.80	6.4
2.6 Over 10 years initial rate fixation	7.23	-	-	-	-	2.76	3.00	1.3
o/w: EUR	8.21	7.53	6.94	6.22	6.32	6.40	6.46	210.4
Short-term	8.37	7.66	7.11	6.62	6.27	6.79	6.60	83.6
Long-term	8.00	7.39	6.74	5.93	6.38	6.13	6.37	126.8
o/w: CHF	5.84	-	-	-	7.42	-	9.30	2.2
Short-term	-	-	-	-	-	-	7.00	0.1
Long-term	5.84	-	-	-	7.42	-	9.42	2.1
<b>3 Loans from HRK 2 million to HRK 7.5 million</b>	<b>7.34</b>	<b>6.90</b>	<b>6.32</b>	<b>6.06</b>	<b>6.11</b>	<b>6.42</b>	<b>5.90</b>	<b>190.7</b>
3.1 Floating rate and up to 3 months initial rate fixation	7.37	6.96	6.52	6.32	6.12	6.41	6.00	170.7
3.2 Over 3 months and up to 1 year initial rate fixation	6.44	5.63	5.52	5.29	6.43	6.97	4.62	5.6
3.3 Over 1 and up to 3 years initial rate fixation	-	-	-	1.71	-	-	4.90	3.0
3.4 Over 3 and up to 5 years initial rate fixation	-	-	-	-	-	-	4.90	3.0
3.5 Over 5 and up to 10 years initial rate fixation	-	-	-	3.65	5.65	-	5.94	6.9
3.6 Over 10 years initial rate fixation	-	-	3.82	2.50	-	-	2.96	1.4
o/w: EUR	7.36	6.90	6.32	6.06	6.11	6.42	5.92	187.6
Short-term	7.37	7.05	6.58	5.99	6.18	6.56	6.20	73.2
Long-term	7.35	6.79	6.17	6.09	6.08	6.31	5.74	114.4
o/w: CHF	6.27	-	-	-	-	-	-	-
Short-term	-	-	-	-	-	-	-	-
Long-term	6.27	-	-	-	-	-	-	-
<b>4 Loans over HRK 7.5 million</b>	<b>6.98</b>	<b>6.46</b>	<b>5.39</b>	<b>5.87</b>	<b>5.23</b>	<b>5.61</b>	<b>5.19</b>	<b>873.4</b>
4.1 Floating rate and up to 3 months initial rate fixation	7.00	6.46	5.39	6.04	5.29	5.61	5.19	873.4
4.2 Over 3 months and up to 1 year initial rate fixation	5.59	-	6.66	5.11	-	-	-	-
4.3 Over 1 and up to 3 years initial rate fixation	-	-	-	4.25	-	-	-	-
4.4 Over 3 and up to 5 years initial rate fixation	9.92	-	-	-	-	-	-	-
4.5 Over 5 and up to 10 years initial rate fixation	-	-	4.66	4.32	4.94	-	-	-
4.6 Over 10 years initial rate fixation	4.90	-	-	2.94	3.49	5.64	-	-
o/w: EUR	7.00	6.46	5.39	5.87	5.23	5.69	5.20	865.0
Short-term	8.04	6.90	4.98	6.02	5.61	5.24	5.58	273.2
Long-term	5.99	6.03	6.16	5.77	4.99	5.95	5.03	591.8
o/w: CHF	5.14	-	5.38	-	-	3.56	3.56	8.4
Short-term	-	-	-	-	-	-	-	-
Long-term	5.14	-	5.38	-	-	3.56	3.56	8.4

**Table G3c Credit institutions' interest rates on foreign currency loans to non-financial corporations (new business)**  
vweighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Revolving loans, overdrafts and credit card credit</b>	<b>6.43</b>	<b>6.72</b>	<b>5.79</b>	<b>5.74</b>	<b>5.60</b>	<b>5.44</b>	<b>239.9</b>	
o/w: Revolving loans and overdrafts	6.47	6.85	5.90	5.93	5.79	5.59	233.5	
o/w: Credit card credit	0.00	0.00	0.00	0.00	0.00	0.00	0.1	
<b>2 Loans up to an amount of HRK 2 million</b>	<b>6.75</b>	<b>6.32</b>	<b>6.23</b>	<b>5.82</b>	<b>5.19</b>	<b>5.67</b>	<b>34.3</b>	
2.1 Floating rate and up to 3 months initial rate fixation	6.77	6.44	6.20	5.84	5.15	5.71	32.3	
2.2 Over 3 months and up to 1 year initial rate fixation	5.56	5.11	6.44	5.77	4.75	5.18	1.5	
2.3 Over 1 and up to 3 years initial rate fixation	-	-	5.90	5.87	9.38	-	4.10	
2.4 Over 3 and up to 5 years initial rate fixation	-	-	8.00	4.49	-	-	7.76	
2.5 Over 5 and up to 10 years initial rate fixation	-	-	5.90	-	4.78	-	-	
2.6 Over 10 years initial rate fixation	-	-	-	-	-	-	-	
o/w: EUR	6.76	6.32	6.21	5.84	5.32	5.67	5.63	
Short-term	6.65	6.18	6.08	5.83	5.09	5.67	5.56	
Long-term	7.22	6.85	6.59	5.86	5.93	5.68	5.87	
o/w: USD	6.67	5.84	7.03	4.86	2.54	-	6.27	
Short-term	6.67	7.61	6.86	4.54	2.54	-	6.58	
Long-term	-	5.43	7.91	10.24	-	-	4.30	
<b>3 Loans from HRK 2 million to HRK 7.5 million</b>	<b>6.18</b>	<b>6.00</b>	<b>5.20</b>	<b>5.67</b>	<b>3.57</b>	<b>2.57</b>	<b>3.62</b>	<b>189.4</b>
3.1 Floating rate and up to 3 months initial rate fixation	6.22	6.02	5.20	5.67	3.57	2.50	3.48	
3.2 Over 3 months and up to 1 year initial rate fixation	5.22	5.38	-	-	-	-	6.70	
3.3 Over 1 and up to 3 years initial rate fixation	-	-	-	-	-	6.70	-	
3.4 Over 3 and up to 5 years initial rate fixation	-	-	-	-	-	-	-	
3.5 Over 5 and up to 10 years initial rate fixation	-	-	-	-	-	-	8.30	
3.6 Over 10 years initial rate fixation	-	-	-	-	-	-	-	
o/w: EUR	6.18	5.97	5.19	6.38	3.79	3.09	4.25	
Short-term	5.59	5.86	4.47	5.98	3.73	2.66	4.03	
Long-term	7.26	6.12	6.42	6.64	5.50	6.31	5.89	
o/w: USD	-	7.04	2.13	1.92	0.83	0.80	1.10	
Short-term	-	7.04	2.13	1.92	0.83	0.80	1.10	
Long-term	-	-	-	-	-	-	-	
<b>4 Loans over HRK 7.5 million</b>	<b>6.75</b>	<b>4.61</b>	<b>4.34</b>	<b>4.39</b>	<b>2.96</b>	<b>2.20</b>	<b>2.78</b>	<b>520.4</b>
4.1 Floating rate and up to 3 months initial rate fixation	6.75	4.49	4.34	4.39	2.88	2.20	2.75	
4.2 Over 3 months and up to 1 year initial rate fixation	-	-	-	4.05	5.43	-	-	
4.3 Over 1 and up to 3 years initial rate fixation	-	-	-	5.12	-	-	5.12	
4.4 Over 3 and up to 5 years initial rate fixation	-	-	-	-	-	-	-	
4.5 Over 5 and up to 10 years initial rate fixation	-	6.66	-	-	-	-	-	
4.6 Over 10 years initial rate fixation	-	-	-	-	-	-	-	
o/w: EUR	6.95	4.47	4.38	4.60	3.22	2.29	3.15	
Short-term	6.92	2.70	3.02	4.41	2.55	2.03	2.99	
Long-term	7.00	5.89	6.76	5.64	5.42	3.31	3.48	
o/w: USD	6.00	6.20	2.89	3.95	1.89	0.84	1.38	
Short-term	6.00	-	2.89	3.31	1.89	0.84	1.38	
Long-term	-	6.20	-	4.91	-	-	-	

Table G4 Credit institutions' effective interest rates on selected loans (new business)

weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
<b>1 Households</b>								
1.1 Kuna loans								
1.1.1 Consumer loans	8.34	7.67	8.17	8.95	8.89	8.73	8.66	24.5
1.1.2 Loans for house purchases	5.49	6.27	6.11	5.58	5.60	5.55	5.59	125.7
1.2 Loans indexed to f/c								
1.2.1 Consumer loans	8.37	9.93	8.88	8.71	8.84	9.45	8.63	0.7
o/w: EUR	9.01	10.00	9.05	8.71	8.84	9.45	8.63	0.7
Short-term	19.28	9.33	9.22	10.90	8.59	33.94	10.89	0.0
Long-term	9.00	10.02	9.05	8.61	8.84	9.14	8.49	0.7
o/w: CHF	7.03	7.16	7.18	-	-	-	-	-
Short-term	-	-	-	-	-	-	-	-
Long-term	7.03	7.16	7.18	-	-	-	-	-
1.2.2 Loans for house purchases	6.13	6.00	5.73	5.53	5.39	5.37	5.34	267.5
o/w: EUR	6.25	6.04	5.77	5.59	5.47	5.44	5.44	252.3
Short-term	6.26	6.11	5.85	5.55	5.15	5.32	5.39	23.4
Long-term	6.25	6.03	5.76	5.60	5.50	5.45	5.44	228.9
o/w: CHF	5.69	5.60	5.16	4.34	3.56	3.57	3.68	15.2
Short-term	-	-	-	-	-	1.04	-	-
Long-term	5.69	5.60	5.16	4.34	3.56	3.67	3.68	15.2
1.3 F/c loans								
1.3.1 Consumer loans	7.97	-	-	-	-	-	-	-
1.3.2 Loans for house purchases	-	-	-	-	-	-	-	-
<b>2 Loans to non-financial corporations</b>								
2.1 Kuna loans								
2.1.1 Loans up to an amount of HRK 7.5 million	8.28	6.46	6.24	5.56	5.92	5.62	5.93	663.7
2.1.2 Loans over HRK 7.5 million	8.64	6.34	4.56	4.45	3.65	3.11	4.20	1,948.2
2.2 Loans indexed to f/c								
2.2.1 Loans up to an amount of HRK 7.5 million	8.50	7.99	7.24	6.92	7.00	7.20	7.00	400.6
2.2.2 Loans over HRK 7.5 million	7.91	7.42	7.93	7.35	5.79	6.15	5.66	873.4
2.3 F/c loans								
2.3.1 Loans up to an amount of HRK 7.5 million	6.78	6.52	5.99	6.69	4.16	3.48	4.31	223.6
2.3.2 Loans over HRK 7.5 million	7.75	5.10	4.41	4.65	3.35	2.35	2.90	520.4

Table G4 Credit institutions' effective interest rates for selected loans (new business) • The table contains the weighted monthly averages of credit institutions' effective interest rates and total volumes of new lending business in the reporting month, in particular for kuna loans, for kuna loans indexed to f/c and for f/c loans and separately for loans to households and for loans to non-financial corporations.

Reporting institutions submit effective interest rates in accordance with the Decision on the effective interest rate of credit institutions and credit unions and on service contracts with

consumers.

Loans to households are broken down to kuna loans, loans indexed to f/c and f/c loans. The loans indexed to f/c are broken down by type, the currency of indexation (EUR and CHF) and original maturity. Loans to non-financial corporations are broken down by currency and by the amount of granted loans: loans up to an amount of HRK 7.5 million and loans over HRK 7.5 million. The types of loans, the basis for the calculation of the weighted averages and the definition of new business are explained in notes on methodology under G2 tables.

**Table G5a Credit institutions' interest rates on kuna deposits and loans not indexed to foreign currency (outstanding amounts)**  
weighted monthly averages of interest rates, in % on annual basis and volumes in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Deposits</b>	<b>3.82</b>	<b>3.79</b>	<b>3.21</b>	<b>2.70</b>	<b>2.59</b>	<b>2.59</b>	<b>2.63</b>	<b>28,137.2</b>
1.1 Households	4.03	4.04	3.44	2.95	2.86	2.83	2.84	22,070.5
1.1.1 Time deposits	4.03	4.04	3.44	2.95	2.86	2.83	2.84	22,070.5
1.1.1.1 Short-term	3.90	3.87	3.24	2.70	2.61	2.58	2.60	13,109.4
1.1.1.1.1 Up to 3 months	3.25	2.88	2.40	1.95	1.92	1.89	1.92	1,805.9
1.1.1.1.2 Over 3 and up to 6 months	3.81	3.76	2.95	2.47	2.41	2.37	2.39	2,819.4
1.1.1.1.3 Over 6 months and up to 1 year	4.15	4.18	3.54	2.94	2.82	2.79	2.82	8,484.1
1.1.1.2 Long-term	4.35	4.41	3.81	3.33	3.24	3.21	3.20	8,961.1
1.1.1.2.1 Over 1 and up to 2 years	4.52	4.56	3.93	3.34	3.23	3.20	3.16	5,049.3
1.1.1.2.2 Over 2 years	4.17	4.26	3.65	3.31	3.25	3.23	3.24	3,911.8
1.2 Non-financial corporations	3.43	3.33	2.53	2.08	1.92	1.94	1.95	5,826.7
1.2.1 Time deposits	3.43	3.33	2.53	2.08	1.92	1.94	1.95	5,826.7
1.2.1.1 Short-term	3.68	3.34	2.37	1.97	1.76	1.72	1.75	3,969.1
1.2.1.1.1 Up to 3 months	3.33	2.39	1.53	1.34	1.19	1.22	1.27	1,395.9
1.2.1.1.2 Over 3 and up to 6 months	4.17	3.78	2.44	2.01	1.82	1.77	1.76	906.4
1.2.1.1.3 Over 6 months and up to 1 year	4.03	4.29	3.19	2.38	2.24	2.19	2.15	1,666.9
1.2.1.2 Long-term	3.02	3.29	2.99	2.28	2.24	2.47	2.36	1,857.6
1.2.1.2.1 Over 1 and up to 2 years	3.07	4.03	3.22	2.82	2.75	2.70	2.67	1,264.9
1.2.1.2.2 Over 2 years	2.78	2.85	2.69	1.80	1.78	1.88	1.69	592.6
1.3 Repos	–	0.52	0.61	0.54	0.42	0.24	0.24	240.1
<b>2 Loans</b>	<b>8.60</b>	<b>8.17</b>	<b>7.78</b>	<b>7.49</b>	<b>7.41</b>	<b>7.46</b>	<b>7.46</b>	<b>53,342.6</b>
2.1 Households	9.53	9.44	9.23	8.72	8.67	8.67	8.65	33,262.7
2.1.1 Loans for house purchases	6.49	6.45	6.46	5.95	5.79	5.77	5.75	4,189.2
2.1.1.1 Short-term	–	5.37	–	–	–	–	–	–
2.1.1.2 Long-term	6.49	6.45	6.46	5.95	5.79	5.77	5.75	4,189.2
2.1.1.2.1 Over 1 and up to 5 years	6.41	6.45	6.20	5.63	5.44	5.39	5.37	14.4
2.1.1.2.2 Over 5 years	6.49	6.45	6.46	5.95	5.79	5.77	5.75	4,174.8
2.1.2 Consumer loans and other loans	10.10	9.98	9.68	9.13	9.09	9.09	9.07	29,073.6
2.1.2.1 Short-term	10.47	10.46	10.10	9.38	9.44	9.46	9.44	10,404.2
2.1.2.2 Long-term	9.82	9.58	9.38	8.97	8.89	8.88	8.87	18,669.3
2.1.2.2.1 Over 1 and up to 5 years	10.07	9.70	9.35	9.04	8.97	8.85	8.84	4,587.9
2.1.2.2.2 Over 5 years	9.75	9.55	9.38	8.95	8.87	8.89	8.88	14,081.4
o/w: Sole proprietors	9.13	8.35	7.77	7.38	7.32	7.26	7.22	1,159.9
2.2 Non-financial corporations	7.42	6.48	5.69	5.49	5.38	5.49	5.48	20,079.9
2.2.1 Loans	7.42	6.48	5.69	5.49	5.38	5.49	5.48	20,079.9
2.2.1.1 Short-term	7.67	7.08	6.21	6.03	5.85	6.03	6.00	9,175.2
2.2.1.2 Long-term	7.19	5.90	5.18	5.06	4.96	5.03	5.04	10,904.7
2.2.1.2.1 Over 1 and up to 5 years	7.61	6.42	5.90	5.80	5.67	5.81	5.84	4,475.9
2.2.1.2.2 Over 5 years	6.62	5.41	4.67	4.55	4.49	4.50	4.49	6,428.8

**Tables G5 •** The tables contain the weighted monthly averages of credit institutions' interest rates for outstanding amounts of selected deposits and loans and total amounts of book balances of such deposits and loans, by reporting months.

Deposits and loans to households and non-financial corporations are broken down to deposits and loans not indexed to f/c, deposits and loans indexed to f/c and foreign currency deposits and loans.

Deposits and loans to households in tables G5a through G5c are further broken down by instrument, by original maturity and

by the currency of indexation (EUR and CHF) or by the currency (EUR and CHF), depending on the presentation format in the individual table. The "of which" position under the loans to households is shown in the tables for loans granted to sole proprietors.

The end-of-month book balances of deposits and loans are the basis for the calculation of the weighted averages for deposits and loans.

The descriptions of instruments are explained in notes on methodology under G1 and G2 tables.

Table G5b Credit institutions' interest rates on kuna deposits and loans indexed to foreign currency (outstanding amounts) weighted monthly averages of interest rates, in % on annual basis and volumes in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
<b>1 Deposits</b>	<b>3.13</b>	<b>3.09</b>	<b>3.09</b>	<b>3.04</b>	<b>3.02</b>	<b>3.01</b>	<b>2.97</b>	<b>7,325.2</b>
1.1 Households	3.12	3.06	3.09	3.04	3.03	3.03	2.98	6,786.3
1.1.1 Time deposits	3.12	3.06	3.09	3.04	3.03	3.03	2.98	6,786.3
1.1.1.1 Short-term	3.32	2.78	2.98	1.98	1.98	1.87	1.81	195.8
1.1.1.1.1 Up to 3 months	2.25	1.77	1.50	1.11	1.32	1.34	1.29	13.9
1.1.1.1.2 Over 3 and up to 6 months	2.66	2.09	1.85	1.61	1.41	1.40	1.23	34.9
1.1.1.1.3 Over 6 months and up to 1 year	3.78	3.32	3.40	2.22	2.18	2.04	1.99	147.0
o/w: EUR	3.46	2.90	3.11	2.11	2.05	1.94	1.88	180.4
o/w: USD	2.01	1.82	1.55	1.12	1.22	1.17	0.99	14.8
1.1.1.2 Long-term	3.11	3.08	3.10	3.07	3.06	3.06	3.02	6,590.5
1.1.1.2.1 Over 1 and up to 2 years	3.46	3.19	3.00	2.69	2.59	2.58	2.66	289.4
1.1.1.2.2 Over 2 years	3.09	3.07	3.10	3.09	3.08	3.08	3.03	6,301.1
o/w: EUR	3.17	3.13	3.14	3.12	3.11	3.11	3.07	6,465.7
o/w: USD	2.88	2.74	2.48	2.02	1.96	1.82	1.69	18.5
1.2 Non-financial corporations	3.16	3.30	3.05	3.04	2.92	2.81	2.76	538.9
1.2.1 Time deposits	3.16	3.30	3.05	3.04	2.92	2.81	2.76	538.9
1.2.1.1 Short-term	3.50	3.81	3.51	2.69	2.75	2.82	2.63	134.3
1.2.1.1.1 Up to 3 months	3.44	3.37	2.47	0.10	0.73	0.72	0.72	2.1
1.2.1.1.2 Over 3 and up to 6 months	2.87	4.41	3.86	1.94	1.25	1.04	1.05	50.9
1.2.1.1.3 Over 6 months and up to 1 year	3.95	3.51	3.62	3.41	4.11	4.17	3.67	81.3
o/w: EUR	3.51	3.81	3.51	2.69	2.75	2.82	2.63	133.5
o/w: USD	2.42	2.52	3.06	2.74	2.74	2.74	2.74	0.8
1.2.1.2 Long-term	3.05	2.79	2.77	3.16	2.99	2.81	2.80	404.6
1.2.1.2.1 Over 1 and up to 2 years	2.91	2.65	1.92	1.86	2.17	2.18	2.15	35.9
1.2.1.2.2 Over 2 years	3.15	2.83	2.99	3.31	3.06	2.87	2.86	368.7
o/w: EUR	3.06	2.79	2.77	3.17	3.00	2.82	2.81	402.5
o/w: USD	2.17	0.28	-	0.96	0.96	0.96	0.96	1.7
1.3 Repos	-	-	-	-	-	-	-	-
<b>2 Loans</b>	<b>7.02</b>	<b>6.76</b>	<b>6.61</b>	<b>6.09</b>	<b>5.91</b>	<b>5.89</b>	<b>5.86</b>	<b>110,085.9</b>
2.1 Households	7.20	7.10	6.96	6.30	6.09	6.07	6.04	79,973.6
2.1.1 Loans for house purchases	5.78	5.73	5.60	4.88	4.72	4.72	4.71	52,185.7
2.1.1.1 Short-term	7.04	4.89	5.78	6.53	4.56	4.92	3.50	0.2
o/w: EUR	7.55	4.89	4.76	6.54	4.60	5.34	5.07	0.0
o/w: CHF	5.05	-	5.81	0.00	3.24	3.25	3.28	0.2
2.1.1.2 Long-term	5.78	5.73	5.60	4.88	4.72	4.72	4.71	52,185.5
2.1.1.2.1 Over 1 and up to 5 years	6.27	6.09	5.86	5.00	4.90	4.90	4.90	140.3
2.1.1.2.2 Over 5 years	5.77	5.73	5.60	4.88	4.72	4.72	4.71	52,045.2
o/w: EUR	6.09	5.97	5.92	5.73	5.59	5.58	5.58	32,794.7
o/w: CHF	5.32	5.33	5.02	3.26	3.26	3.24	3.25	19,344.0
2.1.2 Consumer loans and other loans	9.32	9.19	9.12	8.78	8.61	8.58	8.55	27,787.9
2.1.2.1 Short-term	8.50	8.20	7.10	6.91	6.70	6.57	6.50	229.4
o/w: EUR	8.62	8.36	7.26	6.94	6.74	6.59	6.53	215.7
o/w: CHF	9.75	7.04	4.06	8.24	8.98	8.90	1.99	0.1
2.1.2.2 Long-term	9.33	9.20	9.13	8.80	8.63	8.59	8.56	27,558.5
2.1.2.2.1 Over 1 and up to 5 years	9.49	9.18	8.94	8.27	8.07	8.00	7.94	2,833.4
2.1.2.2.2 Over 5 years	9.30	9.20	9.16	8.86	8.69	8.66	8.64	24,725.1
o/w: EUR	9.50	9.31	9.22	8.84	8.67	8.63	8.60	26,916.6
o/w: CHF	7.54	7.30	7.09	7.21	7.26	7.13	7.11	569.4

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
						Interest rate		
o/w: Sole proprietors	6.81	6.41	6.25	6.12	6.07	6.03	5.98	2,209.2
2.2 Non-financial corporations	6.64	5.94	5.74	5.53	5.44	5.42	5.39	30,112.3
2.2.1 Loans	6.64	5.94	5.74	5.53	5.44	5.42	5.39	30,112.3
2.2.1.1 Short-term	7.90	7.45	7.09	6.83	6.73	6.75	6.73	3,586.6
o/w: EUR	7.90	7.46	7.10	6.84	6.73	6.75	6.73	3,583.3
o/w: CHF	8.31	4.64	4.59	4.95	–	–	3.78	0.2
2.2.1.2 Long-term	6.38	5.70	5.58	5.34	5.26	5.24	5.20	26,525.7
2.2.1.2.1 Over 1 and up to 5 years	7.68	7.08	6.69	6.32	6.18	6.14	6.13	5,214.6
2.2.1.2.2 Over 5 years	5.84	5.28	5.28	5.10	5.04	5.01	4.98	21,311.1
o/w: EUR	6.44	5.73	5.60	5.35	5.27	5.25	5.22	26,046.1
o/w: CHF	4.88	4.81	4.65	4.41	4.33	4.02	3.87	421.1

**Table G5c Credit institutions' interest rates on foreign currency deposits and loans (outstanding amounts)**  
 weighted monthly averages of interest rates, in % on annual basis and volumes in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Deposits</b>	<b>3.57</b>	<b>3.58</b>	<b>2.97</b>	<b>2.51</b>	<b>2.40</b>	<b>2.37</b>	<b>2.35</b>	<b>122,982.0</b>
1.1 Households	3.60	3.57	2.98	2.56	2.45	2.41	2.39	114,637.2
1.1.1 Time deposits	3.60	3.57	2.98	2.56	2.45	2.41	2.39	114,637.2
1.1.1.1 Short-term	3.31	3.30	2.60	2.09	1.96	1.92	1.91	49,467.3
1.1.1.1.1 Up to 3 months	2.31	2.20	1.58	1.20	1.11	1.05	1.03	3,687.9
1.1.1.1.2 Over 3 and up to 6 months	2.91	2.84	2.05	1.63	1.49	1.45	1.43	7,172.9
1.1.1.1.3 Over 6 months and up to 1 year	3.52	3.51	2.82	2.27	2.13	2.09	2.08	38,606.4
o/w: EUR	3.38	3.36	2.66	2.13	1.99	1.95	1.95	43,513.7
o/w: USD	2.79	2.70	2.25	1.92	1.83	1.78	1.76	4,062.6
1.1.1.2 Long-term	4.02	3.98	3.36	2.94	2.83	2.79	2.76	65,169.9
1.1.1.2.1 Over 1 and up to 2 years	3.93	3.94	3.24	2.75	2.63	2.59	2.56	33,731.5
1.1.1.2.2 Over 2 years	4.14	4.02	3.51	3.15	3.04	3.00	2.97	31,438.4
o/w: EUR	4.09	4.05	3.41	2.98	2.87	2.83	2.80	58,838.2
o/w: USD	3.35	3.42	2.98	2.59	2.50	2.46	2.44	4,547.8
1.2 Non-financial corporations	3.18	3.65	2.91	1.86	1.79	1.79	1.73	8,344.8
1.2.1 Time deposits	3.18	3.65	2.91	1.86	1.79	1.79	1.73	8,344.8
1.2.1.1 Short-term	3.13	2.69	2.94	1.80	1.63	1.65	1.67	6,556.9
1.2.1.1.1 Up to 3 months	2.66	1.77	1.38	0.99	0.79	0.85	0.90	1,923.0
1.2.1.1.2 Over 3 and up to 6 months	3.42	3.07	2.32	1.86	1.65	1.62	1.84	1,700.3
1.2.1.1.3 Over 6 months and up to 1 year	3.85	3.85	4.28	2.33	2.16	2.13	2.08	2,933.6
o/w: EUR	3.22	2.79	3.07	1.81	1.64	1.66	1.70	5,869.4
o/w: USD	2.45	2.02	1.39	1.72	1.58	1.60	1.49	604.5
1.2.1.2 Long-term	3.53	5.83	2.78	2.19	2.39	2.26	1.92	1,788.0
1.2.1.2.1 Over 1 and up to 2 years	3.74	6.32	3.08	2.58	2.85	2.70	2.31	1,170.5
1.2.1.2.2 Over 2 years	3.33	2.31	2.02	1.56	1.39	1.27	1.19	617.4
o/w: EUR	3.76	6.09	3.04	2.34	2.48	2.32	1.94	1,476.5
o/w: USD	2.13	2.57	1.88	1.44	1.93	1.93	1.84	302.8
1.3 Repos	-	-	-	-	-	-	-	-
<b>2 Loans</b>	<b>6.30</b>	<b>5.30</b>	<b>5.13</b>	<b>5.10</b>	<b>4.95</b>	<b>4.86</b>	<b>4.87</b>	<b>10,602.5</b>
2.1 Households	6.21	5.34	5.19	5.07	4.89	4.96	5.01	224.1
2.1.1 Loans for house purchases	6.02	5.97	5.95	3.55	3.53	3.53	3.53	9.1
2.1.1.1 Short-term	-	-	-	-	-	-	-	-
o/w: EUR	-	-	-	-	-	-	-	-
o/w: CHF	-	-	-	-	-	-	-	-
2.1.1.2 Long-term	6.02	5.97	5.95	3.55	3.53	3.53	3.53	9.1
2.1.1.2.1 Over 1 and up to 5 years	6.16	-	-	-	-	-	-	-
2.1.1.2.2 Over 5 years	6.02	5.97	5.95	3.55	3.53	3.53	3.53	9.1
o/w: EUR	7.35	7.77	8.04	7.80	7.80	7.80	7.80	0.5
o/w: CHF	5.84	5.77	5.80	3.30	3.30	3.30	3.30	8.7
2.1.2 Consumer loans and other loans	6.22	5.31	5.16	5.13	4.95	5.02	5.07	215.0
2.1.2.1 Short-term	1.27	1.78	1.92	4.30	3.73	4.12	4.30	104.3
o/w: EUR	1.24	1.77	1.93	4.29	3.72	4.11	4.30	104.3
o/w: CHF	12.00	12.00	12.00	12.00	12.00	12.00	12.00	0.0
2.1.2.2 Long-term	7.27	6.27	6.21	5.88	5.86	5.81	5.81	110.7
2.1.2.2.1 Over 1 and up to 5 years	7.43	7.24	6.96	5.94	6.10	5.74	5.75	10.5
2.1.2.2.2 Over 5 years	7.19	6.15	6.02	5.87	5.84	5.81	5.81	100.1
o/w: EUR	7.41	6.20	6.21	5.83	5.82	5.77	5.77	103.4
o/w: CHF	6.26	6.87	6.16	6.52	6.40	6.36	6.34	7.3

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
o/w: Sole proprietors	7.27	6.79	6.68	6.40	6.26	6.15	6.19	70.8
2.2 Non-financial corporations	6.30	5.30	5.13	5.10	4.95	4.86	4.87	10,378.3
2.2.1 Loans	6.30	5.30	5.13	5.10	4.95	4.86	4.87	10,378.3
2.2.1.1 Short-term	6.87	5.78	5.08	5.82	5.48	5.07	5.28	2,121.8
o/w: EUR	7.29	5.74	5.00	5.81	5.61	4.94	5.24	1,975.5
o/w: USD	5.16	6.10	5.90	5.02	4.52	5.97	5.16	138.2
2.2.1.2 Long-term	6.18	5.19	5.15	4.96	4.82	4.80	4.77	8,256.5
2.2.1.2.1 Over 1 and up to 5 years	6.59	5.94	6.03	5.67	5.18	5.05	5.01	1,397.5
2.2.1.2.2 Over 5 years	5.87	4.82	4.83	4.81	4.74	4.75	4.72	6,859.0
o/w: EUR	6.27	5.19	5.16	4.92	4.82	4.80	4.77	8,028.2
o/w: USD	5.86	5.22	5.68	5.32	4.92	4.85	4.87	159.5

**Table G6a Credit institutions' interest rates on kuna deposits and loans not indexed to foreign currency (new business)**  
weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Deposits</b>	<b>3.23</b>	<b>2.89</b>	<b>2.42</b>	<b>2.07</b>	<b>1.88</b>	<b>1.92</b>	<b>1.78</b>	<b>3,278.0</b>
1.1 Households	3.75	3.43	2.89	2.43	2.37	2.33	2.31	2,020.1
1.1.1 Time deposits	3.75	3.43	2.89	2.43	2.37	2.33	2.31	2,020.1
1.1.1.1 Short-term	3.65	3.27	2.73	2.26	2.21	2.16	2.14	1,608.0
1.1.1.1.1 Up to 3 months	3.17	2.39	2.12	1.66	1.69	1.59	1.61	601.2
1.1.1.1.2 Over 3 and up to 6 months	3.76	3.53	2.84	2.43	2.30	2.26	2.25	366.8
1.1.1.1.3 Over 6 months and up to 1 year	4.06	3.91	3.25	2.68	2.63	2.63	2.59	640.0
1.1.1.2 Long-term	4.55	4.41	3.69	3.13	3.01	3.09	2.97	412.1
1.1.1.2.1 Over 1 and up to 2 years	4.42	4.43	3.64	3.13	3.01	3.01	2.84	302.7
1.1.1.2.2 Over 2 years	4.78	4.32	3.82	3.14	3.00	3.34	3.35	109.4
1.2 Non-financial corporations	3.03	2.68	1.77	1.84	1.37	1.45	1.10	1,017.9
1.2.1 Time deposits	3.03	2.68	1.77	1.84	1.37	1.45	1.10	1,017.9
1.2.1.1 Short-term	3.11	2.59	1.57	1.41	1.28	1.19	1.07	982.1
1.2.1.1.1 Up to 3 months	2.79	2.05	1.17	1.08	0.98	0.92	0.80	736.9
1.2.1.1.2 Over 3 and up to 6 months	4.91	3.63	2.37	1.73	1.75	1.71	1.91	93.9
1.2.1.1.3 Over 6 months and up to 1 year	4.98	3.95	3.20	2.25	2.04	2.06	1.86	151.3
1.2.1.2 Long-term	2.94	4.20	3.16	3.01	2.32	2.52	1.90	35.9
1.2.1.2.1 Over 1 and up to 2 years	2.92	3.89	3.26	3.05	2.22	2.54	2.02	28.0
1.2.1.2.2 Over 2 years	3.96	4.87	2.13	2.70	2.61	0.86	1.44	7.8
1.3 Repos	–	0.43	–	0.13	0.12	0.05	0.24	240.1
<b>2 Loans</b>	<b>9.74</b>	<b>9.50</b>	<b>8.83</b>	<b>8.38</b>	<b>8.30</b>	<b>8.30</b>	<b>8.35</b>	<b>16,870.1</b>
2.1 Households	10.58	10.56	10.13	9.41	9.45	9.44	9.41	12,501.0
2.1.1 Loans for house purchases	5.34	5.74	5.81	5.27	5.18	5.20	5.23	125.7
2.1.1.1 Short-term	–	5.31	5.86	5.36	5.12	5.20	5.05	33.1
2.1.1.2 Long-term	5.34	5.90	5.78	5.25	5.21	5.20	5.29	92.6
2.1.1.2.1 Over 1 and up to 5 years	5.91	6.28	5.44	5.36	4.86	5.09	5.16	0.3
2.1.1.2.2 Over 5 years	5.33	5.89	5.79	5.25	5.22	5.20	5.29	92.3
2.1.2 Consumer loans and other loans	10.61	10.56	10.14	9.43	9.47	9.47	9.45	12,375.2
2.1.2.1 Short-term	10.49	10.50	10.13	9.40	9.48	9.47	9.46	9,987.4
2.1.2.2 Long-term	11.16	10.86	10.20	9.57	9.44	9.44	9.39	2,387.9
2.1.2.2.1 Over 1 and up to 5 years	11.18	10.68	9.93	9.51	9.37	9.13	9.11	1,477.5
2.1.2.2.2 Over 5 years	11.10	11.18	10.70	9.72	9.59	9.95	9.84	910.4
o/w: Sole proprietors	9.72	10.13	9.87	9.36	9.19	9.17	9.38	315.7
2.2 Non-financial corporations	7.51	6.50	5.61	5.48	5.15	4.96	5.31	4,369.1
Loans	7.51	6.50	5.61	5.48	5.15	4.96	5.31	4,369.1
2.2.1 Short-term	7.51	6.62	5.50	5.42	5.08	4.88	5.23	3,855.4
2.2.1.2 Long-term	7.46	5.69	6.35	6.02	5.84	6.22	5.93	513.7
2.2.1.2.1 Over 1 and up to 5 years	7.83	6.57	6.62	6.18	6.22	6.47	5.79	469.9
2.2.1.2.2 Over 5 years	5.95	4.39	5.99	5.79	4.92	5.77	7.49	43.8

**Tables G6 •** Data on interest rates and volumes of new business for the subcategories of loans and deposits included in tables G6a through G6c are presented in more detail in tables G1 through G3.

Tables G6a through G6c do not include overnight deposits and revolving loans. The tables report the weighted monthly averages of credit institutions' interest rates for the selected aggregated categories of new deposit business (only for time deposits) and new lending business (for loans other than overdrafts and claims and credit card credit) and total volumes of new business

for these categories of deposits and loans. Overdrafts and claims and credit card credit are shown as book balances.

Deposits and loans to households and non-financial corporations are broken down to deposits and loans not indexed to f/c (Table G6a), deposits and loans indexed to f/c (Table G6b) and foreign currency deposits and loans (Table G6c).

The descriptions of division by instrument, counterparty sector, maturity and currency are explained in notes on methodology under tables G1 through G3.

Table G6b Credit institutions' interest rates on kuna deposits and loans indexed to foreign currency (new business)  
weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.		
					Interest rate			Interest rate
<b>1 Deposits</b>	<b>3.37</b>	<b>3.69</b>	<b>3.41</b>	<b>3.11</b>	<b>2.68</b>	<b>2.31</b>	<b>3.20</b>	<b>58.4</b>
1.1 Households	3.19	2.87	3.48	2.52	2.71	2.41	3.36	52.5
1.1.1 Time deposits	3.19	2.87	3.48	2.52	2.71	2.41	3.36	52.5
1.1.1.1 Short-term	2.61	2.17	3.00	1.38	1.60	1.15	1.58	3.3
1.1.1.1.1 Up to 3 months	2.18	1.75	1.34	0.92	1.49	1.14	1.28	2.1
1.1.1.1.2 Over 3 and up to 6 months	3.01	1.90	1.74	1.84	1.45	2.02	1.88	0.4
1.1.1.1.3 Over 6 months and up to 1 year	4.27	4.85	4.81	1.68	2.32	1.13	2.18	0.8
o/w: EUR	2.94	2.57	3.72	1.66	1.60	1.15	1.58	3.3
o/w: USD	1.88	1.51	1.10	0.79	-	-	-	-
1.1.1.2 Long-term	3.31	3.14	3.59	2.97	2.88	2.79	3.48	49.1
1.1.1.2.1 Over 1 and up to 2 years	4.43	3.74	4.03	2.58	2.56	2.60	4.24	17.5
1.1.1.2.2 Over 2 years	3.18	3.08	3.55	2.99	2.91	2.81	3.06	31.6
o/w: EUR	3.31	3.14	3.59	2.97	2.88	2.79	3.48	49.1
o/w: USD	0.00	-	-	-	-	-	-	-
1.2 Non-financial corporations	3.54	4.76	3.23	3.65	2.06	1.50	1.74	5.9
1.2.1 Time deposits	3.54	4.76	3.23	3.65	2.06	1.50	1.74	5.9
1.2.1.1 Short-term	3.14	4.79	3.26	1.85	1.59	1.82	1.85	3.9
1.2.1.1.1 Up to 3 months	2.79	3.64	2.01	1.09	-	1.55	-	-
1.2.1.1.2 Over 3 and up to 6 months	1.46	5.96	1.34	1.94	0.75	1.39	-	-
1.2.1.1.3 Over 6 months and up to 1 year	4.94	3.48	3.36	1.80	1.90	1.99	1.85	3.9
o/w: EUR	3.18	4.79	3.26	1.85	1.59	1.82	1.85	3.9
o/w: USD	1.15	4.00	3.80	3.00	-	-	-	-
1.2.1.2 Long-term	3.72	4.64	2.53	4.11	2.14	0.91	1.51	2.0
1.2.1.2.1 Over 1 and up to 2 years	2.41	4.73	2.79	1.95	2.31	0.02	3.30	-
1.2.1.2.2 Over 2 years	4.24	2.40	1.37	4.12	0.10	2.90	1.51	2.0
o/w: EUR	3.72	4.64	2.53	4.11	2.14	0.91	1.51	2.0
o/w: USD	-	-	-	-	-	-	-	-
1.3 Repos	-	-	-	-	-	-	-	-
<b>2 Loans</b>	<b>7.27</b>	<b>6.80</b>	<b>5.91</b>	<b>6.14</b>	<b>6.15</b>	<b>6.24</b>	<b>6.04</b>	<b>2,064.8</b>
2.1 Households	7.60	7.05	6.39	6.68	6.75	6.80	6.88	790.8
2.1.1 Loans for house purchases	5.63	5.22	5.12	5.13	5.01	5.02	4.97	267.5
2.1.1.1 Short-term	5.50	5.39	5.54	5.36	4.97	5.05	5.20	23.4
o/w: EUR	5.50	5.39	5.54	5.36	4.97	5.11	5.20	23.4
o/w: CHF	-	-	-	-	-	0.75	-	-
2.1.1.2 Long-term	5.64	5.20	5.06	5.11	5.01	5.02	4.95	244.1
2.1.1.2.1 Over 1 and up to 5 years	5.85	5.11	5.39	5.10	4.83	4.72	4.94	3.4
2.1.1.2.2 Over 5 years	5.64	5.20	5.05	5.11	5.01	5.02	4.95	240.7
o/w: EUR	5.68	5.43	5.29	5.20	5.11	5.08	5.06	228.9
o/w: CHF	5.53	3.50	2.30	3.60	2.93	3.49	3.28	15.2
2.1.2 Consumer loans and other loans	8.63	8.38	6.86	7.53	7.64	7.69	7.86	523.3
2.1.2.1 Short-term	8.50	8.03	6.42	6.44	6.51	6.25	6.82	28.6
o/w: EUR	8.55	8.06	6.47	6.46	6.51	6.18	6.82	28.6
o/w: CHF	6.77	5.35	-	-	-	-	-	-
2.1.2.2 Long-term	8.65	8.43	6.90	7.65	7.71	7.79	7.92	494.7
2.1.2.2.1 Over 1 and up to 5 years	8.66	8.00	5.97	7.17	6.94	7.06	7.23	111.9
2.1.2.2.2 Over 5 years	8.64	8.57	7.43	7.78	7.96	8.01	8.12	382.8
o/w: EUR	8.68	8.44	6.92	7.67	7.72	7.80	7.93	492.7
o/w: CHF	6.87	6.72	5.52	7.24	7.22	7.22	3.38	0.3

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
o/w: Sole proprietors	7.32	7.36	6.58	5.98	6.02	6.54	6.43	50.1
2.2 Non-financial corporations	7.16	6.70	5.70	5.94	5.67	5.90	5.51	1,274.0
2.2.1 Loans	7.16	6.70	5.70	5.94	5.67	5.90	5.51	1,274.0
2.2.1.1 Short-term	8.02	7.05	5.33	6.08	5.90	5.80	5.88	430.5
o/w: EUR	8.01	7.05	5.33	6.08	5.90	5.80	5.88	430.0
o/w: CHF	-	-	-	-	-	-	7.00	0.1
2.2.1.2 Long-term	6.36	6.37	6.22	5.84	5.52	5.96	5.32	843.5
2.2.1.2.1 Over 1 and up to 5 years	6.91	6.95	6.13	6.06	5.50	6.34	6.30	217.0
2.2.1.2.2 Over 5 years	5.88	5.89	6.26	5.52	5.54	5.87	4.99	626.5
o/w: EUR	6.39	6.37	6.23	5.84	5.51	6.05	5.33	833.1
o/w: CHF	5.28	-	5.38	-	7.42	3.56	4.73	10.5

Table G6c Credit institutions' interest rates on foreign currency deposits and loans (new business)

weighted monthly averages of interest rates, in % on annual basis and volumes of new business in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
<b>1 Deposits</b>	<b>2,90</b>	<b>2,67</b>	<b>2,20</b>	<b>1,93</b>	<b>1,72</b>	<b>1,71</b>	<b>1,59</b>	<b>8,951.8</b>
1,1 Households	3,25	3,16	2,52	2,10	1,90	1,87	1,79	7,060.4
1,1,1 Time deposits	3,25	3,16	2,52	2,10	1,90	1,87	1,79	7,060.4
1,1,1,1 Short-term	3,06	2,97	2,25	1,76	1,65	1,61	1,52	4,514.4
1,1,1,1,1 Up to 3 months	2,37	2,07	1,62	1,20	1,09	1,14	1,13	1,028.6
1,1,1,1,2 Over 3 and up to 6 months	2,84	2,72	2,14	1,63	1,55	1,40	1,34	912.7
1,1,1,1,3 Over 6 months and up to 1 year	3,39	3,30	2,52	2,00	1,87	1,86	1,75	2,573.1
o/w: EUR	3,12	3,01	2,31	1,78	1,65	1,65	1,54	3,970.5
o/w: USD	2,75	2,52	2,02	1,73	1,81	1,49	1,62	390.6
1,1,1,2 Long-term	3,96	3,90	3,07	2,61	2,36	2,34	2,25	2,546.0
1,1,1,2,1 Over 1 and up to 2 years	3,95	3,80	2,99	2,61	2,30	2,29	2,16	1,779.2
1,1,1,2,2 Over 2 years	4,01	4,18	3,24	2,63	2,48	2,43	2,45	766.8
o/w: EUR	4,07	3,98	3,11	2,65	2,40	2,36	2,29	2,354.7
o/w: USD	3,56	3,47	2,93	2,39	2,08	2,28	1,94	144.9
1,2 Non-financial corporations	2,32	1,74	1,41	1,39	1,04	1,01	0,86	1,891.4
1,2,1 Time deposits	2,32	1,74	1,41	1,39	1,04	1,01	0,86	1,891.4
1,2,1,1 Short-term	2,27	1,60	1,36	1,20	0,97	0,91	0,77	1,739.3
1,2,1,1,1 Up to 3 months	2,07	1,09	0,86	0,76	0,67	0,69	0,58	1,393.0
1,2,1,1,2 Over 3 and up to 6 months	3,50	3,09	2,21	1,74	1,67	1,50	1,31	151.4
1,2,1,1,3 Over 6 months and up to 1 year	4,18	3,66	2,91	1,76	1,99	1,82	1,70	194.9
o/w: EUR	2,50	1,95	1,51	1,24	0,97	0,88	0,79	1,546.7
o/w: USD	1,37	0,60	0,58	0,56	0,87	0,37	0,52	181.2
1,2,1,2 Long-term	4,47	3,71	3,34	2,80	2,95	2,33	1,85	152.1
1,2,1,2,1 Over 1 and up to 2 years	4,56	3,52	3,39	2,84	3,35	2,34	2,19	124.8
1,2,1,2,2 Over 2 years	3,19	4,41	3,04	1,70	1,29	0,50	0,32	27.3
o/w: EUR	4,53	4,70	3,72	2,80	2,96	2,39	1,86	147.6
o/w: USD	2,82	2,51	2,39	-	1,80	1,21	1,95	4.0
1,3 Repos	-	-	-	-	-	-	-	-
<b>2 Loans</b>	<b>6,41</b>	<b>4,74</b>	<b>4,48</b>	<b>4,49</b>	<b>3,27</b>	<b>2,48</b>	<b>3,10</b>	<b>851.6</b>
2,1 Households	0,41	0,16	1,45	2,19	3,23	2,26	1,42	42.7
2,1,1 Loans for house purchases	-	-	-	-	-	-	-	-
2,1,1,1 Short-term	-	-	-	-	-	-	-	-
o/w: EUR	-	-	-	-	-	-	-	-
o/w: CHF	-	-	-	-	-	-	-	-
2,1,1,2 Long-term	-	-	-	-	-	-	-	-
2,1,1,2,1 Over 1 and up to 5 years	-	-	-	-	-	-	-	-
2,1,1,2,2 Over 5 years	-	-	-	-	-	-	-	-
o/w: EUR	-	-	-	-	-	-	-	-
o/w: CHF	-	-	-	-	-	-	-	-
2,1,2 Consumer loans and other loans	0,41	0,16	1,45	2,19	3,23	2,26	1,42	42.7
2,1,2,1 Short-term	0,32	0,16	0,86	0,79	3,05	2,16	1,33	42.2
o/w: EUR	0,31	0,16	0,85	0,78	3,05	2,15	1,32	42.1
o/w: CHF	12,00	12,00	12,00	12,00	12,00	12,00	12,00	0.0
2,1,2,2 Long-term	9,81	-	6,69	5,24	5,92	4,50	7,98	0.6
2,1,2,2,1 Over 1 and up to 5 years	-	-	5,43	4,80	5,30	4,50	7,98	0.6
2,1,2,2,2 Over 5 years	9,81	-	7,75	5,28	6,17	-	-	-
o/w: EUR	9,95	-	6,69	5,24	5,30	4,50	7,98	0.6
o/w: CHF	7,98	-	-	-	6,17	-	-	-

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015		2015 May	
					Mar.	Apr.	Interest rate	Volume
					Interest rate			
o/w: Sole proprietors	4,43	0,00	5,85	4,42	5,19	3,80	5,22	2.9
2,2 Non-financial corporations	6,59	4,88	4,60	4,62	3,27	2,49	3,19	808.8
2,2,1 Loans	6,59	4,88	4,60	4,62	3,27	2,49	3,19	808.8
2,2,1,1 Short-term	6,38	3,79	3,69	4,32	2,91	2,26	3,02	642.7
o/w: EUR	6,54	3,77	3,64	4,61	3,15	2,43	3,51	493.0
o/w: USD	6,03	7,06	2,73	3,16	1,78	0,82	1,39	149.6
2,2,1,2 Long-term	7,05	5,99	6,70	5,27	5,47	3,66	3,84	166.1
2,2,1,2,1 Over 1 and up to 5 years	7,12	5,42	6,39	5,40	5,98	5,09	5,06	58.4
2,2,1,2,2 Over 5 years	7,03	6,58	6,76	5,18	5,32	2,86	3,19	107.7
o/w: EUR	7,05	5,96	6,69	6,02	5,47	3,66	3,84	165.8
o/w: USD	-	6,19	7,91	4,92	-	-	4,30	0.4

**Table G7a Interest rates in interbank demand deposit trading**  
weighted monthly averages of interest rates, in % on annual basis

Year	Month	O/N	T/N	S/N	Call money	2 – 6 days	1 week	2 weeks	1 month	3 months
1	2	3	4	5	6	7	8	9	10	11
2003		3.12	3.35	2.80	3.39	3.42	3.58	3.76	4.14	4.91
2004		4.98	4.94	4.67	5.66	4.85	5.37	5.82	5.88	6.35
2005		2.97	4.45	4.91	4.27	3.52	3.69	4.20	4.57	5.33
2006		2.36	2.37	2.30	2.82	2.31	2.77	2.68	3.36	3.81
2007		4.97	5.30	4.91	4.00	5.45	5.51	5.59	5.87	5.86
2008		5.86	5.64	4.79	–	5.22	6.59	6.50	6.88	7.38
2009		7.22	6.97	6.30	6.50	7.76	7.79	8.53	8.98	9.31
2010		0.89	1.23	1.25	–	1.16	1.23	1.82	1.74	2.92
2011		0.86	0.98	1.92	–	0.89	1.22	1.46	2.25	3.31
2012		1.09	1.67	1.37	–	1.09	1.38	2.20	1.75	3.79
2013		0.37	0.33	1.00	–	0.73	1.01	0.63	1.02	2.36
2014		0.34	0.36	0.83	–	0.48	0.54	0.57	0.79	0.95
2014	June	0.22	–	–	–	0.46	0.47	0.80	0.75	0.60
	July	0.22	0.20	–	–	0.50	0.29	–	–	0.88
	August	0.40	0.38	–	–	0.68	0.60	0.65	–	–
	September	0.46	0.50	0.83	–	0.56	0.58	0.63	0.83	–
	October	0.36	–	–	–	0.47	0.64	–	–	–
	November	0.35	–	–	–	0.15	0.51	–	0.34	1.30
	December	0.28	–	–	–	0.27	0.54	0.70	0.40	1.33
2015	January	0.33	–	–	–	0.26	0.36	0.60	–	–
	February	0.43	–	–	–	0.27	0.45	0.53	0.57	0.99
	March	0.33	–	–	–	0.20	0.56	–	0.30	1.13
	April	0.18	–	–	–	0.14	0.42	0.73	–	0.85
	May	0.15	–	–	–	0.15	0.59	0.75	–	0.90

**Table G7a Interest rates in interbank demand deposit trading** • Table G7a contains weighted monthly averages of credit institutions' interest rates from direct interbank trading in demand deposits in the reporting month and they do not include direct and repo trading in securities or transactions with other legal and natural persons. The annual averages are calculated as simple averages of the weighted monthly averages. Interest rates are further subdivided according to the maturity period: column 3 O/N (overnight maturity): funds are granted on the same day when the transaction is concluded, while funds are returned on

the next working day; column 4 T/N ("TOM/NEXT"): funds are granted on the first working day following the day when the transaction is concluded, while funds are returned on the next working day; column 5 S/N ("SPOT/NEXT"): funds are granted on the second working day following the day when the transaction is concluded, while funds are returned on the next working day; column 6: call money; column 7: maturity of 2 to 6 days, and columns 8 to 11: maturity of 1 week, 2 weeks, 1 month and 3 months.

**Table G7b Interest rates quoted on the interbank market (ZIBOR)**  
simple monthly averages of simple daily averages of banks' quotations

Year	Month	O/N	T/N	S/N	1 week	2 weeks	1 month	3 months	6 months	9 months	12 months
1	2	3	4	5	6	7	8	9	10	11	12
2003		3.55	3.59	3.63	3.94	4.11	5.03	5.37	5.77	-	-
2004		5.31	5.42	5.56	5.79	6.04	10.11	7.33	7.61	-	-
2005		3.62	3.74	3.79	4.30	4.59	5.98	6.21	6.45	-	-
2006		2.90	2.96	3.00	3.28	3.52	4.24	4.49	4.67	4.66	4.82
2007		5.18	5.28	5.27	5.50	5.61	5.73	5.66	5.58	5.55	5.59
2008		5.96	6.15	6.23	6.72	6.80	6.88	7.17	7.19	7.18	7.20
2009		7.16	7.49	7.72	8.33	8.63	9.15	8.96	8.68	8.48	8.41
2010		1.04	1.05	1.05	1.17	1.31	1.57	2.44	3.32	3.74	4.12
2011		1.03	1.06	1.09	1.27	1.53	2.11	3.15	3.84	4.12	4.39
2012		1.23	1.21	1.20	1.37	1.58	2.12	3.42	4.14	4.37	4.58
2013		0.59	0.60	0.60	0.67	0.75	0.94	1.50	2.10	2.40	2.66
2014		0.47	0.47	0.47	0.58	0.63	0.75	0.97	1.32	1.57	1.81
2014	June	0.50	0.50	0.50	0.53	0.56	0.63	0.89	1.35	1.62	1.84
	July	0.32	0.32	0.32	0.42	0.51	0.64	0.87	1.34	1.58	1.81
	August	0.41	0.41	0.41	0.56	0.65	0.81	1.01	1.38	1.63	1.85
	September	0.57	0.57	0.57	0.76	0.84	0.98	1.16	1.44	1.66	1.87
	October	0.45	0.46	0.46	0.69	0.78	0.98	1.14	1.35	1.61	1.82
	November	0.46	0.47	0.47	0.71	0.77	0.93	1.10	1.32	1.56	1.79
	December	0.45	0.45	0.45	0.66	0.75	0.88	1.09	1.32	1.56	1.78
2015	January	0.47	0.47	0.47	0.66	0.76	0.88	1.08	1.30	1.55	1.78
	February	0.50	0.51	0.51	0.73	0.82	0.96	1.12	1.30	1.56	1.81
	March	0.46	0.46	0.46	0.67	0.78	0.95	1.12	1.29	1.57	1.82
	April	0.36	0.35	0.35	0.51	0.62	0.80	1.01	1.25	1.52	1.77
	May	0.35	0.37	0.35	0.50	0.59	0.74	0.96	1.23	1.50	1.75

**Table G7b Interest rates quoted on the interbank market (ZIBOR)** • Table G7b contains simple monthly averages of daily values of the ZIBOR interest rate index, while annual averages are the simple averages of simple monthly averages. ZIBOR (Zagreb Interbank Offered Rates) indices are the single benchmark interest rates on the Croatian interbank market. The official calculation of ZIBOR by maturity is based on the calculation of the average values of interest rates provided by eight largest Croatian banks published daily on Reuters system at 11 a.m. every working day. Interest rates are further subdivided by the maturity period: column 3 O/N (overnight maturity): funds

are granted on the same day when the transaction is concluded, while funds are returned on the next working day; column 4 T/N ("TOM/NEXT"): funds are granted on the first working day following the day when the transaction is concluded, while funds are returned on the next working day; column 5 S/N ("SPOT/NEXT"): funds are granted on the second working day following the day when the transaction is concluded, while funds are returned on the next working day; column 6: maturity of 1 week and columns 7 to 12: maturity of 2 weeks, 1 month, 3 months, 6 months, 9 months and 12 months.

Table G8a Interest rates on MoF treasury bills

Year	Month	Denominated in HRK			Indexed to EUR	
		3 months	6 months	12 months	3 months	12 months
2000		9.97	9.43	–	–	–
2001		6.18	7.01	–	–	–
2002		2.66	3.45	3.77	–	–
2003		3.41	4.31	4.80	–	–
2004		4.64	5.74	6.38	–	–
2005		3.96	4.65	4.99	–	–
2006		3.07	3.37	3.87	–	–
2007		3.29	3.49	4.08	–	–
2008		4.39	5.24	5.98	–	7.95
2009		6.95	7.25	7.52	–	7.09
2010		2.19	3.28	4.01	–	3.37
2011		2.60	3.53	3.91	3.76	3.46
2012		2.74	3.59	3.93	2.71	3.26
2013		0.97	1.70	2.54	0.64	1.38
2014		0.49	0.99	1.86	0.38	0.51
2014	June	0.60	1.10	2.00	–	–
	July	–	1.00	1.95	–	–
	August	0.40	1.00	1.90	0.40	0.60
	September	0.40	0.96	1.72	0.40	0.55
	October	0.40	0.80	1.50	0.35	0.45
	November	0.30	0.70	1.50	0.35	0.45
	December	0.28	0.63	1.50	0.30	0.48
2015	January	–	0.54	1.50	0.30	0.55
	February	–	0.50	1.50	–	0.40
	March	0.28	0.50	1.50	–	–
	April	–	0.50	1.50	–	0.38
	May	–	–	1.50	–	0.40

Table G8a Interest rates on MoF treasury bills • Table G8a shows the weighted monthly averages of daily interest rates achieved at auctions of treasury bills of the Ministry of Finance of the Republic of Croatia. Daily interest rates correspond to the single yield at issue attained at auctions of MoF treasury bills.

Annual averages are a simple average of the weighted

monthly averages.

The weighted monthly averages of daily interest rates are calculated separately for treasury bills denominated in kuna and for treasury bills indexed to euro, and separately for each original contractual maturity (91, 182 or 364 days).

Table G8b Yields to maturity on the bonds of the Republic of Croatia, for selected currencies and maturities

Year	Month	USD				EUR		Indexed to EUR				HRK			
		6 years	7 years	9 years	10 years	4 years	8 years	5 years	6 years	8 years	10 years	2 years	3 years	4 years	6 years
2001		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2002		-	-	5.32	-	5.77	5.80	-	5.69	-	6.42	-	-	-	-
2003		-	4.19	-	-	-	4.93	4.39	4.70	5.19	-	-	-	6.01	-
2004		4.48	4.23	-	-	3.66	-	4.54	-	5.02	-	-	5.82	6.19	-
2005		4.70	-	-	-	3.19	3.66	-	3.73	-	-	4.07	5.17	4.24	-
2006		-	-	-	-	4.04	4.19	4.42	4.36	-	-	4.06	4.60	4.15	-
2007		-	-	-	-	4.62	-	4.83	-	-	-	4.71	4.24	-	4.98
2008		-	-	-	-	-	-	-	-	-	-	5.50	-	-	5.32
2009		-	-	-	5.83	4.51	-	-	-	-	6.44	-	-	8.14	7.95
2010		-	-	5.66	5.69	4.30	-	-	-	-	6.05	-	5.28	5.97	5.81
2011		-	-	6.51	6.24	5.04	-	-	-	6.47	-	4.75	5.30	5.66	6.27
2012		-	5.45	6.68	-	-	-	-	-	6.60	5.86	6.36	4.63	5.54	6.63
2013		5.17	5.08	5.90	5.71	-	-	-	4.59	-	4.16	3.35	3.74	4.17	4.99
2014		4.68	4.95	5.20	5.47	3.08	3.83	3.64	4.19	4.29	4.64	2.87	3.67	3.91	4.23
2014	June	4.40	4.57	4.89	5.01	2.88	3.82	3.80	3.94	4.07	4.40	2.88	3.47	3.90	3.94
	July	4.45	4.70	5.00	5.12	2.94	3.93	3.73	3.72	4.00	4.37	2.63	3.10	3.78	3.72
	August	4.63	4.84	5.14	-	3.02	4.10	3.87	3.68	4.20	4.45	2.87	3.17	3.75	3.68
	September	4.56	4.69	4.99	-	2.71	3.77	3.65	3.62	3.91	4.23	2.70	3.18	3.74	3.62
	October	4.64	-	5.02	-	2.63	3.76	3.47	-	3.72	4.13	2.62	2.98	3.65	-
	November	4.46	-	4.89	-	2.53	3.49	3.48	-	3.81	4.14	2.64	4.77	3.51	-
	December	4.64	-	5.03	-	2.65	-	3.48	-	3.76	4.05	2.48	3.39	3.45	-
2015	January	4.49	-	4.76	-	2.72	-	3.23	-	3.55	3.99	2.18	2.93	3.30	-
	February	4.47	-	4.70	-	-	-	3.13	-	-	-	2.13	2.75	-	-
	March	4.38	-	4.58	-	-	-	2.90	-	-	-	2.24	2.62	-	-
	April	4.33	-	4.57	-	-	-	2.83	-	-	-	2.03	2.43	-	-
	May	4.45	-	4.82	-	-	-	2.73	-	-	-	1.86	2.32	-	-

Table G8b Yields to maturity on the bonds of the Republic of Croatia, for selected currencies • Table G8b shows the average monthly and annual yields to maturity on the bonds of the Republic of Croatia, for selected currencies and maturities.

The average monthly yields to maturity are a simple average of daily yields to maturity.

The average annual yields are a simple average of monthly averages.

Daily yields are calculated for each remaining maturity (rounded to the whole number of years) in such a way that bonds are first grouped according to the remaining maturity, and then a simple average is calculated for each group. The remaining maturity of a bond on a certain day is calculated as a rounded number (interval  $t-0.5$  to  $t+0.5$ ), assuming a year of 365 days.

The applied methodology differs somewhat depending on the market in which bonds are issued, i.e. the Republic of Croatia or

foreign capital markets, and depending on the availability of data for the calculation of yields to maturity.

a) Bonds issued in the domestic capital market

Daily yields to maturity are calculated on the basis of the weighted average of the average trading price attained in all trading segments of the Zagreb Stock Exchange.

Daily yields are also calculated for days when there are no trading transactions, assuming that the most recent average price remains unchanged.

Daily yields are not calculated for days which are public holidays in the Republic of Croatia.

b) Bonds issued in foreign capital markets

Daily yields to maturity are taken from the Bloomberg financial service, and are calculated on the basis of daily data on the most recent quoted bid price.

The calculation of the average monthly yield does not account for days for which data on daily yields are not available.

Table G10a Midpoint exchange rates of the Croatian National Bank (period average)

Year	Month	EUR/HRK	ATS/HRK	FRF/HRK	100 ITL/HRK	CHF/HRK	GBP/HRK	USD/HRK	DEM/HRK
2000		7.633852	0.554774	1.163773	0.394256	4.903244	12.530514	8.287369	3.903127
2001		7.471006	0.542939	1.138947	0.385845	4.946810	12.010936	8.339153	3.819865
2002		7.406976				5.049125	11.793108	7.872490	
2003		7.564248				4.978864	10.943126	6.704449	
2004		7.495680				4.854986	11.048755	6.031216	
2005		7.400047				4.780586	10.821781	5.949959	
2006		7.322849				4.656710	10.740292	5.839170	
2007		7.336019				4.468302	10.731537	5.365993	
2008		7.223178				4.553618	9.101622	4.934417	
2009		7.339554				4.861337	8.233112	5.280370	
2010		7.286230				5.285859	8.494572	5.500015	
2011		7.434204				6.035029	8.566138	5.343508	
2012		7.517340				6.237942	9.269634	5.850861	
2013		7.573548				6.154290	8.922067	5.705883	
2014		7.630014				6.282424	9.465973	5.749322	
2014	July	7.599809				6.255927	9.579305	5.607284	
	August	7.626000				6.292300	9.567555	5.724264	
	September	7.618519				6.309745	9.618556	5.889556	
	October	7.650459				6.336262	9.707414	6.037462	
	November	7.663895				6.371382	9.699996	6.141372	
	December	7.667075				6.376859	9.721678	6.212358	
2015	January	7.679826				7.055198	10.006643	6.595428	
	February	7.709544				7.264551	10.389484	6.785967	
	March	7.648124				7.204249	10.578519	7.047619	
	April	7.594858				7.318723	10.520414	7.057815	
	May	7.553892				7.267976	10.466002	6.762653	
	June	7.565026				7.247859	10.495691	6.761819	

Table G10a Midpoint exchange rates of the Croatian National Bank (period average) • The annual averages of CNB midpoint exchange rates are calculated based on the midpoint exchange rates effective on the working days in a year, using CNB exchange rate lists whose application dates pertain to the calculation period.

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

The data show the annual and monthly averages of CNB

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

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

Table G10b Midpoint exchange rates of the Croatian National Bank (end of period)

Year	Month	EUR/HRK	ATS/HRK	FRF/HRK	100 ITL/HRK	CHF/HRK	GBP/HRK	USD/HRK	DEM/HRK
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		7.530420				6.194817	8.986181	5.819940	
2012		7.545624				6.245343	9.219971	5.726794	
2013		7.637643				6.231758	9.143593	5.549000	
2014		7.661471				6.368108	9.784765	6.302107	
2014	July	7.636504				6.280020	9.651800	5.698033	
	August	7.627133				6.326421	9.603542	5.786899	
	September	7.626267				6.316795	9.760997	6.015355	
	October	7.662622				6.356912	9.748883	6.088211	
	November	7.673128				6.384165	9.669979	6.163650	
	December	7.661471				6.368108	9.784765	6.302107	
2015	January	7.694064				7.356405	10.217880	6.777717	
	February	7.687811				7.208449	10.542802	6.842124	
	March	7.644596				7.308409	10.456293	7.050259	
	April	7.590100				7.231421	10.599218	6.896956	
	May	7.581258				7.336228	10.552976	6.900836	
	June	7.580660				7.296112	10.723808	6.829423	

Table G10b 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 G11 Banks' trade with foreign exchange**  
in million EUR, current exchange rate

	2010	2011	2012	2013	2014	2015			
						Jan.	Feb.	Mar.	Apr.
<b>A. Purchase of foreign exchange</b>									
1 Legal persons	21,453.6	20,628.9	19,837.3	15,625.9	18,318.4	1,351.9	1,442.6	1,450.3	1,259.0
2 Natural persons	4,878.0	5,264.9	5,060.8	5,083.6	5,519.3	396.7	349.4	442.9	489.9
2.1 Residents	4,251.3	4,867.9	4,647.1	4,733.2	5,036.8	390.2	342.5	433.9	471.2
2.2 Non-residents	626.7	397.0	413.7	350.5	482.5	6.5	6.9	9.0	18.7
3 Domestic banks	11,171.3	10,406.6	10,237.5	11,351.5	10,132.4	517.8	603.5	878.8	1,014.7
4 Foreign banks	5,548.6	5,226.3	6,023.2	6,063.8	6,736.7	510.4	458.4	568.6	578.0
5 Croatian National Bank	350.1	596.7	724.4	214.9	240.2	326.2	172.7	-	-
<b>Total (1+2+3+4)</b>	<b>43,401.6</b>	<b>42,123.5</b>	<b>41,883.2</b>	<b>38,339.8</b>	<b>40,947.0</b>	<b>3,103.0</b>	<b>3,026.5</b>	<b>3,340.5</b>	<b>3,341.5</b>
<b>B. Sale of foreign exchange</b>									
1 Legal persons	21,930.5	20,809.2	20,355.7	20,189.4	23,579.1	1,755.5	1,631.6	1,804.2	1,545.4
2 Natural persons	1,815.9	1,760.2	1,461.3	1,443.8	1,444.7	157.9	111.6	136.6	117.2
2.1 Residents	1,800.5	1,743.3	1,450.8	1,436.1	1,435.5	157.6	111.4	136.4	117.0
2.2 Non-residents	15.4	16.9	10.5	7.7	9.2	0.2	0.2	0.2	0.3
3 Domestic banks	11,171.3	10,406.6	10,237.5	11,351.5	10,132.4	517.8	603.5	878.8	1,014.7
4 Foreign banks	5,455.0	5,730.2	7,159.4	7,082.2	7,135.4	441.5	496.5	661.5	886.1
5 Croatian National Bank	363.7	-	58.1	-	-	-	-	-	-
<b>Total (1+2+3+4)</b>	<b>40,736.5</b>	<b>38,706.2</b>	<b>39,272.0</b>	<b>40,066.9</b>	<b>42,291.6</b>	<b>2,872.7</b>	<b>2,843.2</b>	<b>3,481.0</b>	<b>3,563.4</b>
<b>C. Net purchase (A-B)</b>									
1 Legal persons	-476.9	-180.3	-518.4	-4,563.4	-5,260.7	-403.6	-189.0	-353.8	-286.4
2 Natural persons	3,062.1	3,504.7	3,599.5	3,639.8	4,074.7	238.8	237.8	306.2	372.7
2.1 Residents	2,450.8	3,124.6	3,196.3	3,297.1	3,601.3	232.5	231.1	297.5	354.3
2.2 Non-residents	611.2	380.1	403.2	342.7	473.4	6.3	6.7	8.7	18.4
3 Foreign banks	93.6	-503.9	-1,136.2	-1,018.4	-398.7	68.8	-38.2	-92.9	-308.2
4 Croatian National Bank	-13.6	596.7	666.3	214.9	240.2	326.2	172.7	-	-
<b>Total (1+2+3)</b>	<b>2,665.2</b>	<b>3,417.2</b>	<b>2,611.2</b>	<b>-1,727.1</b>	<b>-1,344.6</b>	<b>230.3</b>	<b>183.3</b>	<b>-140.5</b>	<b>-221.9</b>
Memo items: Other Croatian National Bank transactions									
Purchase of foreign exchange	238.5	968.2	1,016.3	784.6	420.6	0.6	300.6	500.9	200.8
o/w: MoF	238.5	968.2	1,016.3	784.6	420.6	0.6	300.6	500.9	200.8
Sale of foreign exchange	233.1	0.0	246.1	228.4	392.2	87.6	-	7.2	-
o/w: MoF	233.1	0.0	246.1	159.0	0.0	0.0	-	0.0	-

**Table G11 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.

## H International economic relations

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

	2010	2011	2012	2013	2014 <sup>d</sup>	2014				2015
						Q1 <sup>d</sup>	Q2 <sup>d</sup>	Q3 <sup>d</sup>	Q4 <sup>d</sup>	
<b>A CURRENT ACCOUNT (1+6)</b>	<b>-487.3</b>	<b>-353.1</b>	<b>-56.7</b>	<b>354.1</b>	<b>280.4</b>	<b>-1,504.6</b>	<b>-377.8</b>	<b>2,788.7</b>	<b>-625.8</b>	<b>-1,296.1</b>
1 Goods, services, and primary income (2+5)	-1,549.7	-1,499.8	-1,218.2	-716.2	-531.7	-1,687.2	-551.1	2,548.6	-841.9	-1,584.2
1.1 Credit	17,919.2	19,062.3	19,283.4	19,624.4	20,808.6	3,306.0	5,174.3	8,296.1	4,032.3	3,581.4
1.2 Debit	19,468.9	20,562.2	20,501.6	20,340.7	21,340.3	4,993.2	5,725.4	5,747.5	4,874.2	5,165.6
2 Goods and services (3+4)	-146.2	-182.0	222.4	205.4	914.5	-1,340.1	-93.4	3,018.8	-670.7	-1,366.1
2.1 Credit	17,006.9	18,109.3	18,314.3	18,760.6	19,997.2	3,073.8	4,907.1	8,042.2	3,974.1	3,265.7
2.2 Debit	17,153.1	18,291.3	18,091.9	18,555.2	19,082.7	4,413.9	5,000.6	5,023.4	4,644.8	4,631.7
3 Goods	-5,922.2	-6,382.0	-6,297.5	-6,588.7	-6,346.3	-1,547.8	-1,861.4	-1,639.4	-1,297.6	-1,668.4
3.1 Credit	8,058.1	8,742.4	8,672.8	8,923.1	9,737.3	2,203.7	2,387.5	2,567.0	2,579.1	2,340.3
3.2 Debit	13,980.3	15,124.4	14,970.3	15,511.8	16,083.5	3,751.5	4,248.9	4,206.4	3,876.7	4,008.7
4 Services	5,776.0	6,200.0	6,520.0	6,794.1	7,260.8	207.7	1,768.0	4,658.2	626.9	302.3
4.1 Credit	8,948.8	9,367.0	9,641.5	9,837.4	10,260.0	870.1	2,519.6	5,475.2	1,395.0	925.3
4.2 Debit	3,172.8	3,166.9	3,121.6	3,043.3	2,999.2	662.4	751.6	817.0	768.1	623.0
5 Primary income	-1,403.5	-1,317.9	-1,440.6	-921.6	-1,446.2	-347.1	-457.7	-470.2	-171.2	-218.1
5.1 Credit	912.3	953.0	969.1	863.8	811.4	232.2	267.1	253.9	58.2	315.8
5.2 Debit	2,315.7	2,270.9	2,409.7	1,785.5	2,257.6	579.3	724.8	724.1	229.4	533.9
6 Secondary income	1,062.4	1,146.7	1,161.5	1,070.3	812.1	182.6	173.3	240.1	216.1	288.0
6.1 Credit	1,629.7	1,671.4	1,720.0	1,817.5	1,807.5	494.1	421.3	438.8	453.3	570.9
6.2 Debit	567.3	524.7	558.5	747.1	995.4	311.5	248.0	198.7	237.2	282.8
<b>B CAPITAL ACCOUNT</b>	<b>59.6</b>	<b>37.6</b>	<b>48.5</b>	<b>51.4</b>	<b>71.6</b>	<b>2.3</b>	<b>18.0</b>	<b>8.2</b>	<b>43.1</b>	<b>12.1</b>
<b>C FINANCIAL ACCOUNT</b>	<b>-1,343.2</b>	<b>-1,407.9</b>	<b>-393.8</b>	<b>-455.6</b>	<b>-152.6</b>	<b>-1,168.4</b>	<b>-355.9</b>	<b>1,659.4</b>	<b>-287.8</b>	<b>-1,010.5</b>
1 Direct investment	-941.0	-1,178.9	-1,175.2	-884.5	-1,292.6	-270.1	-362.3	-322.2	-337.9	-278.4
1.1 Assets	125.3	-169.3	-63.5	-118.5	1,606.3	10.8	1,771.4	87.4	-263.4	115.0
1.2 Liabilities	1,066.3	1,009.6	1,111.6	766.1	2,898.9	280.9	2,133.7	409.6	74.6	393.4
2 Portfolio investment	-401.1	-582.6	-1,745.9	-1,885.0	706.6	-6.3	80.8	504.8	127.2	-387.3
2.1 Assets	408.0	-491.9	311.5	-87.2	404.9	-10.1	45.6	218.6	150.7	68.3
2.2 Liabilities	809.2	90.7	2,057.3	1,797.9	-301.6	-3.7	-35.2	-286.2	23.5	455.5
3 Financial derivatives	252.7	75.2	-56.8	19.8	15.4	3.7	-1.5	-2.0	15.1	59.8
4 Other investment	-337.6	-122.2	2,538.2	449.8	947.9	-94.4	-281.7	1,886.5	-562.6	-1,528.1
4.1 Assets	-689.2	-244.6	-605.6	-154.8	851.6	605.4	-487.4	1,784.9	-1,051.4	-579.9
4.2 Liabilities	-351.6	-122.4	-3,143.8	-604.6	-96.3	699.8	-205.6	-101.6	-488.8	948.1
5 Reserve assets	83.8	400.6	45.8	1,844.4	-529.9	-801.3	208.7	-407.7	470.4	1,123.4
<b>D NET ERRORS AND OMISSIONS</b>	<b>-915.5</b>	<b>-1,092.5</b>	<b>-385.6</b>	<b>-861.0</b>	<b>-504.6</b>	<b>333.9</b>	<b>3.9</b>	<b>-1,137.4</b>	<b>294.9</b>	<b>273.6</b>

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. The implementation of the new methodology has no effect on the balances in the current and financial accounts of the balance of payments so that changes in these positions from previously published data are a result of the data revision for the purpose of quality and coverage control. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). <sup>c</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>d</sup> Revised data. <sup>e</sup> Preliminary data.

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

Other Croatian National Bank transactions include foreign exchange sales and purchases on behalf of others. 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. From 1993 until the end of 2013, the balance of payments was compiled in accordance with the methodology recommended by the International Monetary Fund in the fifth edition of its Balance of Payments Manual (BPM5), while starting from 2014, the balance of payments is compiled according to the sixth edition of that

manual (BPM6). Also, with the beginning of the implementation of BPM6, the balance of payments historical data for 2000-2013 have been revised in line with the new methodology.

Data sources include: 1) estimates and statistical research carried out by the Croatian National Bank; 2) special reports of the Croatian National Bank (International Transaction Reporting System (ITRS), monetary statistics, securities statistics and reserve assets); and 3) reports of the government institutions (Central Bureau of Statistics, Ministry of Finance, Croatian Institute for Health Insurance and Croatian Pension Insurance Administration).

Table H2 Balance of payments – goods and services<sup>a</sup>

in million EUR

	2010	2011	2012	2013	2014 <sup>b</sup>	2014				2015
						Q1 <sup>b</sup>	Q2 <sup>b</sup>	Q3 <sup>b</sup>	Q4 <sup>b</sup>	
<b>Goods</b>	<b>-5,922.2</b>	<b>-6,382.0</b>	<b>-6,297.5</b>	<b>-6,588.7</b>	<b>-6,346.3</b>	<b>-1,547.8</b>	<b>-1,861.4</b>	<b>-1,639.4</b>	<b>-1,297.6</b>	<b>-1,668.4</b>
1 Credit	8,058.1	8,742.4	8,672.8	8,923.1	9,737.3	2,203.7	2,387.5	2,567.0	2,579.1	2,340.3
1.1 Exports (f.o.b.) in trade statistics	8,898.6	9,533.7	9,448.7	9,510.7	10,242.6	2,325.3	2,517.4	2,680.4	2,719.5	2,546.4
1.2 Adjustments for coverage	-873.5	-865.0	-968.2	-678.5	-625.3	-153.9	-158.3	-144.1	-169.0	-231.2
1.3 Net exports of goods under merchandising	26.4	25.2	12.6	12.2	17.1	4.2	2.5	5.9	4.4	0.4
1.4 Non-monetary gold	6.6	48.4	179.7	78.7	102.9	28.1	25.9	24.8	24.1	24.7
2 Debit	13,980.3	15,124.4	14,970.3	15,511.8	16,083.5	3,751.5	4,248.9	4,206.4	3,876.7	4,008.7
2.1 Imports (c.i.f.) in trade statistics	15,132.9	16,280.9	16,215.2	16,527.0	17,071.3	3,975.4	4,494.3	4,499.8	4,101.8	4,248.7
2.2 Adjustments for coverage	-452.8	-438.8	-512.6	-269.0	-238.9	-48.5	-49.9	-96.5	-44.1	-48.8
2.3 Adjustments for classification	-703.9	-718.0	-733.0	-747.1	-772.7	-179.9	-203.5	-203.7	-185.6	-192.1
2.4 Non-monetary gold	4.1	0.3	0.7	0.9	23.8	4.6	8.0	6.8	4.5	0.9
<b>Services</b>	<b>5,776.0</b>	<b>6,200.0</b>	<b>6,520.0</b>	<b>6,794.1</b>	<b>7,260.8</b>	<b>207.7</b>	<b>1,768.0</b>	<b>4,658.2</b>	<b>626.9</b>	<b>302.3</b>
1 Manufacturing services on physical inputs owned by others	158.8	192.1	192.3	188.3	225.1	49.8	56.2	55.6	63.5	72.0
1.1 Credit	243.4	252.4	271.7	220.4	237.5	52.3	59.3	59.2	66.8	75.2
1.2 Debit	84.5	60.4	79.4	32.2	12.4	2.4	3.1	3.6	3.3	3.2
2 Transport	316.5	277.6	267.7	251.5	298.6	32.2	67.7	127.3	71.4	43.2
2.1 Credit	999.1	977.8	966.5	933.9	998.9	189.8	248.4	317.8	242.9	200.0
2.2 Debit	682.6	700.1	698.8	682.4	700.3	157.6	180.7	190.6	171.5	156.8
3 Travel	5,600.8	5,984.5	6,136.7	6,523.0	6,767.6	157.1	1,649.4	4,468.1	493.1	218.2
3.1 Credit	6,230.0	6,616.9	6,858.7	7,202.8	7,402.3	298.5	1,820.8	4,660.2	622.8	339.7
3.1.1 Business	236.3	210.1	233.2	225.5	194.0	28.3	73.9	49.7	42.1	34.5
3.1.2 Personal	5,993.6	6,406.9	6,625.5	6,977.4	7,208.3	270.1	1,746.9	4,610.5	580.7	305.2
3.2 Debit	629.2	632.4	722.0	679.8	634.6	141.4	171.4	192.1	129.7	121.5
3.2.1 Business	180.6	184.3	224.6	211.7	180.4	43.2	50.8	41.8	44.5	32.0
3.2.2 Personal	448.6	448.1	497.4	468.2	454.2	98.2	120.5	150.3	85.2	89.5
4 Other services	-300.2	-254.2	-76.7	-168.7	-30.5	-31.4	-5.3	7.3	-1.1	-31.1
4.1 Credit	1,476.3	1,519.8	1,544.7	1,480.3	1,621.3	329.5	391.2	438.1	462.5	310.4
4.2 Debit	1,776.5	1,774.0	1,621.4	1,648.9	1,651.8	361.0	396.5	430.8	463.6	341.5
o/w: FISIM	-191.6	-258.2	-127.6	-189.2	-130.5	-25.2	-33.6	-37.1	-34.6	-34.7
Credit	-20.4	-8.5	-4.1	-4.3	8.9	4.0	1.8	3.0	0.1	1.9
Debit	171.2	249.7	123.5	184.9	139.4	29.2	35.4	40.1	34.7	36.6

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> Revised data. <sup>c</sup> Preliminary data.

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:

- 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. With the accession of the Republic of Croatia to the European Union on 1 July 2013, data on the foreign trade in goods of the Republic of Croatia are obtained from two different sources: Intrastat forms for collecting statistics on the trade in goods between EU member states (Intrastat) and the Single Administration Document for collecting statistics on the trade in goods with non-EU member states (Extrastat). These data are adjusted, in accordance with the recommended compilation method, for coverage and classification. Therefore, in line with the methodology, 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. was until 2007 estimated on the basis of research studies of the CNB on the stratified sample of importers. The resulting value served as a basis for the estimate of the share of transportation and insurance

Table H3 Balance of payments – primary and secondary income<sup>a</sup>  
in million EUR

	2010	2011	2012	2013	2014 <sup>b</sup>	2014				2015
						Q1 <sup>b</sup>	Q2 <sup>b</sup>	Q3 <sup>b</sup>	Q4 <sup>b</sup>	
<b>Primary income</b>	<b>-1,403.5</b>	<b>-1,317.9</b>	<b>-1,440.6</b>	<b>-921.6</b>	<b>-1,446.2</b>	<b>-347.1</b>	<b>-457.7</b>	<b>-470.2</b>	<b>-171.2</b>	<b>-218.1</b>
1 Compensation of employees	620.8	634.9	714.8	711.2	716.7	153.5	175.3	179.4	208.5	195.6
1.1 Credit	657.1	673.5	753.4	756.2	749.3	161.0	185.0	186.7	216.6	202.1
1.2 Debit	36.3	38.5	38.6	45.0	32.5	7.5	9.8	7.2	8.0	6.5
2 Direct investment income	-1,089.1	-952.4	-987.4	-604.2	-1,017.4	-216.3	-326.0	-362.4	-112.7	-127.5
2.1 Credit	84.5	60.1	-19.4	-111.4	-154.0	21.2	35.4	6.3	-217.0	62.6
2.1.1 Dividends and withdrawals from income of quasi-corporations	66.1	44.4	31.5	29.2	27.7	9.1	11.4	4.6	2.6	8.2
2.1.2 Reinvested earnings	7.3	-7.4	-70.8	-164.3	-209.5	5.5	17.5	-5.7	-226.9	47.7
2.1.3 Income on debt (interest)	11.1	23.2	19.8	23.7	27.8	6.6	6.5	7.3	7.3	6.7
2.2 Debit	1,173.6	1,012.4	968.0	492.8	863.4	237.5	361.4	368.7	-104.3	190.1
2.2.1 Dividends and withdrawals from income of quasi-corporations	427.1	520.0	542.0	599.9	328.8	20.9	272.8	22.2	12.9	34.7
2.2.2 Reinvested earnings	531.0	276.8	236.6	-281.2	371.9	175.9	47.5	306.2	-157.7	110.3
2.2.3 Income on debt (interest)	215.5	215.6	189.4	174.1	162.6	40.7	41.1	40.3	40.5	45.1
3 Portfolio investment income	-304.7	-352.1	-495.3	-611.2	-690.9	-165.2	-184.5	-178.1	-163.1	-183.8
3.1 Credit	40.6	49.5	35.7	43.1	46.3	6.9	8.6	15.0	15.7	6.5
3.2 Debit	345.2	401.6	531.0	654.3	737.2	172.2	193.1	193.1	178.8	190.2
4 Other investment income	-693.4	-760.1	-821.7	-549.9	-589.2	-154.7	-153.5	-143.1	-137.9	-133.8
4.1 Credit	67.3	58.2	50.4	43.6	35.3	7.4	7.0	11.9	8.9	13.3
4.2 Debit	760.6	818.3	872.1	593.4	624.5	162.2	160.5	155.0	146.8	147.1
5 Reserve assets income	62.8	111.8	148.9	132.4	134.6	35.6	31.1	34.0	33.9	31.3
5.1 Credit	62.8	111.8	148.9	132.4	134.6	35.6	31.1	34.0	33.9	31.3
5.2 Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Secondary income</b>	<b>1,062.4</b>	<b>1,146.7</b>	<b>1,161.5</b>	<b>1,070.3</b>	<b>812.1</b>	<b>182.6</b>	<b>173.3</b>	<b>240.1</b>	<b>216.1</b>	<b>288.0</b>
1 General government	-65.4	-81.5	-99.8	-276.6	-581.4	-216.9	-152.7	-93.8	-118.0	-188.8
1.1 Credit	279.1	224.6	211.5	243.1	151.5	30.2	34.4	43.0	44.0	28.5
1.2 Debit	344.4	306.0	311.3	519.7	732.9	247.0	187.1	136.8	161.9	217.3
2 Other sectors	1,127.8	1,228.2	1,261.3	1,347.0	1,393.5	399.5	326.0	333.9	334.1	476.9
2.1 Credit	1,350.6	1,446.8	1,508.6	1,574.4	1,656.0	464.0	387.0	395.8	409.3	542.4
2.2 Debit	222.8	218.6	247.2	227.4	262.5	64.5	61.0	61.8	75.3	65.6

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> Revised data. <sup>c</sup> Preliminary data.

services by which the original value of imports c.i.f., stated in the CBS Report, was reduced. In the 1993-2001 period, this share stood at 7.10% (estimated only on the basis of the largest and large importers), while from 2002 on it has amounted to 3.73%. The same research study, conducted by the CNB at the end of 2006 (comprising the imports in the previous year), showed that the share of transportation and insurance costs, after continuing to decrease, has reached 3.03%. This share was first applied in the calculation for the first quarter of 2007. For the sake of greater reliability, the c.i.f./f.o.b. coefficient as of 2011 started to be estimated based on the available CBS data on goods imports. The shares of transportation and insurance services have been calculated separately for each year, starting with 2008, based on the goods imported at f.o.b. parity and similar parities. The estimated coefficient amounted to 4.1% for 2008, 4.4% for 2009 and 4.7% for 2010. The figure is estimated again in the same manner for each following year. It should be noted that with the implementation of BPM6, repairs of goods are no longer included in goods imports and exports, but become part of the services account. Data series from 2000 onwards have also been revised accordingly. The treatment of fuel and other goods included in the supply of foreign transport equipment in Croatia

or of domestic transport equipment abroad remains unchanged, i.e. within goods exports and imports.

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). This treatment is also in compliance with BPM6.

It should be said that, contrary to BPM5, data series from 2000 onwards, which follows the methodology of BPM6, covers only goods involving a change in ownership between residents and non-residents. In other words, goods imported and exported for the purpose of finishing, treatment or processing are no longer included in the trade in goods data. Starting from 2014, imports and exports of goods for cross-border processing are monitored by the CNB under a special statistical research since, for the balance of payments purposes, the goods which do not involve a change in ownership are excluded from the CBS data on the foreign trade in goods of the Republic of Croatia. The results of this statistical research are compared and supplemented

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

	2010	2011	2012	2013	2014 <sup>d</sup>	2014				2015
						Q1 <sup>d</sup>	Q2 <sup>d</sup>	Q3 <sup>d</sup>	Q4 <sup>d</sup>	
<b>Direct investment</b>	<b>-941.0</b>	<b>-1,178.9</b>	<b>-1,175.2</b>	<b>-884.5</b>	<b>-1,292.6</b>	<b>-270.1</b>	<b>-362.3</b>	<b>-322.2</b>	<b>-337.9</b>	<b>-278.4</b>
1 Net acquisition of financial assets	125.3	-169.3	-63.5	-118.5	1,606.3	10.8	1,771.4	87.4	-263.4	115.0
1.1 Equity	-264.0	183.6	149.5	98.6	1,607.2	-1.8	1,487.8	105.6	15.7	71.3
1.1.1 In direct investment enterprises	-264.0	183.6	149.5	98.6	1,607.2	-1.8	1,487.8	105.6	15.7	71.3
1.1.2 In direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.3 Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Reinvested earnings	7.3	-7.4	-70.8	-164.3	-209.5	5.5	17.5	-5.7	-226.9	47.7
1.3 Debt instruments	382.0	-345.5	-142.3	-52.8	208.6	7.1	266.1	-12.5	-52.2	-4.0
1.3.1 In direct investment enterprises	368.9	-325.6	-135.7	-83.3	13.2	0.1	29.3	2.4	-18.6	-15.4
1.3.2 In direct investor (reverse investment)	13.1	-19.9	-6.5	30.5	178.1	1.6	221.3	0.6	-45.4	3.5
1.3.3 Between fellow enterprises	0.0	0.0	0.0	0.0	17.3	5.5	15.5	-15.5	11.8	7.8
2 Net incurrence of liabilities	1,066.3	1,009.6	1,111.6	766.1	2,898.9	280.9	2,133.7	409.6	74.6	393.4
2.1 Equity	419.1	1,967.6	845.5	702.4	2,106.6	-10.4	1,900.8	79.0	137.2	98.4
2.1.1 In direct investment enterprises	419.1	1,967.6	845.5	702.4	2,106.6	-10.4	1,900.8	79.0	137.2	98.4
2.1.2 In direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.3 Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2 Reinvested earnings	531.0	276.8	236.6	-281.2	371.9	175.9	47.5	306.2	-157.7	110.3
2.3 Debt instruments	116.2	-1,234.8	29.6	344.9	420.3	115.4	185.5	24.4	95.1	184.7
2.3.1 In direct investment enterprises	-318.3	-1,041.8	-297.2	83.4	284.2	124.2	127.1	14.8	18.0	102.7
2.3.2 In direct investor (reverse investment)	180.8	-179.9	-13.5	-14.9	96.1	19.2	66.6	-13.8	24.2	27.8
2.3.3 Between fellow enterprises	253.8	-13.0	340.2	276.4	40.0	-28.0	-8.2	23.3	52.9	54.2
<b>Portfolio investment</b>	<b>-401.1</b>	<b>-582.6</b>	<b>-1,745.9</b>	<b>-1,885.0</b>	<b>706.6</b>	<b>-6.3</b>	<b>80.8</b>	<b>504.8</b>	<b>127.2</b>	<b>-387.3</b>
1 Net acquisition of financial assets	408.0	-491.9	311.5	-87.2	404.9	-10.1	45.6	218.6	150.7	68.3
1.1 Equity securities	514.0	117.0	123.4	22.0	105.6	-67.6	99.1	43.1	31.1	38.0
1.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.2 Other monetary financial institutions	15.5	20.3	-4.6	4.1	7.7	-0.1	-0.7	9.8	-1.3	12.4
1.1.3 Other sectors	498.5	96.7	128.0	17.9	97.9	-67.5	99.8	33.2	32.4	25.6
1.2 Debt securities	-105.9	-608.9	188.1	-109.2	299.3	57.6	-53.5	175.6	119.7	30.2
1.2.1 Long-term	-263.9	-345.2	293.0	-198.0	578.8	28.0	-48.5	419.9	179.4	73.6
1.2.1.1 General government	1.5	0.0	0.7	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
1.2.1.2 Other monetary financial institutions	-167.3	-343.0	267.8	-260.6	458.0	1.1	-32.1	400.6	88.4	-14.0
1.2.1.3 Other sectors	-98.1	-2.1	24.4	62.5	120.9	26.9	-16.4	19.4	91.0	87.6
1.2.2 Short-term	157.9	-263.8	-104.9	88.8	-279.5	29.6	-5.0	-244.3	-59.8	-43.4
1.2.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2.2 Other monetary financial institutions	124.3	-300.3	-22.3	82.7	-278.9	23.2	2.1	-244.3	-60.0	-42.0
1.2.2.3 Other sectors	33.6	36.6	-82.6	6.2	-0.6	6.3	-7.2	0.0	0.2	-1.4
1.2.3 Other securities										
2 Net incurrence of liabilities	809.2	90.7	2,057.3	1,797.9	-301.6	-3.7	-35.2	-286.2	23.5	455.5
2.1 Equity securities	138.0	17.6	-115.5	-75.8	-15.8	11.7	-41.0	21.1	-7.6	10.7
2.1.1 Other monetary financial institutions	0.5	-1.3	-2.3	0.0	11.7	-0.8	9.5	0.3	2.7	-0.7
2.1.2 Other sectors	137.5	18.9	-113.1	-75.8	-27.5	12.6	-50.5	20.8	-10.3	11.4
2.2 Debt securities	671.2	73.1	2,172.8	1,873.6	-285.9	-15.5	5.8	-307.3	31.1	444.8
2.2.1 Long-term	374.7	385.1	2,213.6	1,921.6	-324.2	-120.7	16.6	-168.3	-51.8	487.5
2.2.1.1 General government	368.0	296.7	967.3	1,949.2	137.7	-175.4	510.6	-149.3	-48.2	497.6
2.2.1.2 Other monetary financial institutions	-0.2	-7.0	7.0	-5.2	-1.3	-0.2	0.0	-1.1	-0.1	0.2
2.2.1.3 Other sectors	6.9	95.4	1,239.2	-22.4	-460.6	54.9	-494.0	-18.0	-3.6	-10.3
2.2.2 Short-term	296.5	-312.0	-40.7	-48.0	38.4	105.2	-10.9	-139.0	82.9	-42.6
2.2.2.1 General government	296.5	-312.1	-40.7	-47.8	13.9	105.2	-10.9	-139.0	58.5	-47.0
2.2.2.2 Other monetary financial institutions	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	0.1	0.0	-0.1	24.5	0.0	0.0	0.0	24.5	4.4

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). <sup>c</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>d</sup> Revised data. <sup>e</sup> Preliminary data.

by CBS data on imports and exports of goods which do not involve a change in ownership.

BPM6 changes the treatment of personal property carried by persons who change residence. Such transfers of goods are not included in the BOP statistics under BPM6 in line with the criteria that ownership of goods remains unchanged. Under BPM5, this was recorded under imports/exports of goods and capital transfers.

Under BPM5, goods under merchanting were recorded in the balance of payments on a net basis within Other business services. Under BPM6 they are recorded on a gross basis as a separate item in the Goods account. Merchanting includes the value of the goods that are traded without crossing the customs border of the merchant and are instead bought and then sold abroad. The acquisition of goods by merchants is shown as a negative export of the economy of the merchant, while the sale of goods is shown as a positive export of the economy of the merchant. It is possible that net exports of goods under merchanting are negative in a certain period. Merchanting is recorded at transaction prices, rather than f.o.b. values and only in the economy of the merchant. Starting from 1 January 2011, data on the net value and commissions and other income from merchanting are collected through a statistical research on revenue and expenditure on foreign trade in services. As BPM6 recommends reporting on a gross basis, the survey questionnaire used in the research has been adjusted to a gross basis starting from 2014.

Under BPM6 non-monetary gold is shown separately from other goods because of its special role in financial markets.

Transportation, travel and other services are reported separately under the services 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 Statistical research on international transportation services, carried out by the CNB. Owing to an exceptionally large population of road carriers, revenues and expenditures on the basis of road freight transportation are not adopted from that research. They are compiled by using ITRS data. As of January 2011, due to the abolishment of the ITRS, this item has been compiled on the basis of data from export customs declarations of the CBS and estimates of the Road Freight Transporters Association. 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.

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 payments items. Starting from the first quarter of 2012, the

balance of payments data on revenues from services rendered to foreign travellers and tourists are not computed using the standard methodological combination of volume indicators and estimated average consumption from the Survey on Consumption of Foreign Travellers, but are based on a combination of the estimated level of tourism consumption in 2011 and an econometrically computed indicator – the first principal component of a group of variables that are assumed to follow the dynamics of tourism revenue (foreign tourist arrivals and nights, the number of foreign travellers at border crossings, total tourist consumption according to the CNB survey, the number of the employed in accommodation and food service activities, the revenues of hotels and restaurants, the price index of hotel and restaurants services, the real retail trade turnover index, currency outside banks, the value of foreign credit card transactions, the banks' turnover in transactions with natural persons in the foreign exchange market and the industrial production EU-28).

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

With the transition to BPM6, the services account includes also manufacturing services on goods owned by others, the most important part of which is processing of goods. In addition, it also covers assembly, labelling, packing and similar services undertaken by entities that do not own the goods concerned. Under BPM6, the balance of payments includes only the net value of the service, including a fee related to finishing, and not the value of the goods themselves. Such services are monitored in the Survey on foreign trade in services (US-PB) starting from 2011. As of 2014, a separate statistical research was introduced to monitor imports and exports of goods for finishing and processing and the related services. CBS data on imports and exports of goods are used to identify enterprises that receive/provide processing services.

With the application of BPM6, maintenance and repair services are included in Services and are no longer a part of the goods account. Starting from 2011, these services are monitored separately in the Statistical research on revenue and expenditure on foreign trade in services.

A novelty introduced under BPM6 with regard to financial services is the inclusion of financial intermediation services indirectly measured (FISIM), which means that a part of investment income is reclassified from Primary income to Services. It involves income of financial institutions which exceeds the reference interest rate. The reference rate is the rate that contains no service element; the rate prevailing for interbank borrowing and lending is a suitable choice as a reference rate. FISIM for loans is the margin between lending rate and funding costs calculated on the basis of the reference rate. For deposits, FISIM is the margin between the interest rate calculated on the basis of the reference rate and the interest payable to depositors. BPM6 takes into account only FISIM of financial corporations and only on loans and deposits in their balance sheets (money market funds and investment funds do not produce FISIM). In our case, FISIM

Table H5 Balance of payments – other investment<sup>a,b</sup>

in million EUR

	2010	2011	2012	2013	2014 <sup>c</sup>	2014				2015
						Q1 <sup>c</sup>	Q2 <sup>c</sup>	Q3 <sup>c</sup>	Q4 <sup>c</sup>	Q1 <sup>d</sup>
<b>Other investment (net)</b>	<b>-337.6</b>	<b>-122.2</b>	<b>2,538.2</b>	<b>449.8</b>	<b>947.9</b>	<b>-94.4</b>	<b>-281.7</b>	<b>1,886.5</b>	<b>-562.6</b>	<b>-1,528.1</b>
<b>1 Assets</b>	<b>-689.2</b>	<b>-244.6</b>	<b>-605.6</b>	<b>-154.8</b>	<b>851.6</b>	<b>605.4</b>	<b>-487.4</b>	<b>1,784.9</b>	<b>-1,051.4</b>	<b>-579.9</b>
1.1 Other equity	0.0	0.7	0.7	29.2	26.9	0.1	0.0	0.0	26.8	0.2
1.2 Currency and deposits	-505.4	-326.8	-336.5	-334.2	936.1	729.1	-524.9	1,752.6	-1,020.7	-741.1
1.2.1 Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2 General government	0.0	0.0	2.1	2.5	0.0	0.0	0.0	0.0	0.0	0.0
1.2.3 Other monetary financial institutions	-417.0	-522.0	-421.0	-129.0	532.3	209.4	-26.1	1,484.2	-1,135.1	-741.1
1.2.4 Other sectors	-88.5	195.1	82.3	-207.6	403.8	519.7	-498.7	268.4	114.4	0.0
1.3 Loans	105.2	-42.6	66.8	84.4	109.0	-25.5	-13.5	191.7	-43.8	-18.6
1.3.1 General government	0.0	0.0	0.0	0.0	-2.9	0.1	-1.5	0.0	-1.5	-0.5
1.3.1.1 Long-term	0.0	0.0	0.0	0.0	-2.9	0.1	-1.5	0.0	-1.5	-0.5
1.3.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.2 Other monetary financial institutions	85.5	-51.0	36.8	2.9	61.8	-17.2	-10.4	192.4	-102.9	-16.9
1.3.2.1 Long-term	63.3	-10.4	-52.9	57.2	-21.3	2.4	-10.8	-19.9	7.0	-2.5
1.3.2.2 Short-term	22.2	-40.6	89.7	-54.3	83.1	-19.7	0.3	212.3	-109.8	-14.3
1.3.3 Other sectors	19.7	8.4	29.9	81.6	50.0	-8.3	-1.6	-0.7	60.6	-1.2
1.3.3.1 Long-term	-17.4	34.6	9.9	71.4	56.3	0.3	-4.6	-1.2	61.8	1.6
1.3.3.2 Short-term	37.1	-26.1	20.1	10.2	-6.3	-8.6	3.0	0.5	-1.3	-2.7
1.4 Trade credit and advances	-289.0	124.3	-352.3	67.3	-233.3	-88.3	21.4	-152.6	-13.7	179.6
1.4.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4.2 Other sectors	-289.0	124.3	-352.3	67.3	-233.3	-88.3	21.4	-152.6	-13.7	179.6
1.4.2.1 Long-term	-22.2	-2.9	-0.2	-2.6	0.5	0.9	-0.1	-0.3	0.0	0.0
1.4.2.2 Short-term	-266.8	127.3	-352.1	69.8	-233.8	-89.2	21.5	-152.3	-13.7	179.6
1.5 Other assets	0.0	-0.2	15.8	-1.5	12.9	-10.0	29.6	-6.8	0.0	0.0
<b>2 Liabilities</b>	<b>-351.6</b>	<b>-122.4</b>	<b>-3,143.8</b>	<b>-604.6</b>	<b>-96.3</b>	<b>699.8</b>	<b>-205.6</b>	<b>-101.6</b>	<b>-488.8</b>	<b>948.1</b>
2.1 Other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2 Currency and deposits	-9.3	915.2	-1,973.8	1.7	-460.7	317.4	-452.5	-555.9	230.3	162.5
2.2.1 Central bank	0.0	-1.0	0.0	83.8	-0.7	18.4	-78.3	16.4	42.9	55.4
2.2.2 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.3 Other monetary financial institutions	-9.3	916.2	-1,973.8	-82.1	-460.0	299.0	-374.2	-572.3	187.5	107.0
2.2.4 Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3 Loans	-412.1	-664.0	-1,396.0	-784.4	168.3	402.0	-198.7	447.1	-482.0	469.6
2.3.1 Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	641.9
2.3.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3.1.1.1 Drawings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3.1.1.2 Repayments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	641.9
2.3.2 General government	98.5	161.7	95.5	285.4	261.4	-82.9	-321.9	731.3	-65.1	43.7
2.3.2.1 Long-term	279.3	161.7	100.1	86.3	461.3	117.1	-321.9	731.3	-65.3	43.9
2.3.2.1.1 Drawings	824.1	859.3	707.6	831.2	1,363.2	214.2	63.7	847.0	238.3	145.2
2.3.2.1.2 Repayments	544.9	697.5	607.5	744.9	901.9	97.1	385.6	115.7	303.6	101.3
2.3.2.2 Short-term	-180.7	0.0	-4.6	199.1	-199.8	-200.0	0.0	0.0	0.2	-0.2
2.3.3 Other monetary financial institutions	-161.0	-34.7	-291.6	-522.9	-585.2	-98.6	-116.3	-208.0	-162.3	-314.5
2.3.3.1 Long-term	-292.9	385.7	-282.6	-568.8	-436.9	-15.4	-85.0	-106.1	-230.5	-291.5
2.3.3.1.1 Drawings	879.8	1,108.0	729.1	408.4	709.1	213.6	61.0	122.1	312.5	340.3
2.3.3.1.2 Repayments	1,172.8	722.2	1,011.7	977.2	1,146.0	229.0	146.0	228.1	543.0	631.8
2.3.3.2 Short-term	132.0	-420.4	-9.0	46.0	-148.3	-83.2	-31.4	-102.0	68.2	-23.0
2.3.4 Other sectors	-349.6	-791.0	-1,199.8	-547.0	492.1	583.5	239.5	-76.2	-254.6	98.5
2.3.4.1 Long-term	-935.9	-1,283.7	-1,718.1	-605.5	145.0	432.2	73.3	-229.6	-131.0	116.1
2.3.4.1.1 Drawings	4,190.1	2,580.1	3,244.6	4,231.6	4,616.9	1,450.8	1,436.0	961.4	768.6	1,015.2

	2010	2011	2012	2013	2014 <sup>c</sup>	2014					2015
						Q1 <sup>e</sup>	Q2 <sup>e</sup>	Q3 <sup>e</sup>	Q4 <sup>e</sup>	Q1 <sup>d</sup>	
2.3.4.1.2 Repayments	5,126.0	3,863.8	4,962.7	4,837.1	4,471.9	1,018.6	1,362.7	1,191.0	899.6	899.1	
2.3.4.2 Short-term	586.2	492.7	518.2	58.6	347.1	151.3	166.1	153.3	-123.7	-17.7	
2.4 Trade credit and advances	58.7	-473.2	337.3	155.1	-124.0	-9.1	161.7	33.7	-310.2	381.0	
2.4.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
2.4.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
2.4.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
2.4.2 Other sectors	58.7	-473.2	337.3	155.1	-124.0	-9.1	161.7	33.7	-310.2	381.0	
2.4.2.1 Long-term	-25.3	-147.5	-34.9	-7.7	-18.8	9.6	3.2	-3.9	-27.7	40.0	
2.4.2.2 Short-term	84.0	-325.8	372.3	162.9	-105.2	-18.7	158.5	37.6	-282.5	340.9	
2.5 Other liabilities	11.0	99.6	-111.4	23.1	320.0	-10.5	283.9	-26.5	73.0	-64.9	
2.6 SDRs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>c</sup> Revised data. <sup>d</sup> Preliminary data.

is calculated in full conformity with international methodology.

Some other changes introduced by BPM6: postal and courier services have been reclassified from communication to transport (the valuation principle remains the same), while telecommunications services become part of telecommunications, computer and information services, also without a change in the valuation principle. In addition, merchanting services on a gross basis are moved to the Goods account.

Transactions in the income account are classified into four main groups. Under BPM6, the income account has become the primary income account.

Compensation of employees item was compiled on the basis of the ITRS until the end of 2010, when the reporting by transaction types was abolished. As of 2011, this position on the revenues side is estimated by a model based on the aggregate data of banks on inflows of resident natural persons from non-residents. On the expenditures side, the existing surveys on services are used, containing a part which relates to compensation of employees paid to non-residents and a separate survey on income paid to non-residents for institutions not included in the survey sample.

Income from direct investment, portfolio investment and other investment is reported separately. Data on reinvested earnings are reported separately, under direct investment income, calculated on the basis of the CNB Statistical research on direct and other equity investment. In contrast to data on dividends, data on reinvested earnings 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. A novelty introduced by BPM6 is that it distinguishes three types of direct investment income:

- direct investor's investment in direct investment enterprise;
- reverse investment (refers to liabilities of direct investors to their direct investment enterprises and claims of direct investment enterprises on their direct investors), and
- investments between fellow enterprises (investment income

flows between all fellow enterprises that belong to the same direct investor).

One should bear in mind that dividends, withdrawals from income of quasi-corporations, and interest can apply for any of these types of investment income. There are no reinvested earnings on reverse investments and investments between fellow enterprises because the 10% equity threshold has not been met.

BPM6 introduces a term of "superdividends". Superdividends are described as payments by corporations to their shareholders that are not a result of regular business activities over the business year for which regular dividends are paid out. By definition, superdividends are most similar to payments to shareholders based on reinvested earnings from the previous years. Such payments should be treated as withdrawals of equity, and should not be recorded in the primary income account. This principle has been applied for some time in Croatia so that the implementation of BPM6 has not led to changes in the statistical treatment of such payments.

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 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 income 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. A novelty introduced by BPM6 is reporting on investment income attributable to investment fund shareholders – dividends and reinvested earnings, with a counterpart in the financial account. This introduces the principle of acquired income in this part as well. Such income is not yet estimated due to the lack of all necessary data. Under the methodology, income on equity securities continues to include only dividends, while estimate of reinvested earnings for this type of income is not envisaged.

According to BPM6, interest is reported without FISIM, while the value of FISIM is presented within financial services. Income on reserve assets is shown separately under BPM6, while under BPM5 it was presented within income on other investment.

Table H6 Balance of payments – summary<sup>a,b,c</sup>

in million HRK

	2010	2011	2012	2013	2014 <sup>d</sup>	2014				2015
						Q1 <sup>d</sup>	Q2 <sup>d</sup>	Q3 <sup>d</sup>	Q4 <sup>d</sup>	
<b>A CURRENT ACCOUNT (1+6)</b>	<b>-3,783.6</b>	<b>-2,766.4</b>	<b>-969.1</b>	<b>2,703.2</b>	<b>1,999.6</b>	<b>-11,512.8</b>	<b>-2,945.8</b>	<b>21,217.5</b>	<b>-4,759.2</b>	<b>-9,951.7</b>
1 Goods, services, and primary income (2+5)	-11,494.5	-11,291.2	-9,701.3	-5,399.0	-4,197.8	-12,910.0	-4,262.4	19,389.3	-6,414.7	-12,166.9
1.1 Credit	130,357.0	141,660.5	144,720.2	148,234.5	158,627.5	25,276.3	39,348.7	63,145.3	30,857.1	27,520.9
1.2 Debit	141,851.5	152,951.7	154,421.5	153,633.5	162,825.2	38,186.3	43,611.1	43,756.0	37,271.9	39,687.8
2 Goods and services (3+4)	-1,276.0	-1,351.4	1,520.0	1,389.7	6,827.8	-10,254.9	-778.7	22,966.3	-5,104.8	-10,541.4
2.1 Credit	123,705.9	134,645.1	137,518.9	141,792.9	152,440.7	23,502.0	37,320.1	61,208.8	30,409.8	25,093.5
2.2 Debit	124,981.9	135,996.4	135,998.9	140,403.2	145,612.9	33,756.9	38,098.8	38,242.6	35,514.7	35,634.9
3 Goods	-43,147.4	-47,447.6	-47,339.8	-49,798.6	-48,407.8	-11,833.5	-14,178.2	-12,470.3	-9,925.8	-12,817.3
3.1 Credit	58,715.9	64,996.9	65,193.8	67,554.0	74,279.9	16,844.5	18,193.2	19,513.3	19,728.9	17,986.4
3.2 Debit	101,863.3	112,444.5	112,533.6	117,352.6	122,687.7	28,678.0	32,371.4	31,983.6	29,654.7	30,803.7
4 Services	41,871.4	46,096.3	48,859.9	51,188.3	55,235.7	1,578.6	13,399.5	35,436.5	4,821.0	2,275.9
4.1 Credit	64,990.0	69,648.2	72,325.1	74,239.0	78,160.9	6,657.5	19,126.8	41,695.5	10,681.0	7,107.1
4.2 Debit	23,118.6	23,551.9	23,465.3	23,050.6	22,925.2	5,078.9	5,727.3	6,259.0	5,860.0	4,831.2
5 Primary income	-10,218.5	-9,939.8	-11,221.3	-6,788.7	-11,025.6	-2,655.1	-3,483.7	-3,576.9	-1,309.9	-1,625.5
5.1 Credit	6,651.1	7,015.5	7,201.3	6,441.5	6,186.7	1,774.4	2,028.6	1,936.5	447.3	2,427.4
5.2 Debit	16,869.5	16,955.3	18,422.6	13,230.2	17,212.4	4,429.4	5,512.3	5,513.4	1,757.2	4,052.9
6 Secondary income	7,710.9	8,524.8	8,732.3	8,102.2	6,197.4	1,397.2	1,316.6	1,828.1	1,655.5	2,215.2
6.1 Credit	11,817.8	12,427.0	12,929.9	13,763.7	13,793.9	3,779.1	3,201.3	3,340.8	3,472.6	4,387.0
6.2 Debit	4,106.9	3,902.2	4,197.7	5,661.5	7,596.5	2,381.9	1,884.8	1,512.7	1,817.1	2,171.8
<b>B CAPITAL ACCOUNT</b>	<b>423.8</b>	<b>281.1</b>	<b>365.0</b>	<b>423.1</b>	<b>698.6</b>	<b>11.2</b>	<b>178.7</b>	<b>62.3</b>	<b>446.3</b>	<b>93.8</b>
<b>C FINANCIAL ACCOUNT</b>	<b>-9,855.1</b>	<b>-10,444.4</b>	<b>-3,091.9</b>	<b>-3,534.2</b>	<b>-1,206.6</b>	<b>-8,933.8</b>	<b>-2,704.3</b>	<b>12,636.2</b>	<b>-2,204.7</b>	<b>-7,759.6</b>
1 Direct investment	-6,840.4	-8,776.5	-8,835.9	-6,719.1	-9,860.7	-2,065.2	-2,752.9	-2,453.9	-2,588.7	-2,137.5
1.1 Assets	887.1	-1,266.0	-487.2	-915.7	12,190.6	82.9	13,459.7	665.5	-2,017.6	883.2
1.2 Liabilities	7,727.5	7,510.5	8,348.7	5,803.4	22,051.2	2,148.1	16,212.7	3,119.4	571.1	3,020.7
2 Portfolio investment	-2,850.9	-4,369.1	-13,159.8	-14,352.7	5,384.7	-48.5	614.3	3,844.2	974.7	-2,973.8
2.1 Assets	2,987.0	-3,682.2	2,323.8	-690.5	3,089.3	-77.0	346.7	1,664.7	1,154.8	524.1
2.2 Liabilities	5,837.9	686.9	15,483.6	13,662.2	-2,295.4	-28.4	-267.6	-2,179.5	180.1	3,497.9
3 Financial derivatives	1,838.9	554.2	-425.2	151.6	118.0	28.6	-11.1	-15.1	115.5	459.5
4 Other investment	-2,528.3	-780.2	18,967.2	3,358.2	7,193.7	-721.5	-2,140.6	14,365.3	-4,309.5	-11,734.2
4.1 Assets	-5,069.4	-1,800.9	-4,620.8	-1,217.1	6,463.7	4,629.2	-3,703.1	13,591.8	-8,054.2	-4,453.3
4.2 Liabilities	-2,541.2	-1,020.7	-23,588.0	-4,575.3	-730.0	5,350.7	-1,562.4	-773.6	-3,744.7	7,280.9
5 Reserve assets	525.5	2,927.2	361.8	14,027.9	-4,042.3	-6,127.3	1,586.0	-3,104.3	3,603.3	8,626.5
<b>D NET ERRORS AND OMISSIONS</b>	<b>-6,495.4</b>	<b>-7,959.0</b>	<b>-2,487.9</b>	<b>-6,660.5</b>	<b>-3,904.8</b>	<b>2,567.7</b>	<b>62.8</b>	<b>-8,643.6</b>	<b>2,108.2</b>	<b>2,098.3</b>

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. The implementation of the new methodology has no effect on the balances in the current and financial accounts of the balance of payments so that changes in these positions from previously published data are a result of the data revision for the purpose of quality and coverage control. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m).

<sup>c</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>d</sup> Revised data. <sup>e</sup> Preliminary data.

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

Secondary income (Current transfers under BPM5) is 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 the reporting by transaction types was abolished. As of 2011, transfers of the general government sector are recorded on the basis of the data of the Ministry of Finance and the Croatian Pension Insurance Administration in the case of pensions paid out to non-residents. In addition to taxes and excise duties, pensions, gifts and donations, which are included in current transfers of both sectors, the general 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. Funds received from EU funds are reported in the current account or in the capital account in line with the type of transaction and on the basis of the data of the Ministry of Finance. BPM6 does not bring novelties in terms of content to this part of the balance of payments. In terms of presentation, workers' remittances are not compiled as a separate item, but become a part of personal transfers together with other personal transfers. Until the end of 2010, capital transfers in the capital account were based on the ITRS. From the beginning of 2011 onwards, the account of capital transfers is compiled on the basis of the data of the Ministry of Finance and the survey data on services trade and special transactions with foreign countries. Data on the potential debt forgiveness are also a constituent part of the capital account. Under BPM6, the results of research and development, such as patents and copyrights, are no longer treated as non-produced assets and their sale is no longer shown in the capital account, but as research and development services in the current account. Also, cross border movements of assets and liabilities of persons who change residence are no longer shown as transfers by migrants within capital transfers and are no longer balance of payments transactions. If assets involved are financial assets they are made under the "other adjustments."

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. A research on the purchase and sale of the real estate by non-residents on the territory of the Republic of Croatia has been carried out since 2007. 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 its abolishment in late 2010. From 2011 on, data on the purchase and sale of the real estate by Croatian non-residents abroad are compiled on the basis of the Report on the real estate trade abroad. These purchase and sale transactions are also a constituent part of direct investments.

The most important change introduced by BPM6 relates to the method of presentation – direct investment is no longer classified according to the directional principle to direct investment in the reporting country and direct investment abroad with additional classification to "claims" and "liabilities". Instead, under BPM6, the assets/liabilities principle is applied, the same principle that has been used for years for other functional categories in the financial account (portfolio, other investment and financial derivatives).

In addition, under BPM6, direct investment is further divided into:

- direct investment in direct investment enterprises,
- investment in direct investor (reverse investment), and
- investment between horizontally linked enterprises (fellow enterprises).

Reverse investment arises when a direct investment enterprise acquires equity in its investor, provided it does not own equity comprising 10% or more of the voting power in that direct investor, otherwise a new direct investment would arise. It also includes debt investment in the reverse direction. Investments between fellow enterprises are equity investments between enterprises which are linked by indirect ownership, also up to 10%, or debt investments between such enterprises. It should be noted for fellow enterprises that this type of investment has been reported within the external debt statistics since 2009. From 2014 on, it is possible to identify such investment also within the Research on direct and other equity investment.

According to BPM6 all debt relations between two affiliated financial intermediaries are treated in the same manner – outside direct investment, i.e. within other or portfolio investment. BPM5 classified permanent debt transactions into direct investment.

BPM6 introduces the concept of "quasi-corporations", which refers to corporations producing goods and services in a foreign economy without being a separate legal entity in that economy. Types of quasi-corporations include: branches, notional resident units, multiterritory enterprises, joint ventures, partnerships, etc. In Croatia, branches have been monitored separately within direct investment as of 2005. Because of the detected investment of Croatian residents abroad which are not effected through incorporated enterprises or branches, but based on a contract with joint venture features, this type of entities has also been monitored statistically since 2014.

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, credit institutions and investment firms providing securities custody services. Portfolio investments are modified by these data in the parts not fully covered by the existing research. Data for the 2006-2009 period have also been revised. As a result, from 2006 on, the balance of payments includes data on debt securities issued by domestic issuers and traded by non-residents in the domestic market (portfolio investment, debt securities on the liabilities side). Since these are debt securities of domestic issuers traded by non-residents, the balance of this portfolio on a specific day reflects an increase in the external debt, notwithstanding the fact that securities are issued in the domestic market. It should be noted that this approach is already applied in relation to securities issued by our residents abroad and that the amount of debt generated in this manner is reduced by the amount repurchased by residents.

According to BPM6, equity that is not in the form of securities is not included in portfolio investment but in direct or other investment, depending on whether it involves a share that is below or above the 10% threshold. Reinvested earnings in investment funds should be reported separately within portfolio investment.

The undistributed earnings of investment funds are imputed as being payable to the owners and then as being reinvested in the fund. The financial account entry for reinvestment of earnings (Equity and investment fund shares, Other financial corporations) is the corresponding entry to the reinvested earnings of investment funds in the primary income account item. Monitoring of this type of income is still under preparation.

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

Other investment encompasses all other debt investments that have not been mentioned, apart from investment constituting reserve assets. Other investments are classified by instruments, maturity and sectors. In addition, BPM6 defines a position of Other equity investment, which implies equity investments that do not meet the criteria for direct investment, portfolio investment or international reserve assets. Other equity investment is never in the form of securities, in contrast to portfolio investment. As the ownership of many international organisations is not in the form of securities, it is classified as other equity. In most cases, equity in quasi-corporations, such as branches or notional units for ownership of real estate and other natural resources is included in direct investment, but if the share accounts for less than 10% in the equity it is classified to other equity investment.

Currency and deposit position shows residents' claims on foreign countries for foreign cash and deposits with foreign banks, as well as obligations of the Croatian banks for deposits owned by non-residents. Monetary statistics represent a data source for the general government sector and other monetary financial institutions. 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 Settlements 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.

Credits granted by residents to non-residents and 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.

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.

Item Other investment – Other claims and liabilities includes other claims and liabilities not included in trade credits and other financial instruments, among others, prepayments of premiums and reserves for outstanding claims for non-life insurance, entitlements of beneficiaries under life insurance policies and pension schemes and provisions for calls under standardised guarantees. This position is compiled on the basis of data submitted by insurance companies and includes changes in life insurance mathematical reserves.

A novelty in BPM6 is the treatment of SDRs. The allocation of SDRs to IMF members is shown as the incurrence of a liability by the recipient and included in other investment (SDR position) with a corresponding increase of SDRs in reserve assets. Other acquisitions and disposals of SDRs are shown as transactions in reserve assets.

The sector classification of the portfolio and other investment involves the sector classification of residents according to ESA 2010 and SNA 2008 and is fully harmonised with the sector classification of the gross external debt by domestic sectors and the international investment position. The general government sector includes central government, social security funds and local government. The sector of the central bank includes the Croatian National Bank. The sector of other monetary financial institutions comprises credit institutions and money market funds. Other domestic sectors comprise all financial institutions and intermediaries except the central bank and other monetary financial institutions (including the Croatian Bank for Reconstruction and Development), private and public non-financial corporations, non-profit institutions and households, including craftsmen.

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

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

Table H7 International reserves and banks' foreign currency reserves<sup>a</sup>

end of period, in million EUR

Year	Month	International reserves of the Croatian National Bank							Banks' foreign currency reserves
		Total	Special drawing rights	Reserve position in the Fund	Gold	Foreign currency			
						Total	Currency and deposits	Bonds and notes	
2001	December	5,333.6	122.9	0.2	–	5,210.5	3,469.7	1,740.7	4,056.0
2002	December	5,651.3	2.3	0.2	–	5,648.8	3,787.8	1,861.0	2,581.6
2003	December	6,554.1	0.7	0.2	–	6,553.2	3,346.0	3,207.2	3,927.1
2004	December	6,436.2	0.6	0.2	–	6,435.4	3,173.3	3,262.0	4,220.1
2005	December	7,438.4	0.9	0.2	–	7,437.3	3,834.5	3,602.8	2,938.4
2006	December	8,725.3	0.7	0.2	–	8,724.4	4,526.9	4,197.5	3,315.0
2007	December	9,307.4	0.8	0.2	–	9,306.5	4,533.9	4,772.5	4,388.9
2008	December	9,120.9	0.7	0.2	–	9,120.0	2,001.8	7,118.2	4,644.5
2009	December	10,375.8	331.7	0.2	–	10,043.9	2,641.4	7,402.6	4,293.9
2010	December	10,660.3	356.7	0.2	–	10,303.4	3,274.9	7,028.5	3,828.9
2011	December	11,194.9	360.7	0.2	–	10,834.0	2,730.7	8,103.2	3,463.7
2012	December	11,235.9	352.8	0.2	–	10,882.9	2,245.8	8,637.1	2,895.3
2013	December	12,907.5	340.6	0.2	–	12,566.7	3,717.9	8,848.8	2,756.6
2014	June	12,334.7	346.9	0.2	–	11,987.6	2,883.2	9,104.4	2,894.2
	July	12,387.6	349.0	0.2	–	12,038.4	2,783.3	9,255.2	3,168.3
	August	12,420.0	351.4	0.2	–	12,068.3	2,830.5	9,237.9	3,779.2
	September	12,115.6	357.2	0.2	–	11,758.2	2,595.6	9,162.6	4,377.4
	October	12,640.6	358.8	0.2	–	12,281.6	3,066.1	9,215.5	3,364.2
	November	12,473.9	359.3	0.2	–	12,114.4	3,248.8	8,865.5	3,341.8
	December	12,687.6	364.0	0.2	–	12,323.4	3,397.8	8,925.6	3,305.5
2015	January	11,603.8	380.6	0.2	–	11,222.9	2,566.1	8,656.9	3,271.6
	February	12,866.0	378.7	0.2	–	12,487.1	3,839.1	8,648.0	3,056.4
	March	14,157.8	388.6	0.2	–	13,768.9	5,055.3	8,713.6	2,797.0
	April	14,736.9	390.4	0.2	–	14,346.3	5,712.4	8,633.9	2,662.1
	May	14,163.1	387.6	0.2	–	13,775.2	4,605.4	9,169.8	2,752.7

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

**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.



	2010	2011	2012	2013	2014	2015			
	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Apr.	May	
Interest	-	-	-	-	-	-	-	-	
4 Total predetermined short-term net drains on f/c assets (1+2+3)	-1,234.9	-679.5	-801.8	-1,557.8	-2,128.6	-1,637.2	-1,742.7	-1,769.7	
<b>III Contingent short-term net drains on f/c assets (nominal value)</b>									
1 Contingent liabilities in foreign currency	-1,734.2	-1,741.7	-1,311.6	-1,334.0	-760.8	-782.3	-597.2	-601.1	
(a) Collateral guarantees on debt falling due within 1 year	-1,087.9	-1,005.2	-636.4	-755.4	-271.9	-284.2	-105.6	-105.7	
– Croatian National Bank	-	-	-	-	-	-	-	-	
– Central government	-1,087.9	-1,005.2	-636.4	-755.4	-271.9	-284.2	-105.6	-105.7	
Up to 1 month	-0.2	-8.0	-26.6	-23.0	-8.1	-20.9	-9.7	-27.4	
More than 1 and up to 3 months	-438.5	-111.2	-70.3	-74.7	-27.2	-58.4	-22.5	-2.3	
More than 3 months and up to 1 year	-649.2	-885.9	-539.5	-657.6	-236.6	-204.9	-73.4	-76.0	
(b) Other contingent liabilities	-646.3	-736.5	-675.2	-578.6	-488.9	-498.1	-491.6	-495.3	
– Croatian National Bank	-646.3	-736.5	-675.2	-578.6	-488.9	-498.1	-491.6	-495.3	
Up to 1 month	-	-	-	-	-	-	-	-	
More than 1 and up to 3 months	-646.3	-736.5	-675.2	-578.6	-488.9	-498.1	-491.6	-495.3	
More than 3 months and up to 1 year	-	-	-	-	-	-	-	-	
– Central government	-	-	-	-	-	-	-	-	
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)	-1,734.2	-1,741.7	-1,311.6	-1,334.0	-760.8	-782.3	-597.2	-601.1	
<b>IV Memo items</b>									
(a) Short-term domestic currency debt indexed to the exchange rate	-	-	-	-	-	-	-	-	
o/w: Central government	-	-	-	-	-	-	-	-	
(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	-	-0.4	-	0.0	0.0	-674.5	-1,282.4	-908.5	
– 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	1,458.5	136.9	551.3	2,380.1	655.4	2,020.9	2,503.0	1,838.5	
(e) Financial derivative assets (net, marked to market)	-	-	-	-	-	-	-	-	
(f) Currency composition of official reserves assets	-	-	-	-	-	-	-	-	
– Currencies in SDR basket	10,660.0	11,194.7	11,235.7	12,907.4	12,687.2	14,157.3	14,736.6	14,162.8	
– Currencies not in SDR basket	0.3	0.1	0.2	0.1	0.5	0.4	0.3	0.3	
– By individual currencies	USD	2,451.0	2,333.0	2,140.4	2,068.1	2,194.2	3,135.5	3,284.4	3,378.0
	EUR	7,851.8	8,500.6	8,742.1	10,498.4	10,128.4	10,632.5	11,061.2	10,396.6
	Other	357.5	361.2	353.4	341.0	365.1	389.7	391.3	388.5

**Table H8 International reserves and foreign currency liquidity** • International reserves and foreign currency liquidity are shown in accordance with a Template on international reserves and foreign currency liquidity, drawn up by the IMF. A detailed explanation of the Template is given in “International Reserves and Foreign Currency Liquidity – Guidelines for a Data Template, 2001”. The first part of the Template shows total assets of the Croatian National Bank in convertible foreign currency. Official reserve assets (IA) show those types of assets that are readily available to the CNB at any moment for bridging imbalances in international payments. Official international reserves include: short-term foreign negotiable debt securities, foreign cash, foreign currency sight deposits, foreign currency time deposits which can be withdrawn before maturity, foreign currency time deposits with a remaining maturity of up to 1 year, reserve

position with the IMF, special drawing rights, gold, and reverse repos with foreign negotiable debt securities.

The second part of the Template shows fixed predetermined foreign currency net liabilities of the Croatian National Bank and the central government 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. 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

Table H11 Indices of the effective exchange rate of the kuna  
indices 2010 = 100

Year	Month	Nominal effective exchange rate of the kuna	Real effective exchange rate of the kuna; deflator		Real effective exchange rate of the kuna <sup>b</sup> ; deflator	
			Consumer price index	Industrial producer price index <sup>a</sup>	Unit labour costs in manufacturing	Unit labour costs in the total economy
2001	December	106.52	111.03		125.28	121.41
2002	December	105.28	110.61		126.45	118.61
2003	December	105.37	111.22		120.10	119.12
2004	December	102.42	107.12		119.85	115.68
2005	December	102.16	105.56		113.72	112.54
2006	December	100.37	103.92		102.72	106.08
2007	December	98.70	99.95		97.36	101.06
2008	December	98.13	98.60		99.51	96.65
2009	December	97.63	97.79		103.12	97.24
2010	December	102.04	103.03	99.44	97.83	102.27
2011	December	103.63	105.71	101.25	101.49	102.60
2012	December	104.61	104.57	101.85	106.82	107.60
2013	December	103.76	104.85	102.36	105.99	109.01
2014	June	102.86	104.37	102.22	107.38	107.10
	July	103.34	104.78	102.37		
	August	104.00	105.58	103.07		
	September	104.55	105.86	103.54	108.22	108.12
	October	105.46	106.70	104.34		
	November	105.83	107.20	105.08		
	December	105.80	107.96	105.70	111.98 <sup>c</sup>	109.71 <sup>c</sup>
2015	January	107.46	109.15	108.85		
	February	108.66	110.72	108.38		
	March	109.09	110.98	107.80		
	April	108.66	110.63 <sup>c</sup>	109.34 <sup>c</sup>		
	May	107.11				

<sup>a</sup> The index of industrial producer price on the non-domestic market for Croatia is available from January 2010. As a result, the real effective exchange rate is calculated on the 2010 basis. <sup>b</sup> The values shown are quarterly data. <sup>c</sup> Preliminary data.  
Note: Historical data may be revised when the series are updated.

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, 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 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 rates of the kuna comprises the following 20 partner countries: eight euro area countries (Austria, Belgium, France, Germany, Italy, the Netherlands, Slovenia and Spain), five EU countries outside the euro area (the Czech Republic, Hungary, Poland, Sweden and the United Kingdom) and seven non-EU countries (Bosnia and Herzegovina, Japan, China, the United States, Serbia, Switzerland and Turkey). The weights assigned to specific countries in the calculation of the effective exchange rates of the kuna are

Table H12 Gross external debt by domestic sectors<sup>a,b</sup>

in million EUR

	2010	2011	2012	2013	2014	2015		
	Dec.*	Dec.*	Dec.*	Dec.*	Dec.*	Jan.*	Feb.*	Mar.*
<b>1 General government</b>	10,739.1	11,088.5	12,353.9	14,225.3	15,396.1	15,239.8	15,317.3	16,672.6
Short-term	468.3	157.9	118.1	269.6	83.8	72.6	39.6	36.6
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	468.3	157.9	117.2	69.6	83.6	72.4	39.6	36.6
Loans	0.0	0.0	0.9	200.0	0.2	0.2	0.0	0.0
Trade credit and advances	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
Long-term	10,270.7	10,930.6	12,235.8	13,955.8	15,312.3	15,167.1	15,277.7	16,636.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	5,249.4	5,703.4	6,568.6	8,205.3	9,089.1	8,928.4	9,031.8	10,353.4
Loans	5,021.3	5,227.2	5,667.2	5,750.5	6,223.2	6,238.7	6,245.9	6,282.5
Trade credit and advances	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
<b>2 Central bank</b>	357.3	360.1	351.0	421.5	444.9	410.1	1,404.7	1,199.5
Short-term	1.2	0.1	0.0	83.5	83.6	32.4	1,028.9	813.8
Currency and deposits	1.2	0.1	0.0	83.5	83.6	32.4	107.9	139.7
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	921.0	674.2
Trade credit and advances	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
Long-term	356.1	360.0	351.0	338.0	361.3	377.7	375.8	385.7
Special drawing rights (allocations)	356.1	360.0	351.0	338.0	361.3	377.7	375.8	385.7
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	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
<b>3 Deposit-taking corporations, except the central bank</b>	11,212.4	12,207.9	9,885.8	9,156.8	8,160.1	8,329.3	8,152.9	8,212.6
Short-term	3,173.6	3,953.1	2,024.2	2,317.1	1,950.9	1,885.4	1,754.8	2,036.6
Currency and deposits	2,201.3	3,291.4	1,470.2	1,735.3	1,513.3	1,415.3	1,324.8	1,607.5
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	947.8	526.0	516.8	557.3	410.7	442.1	400.0	401.2
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	24.5	135.8	37.2	24.5	26.9	27.9	30.0	27.9
Long-term	8,038.8	8,254.7	7,861.6	6,839.7	6,209.1	6,444.0	6,398.1	6,176.0
Currency and deposits	4,592.8	4,407.6	4,261.1	3,849.6	3,645.9	3,839.7	3,826.0	3,820.0
Debt securities	8.9	1.9	8.9	3.8	2.5	2.7	2.7	2.7
Loans	3,436.0	3,844.4	3,568.8	2,984.0	2,558.7	2,599.5	2,567.2	2,351.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	1.1	0.9	22.8	2.4	2.0	2.1	2.1	2.2
<b>4 Other sectors</b>	18,463.2	17,723.3	17,320.3	16,456.2	16,282.7	16,288.6	16,552.8	16,494.4
Short-term	912.5	915.8	1,130.3	626.4	717.4	701.7	706.2	702.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.1	0.1	0.0	24.5	24.6	29.2	28.9
Loans	881.7	881.4	952.0	511.1	615.2	604.4	600.9	590.8
Trade credit and advances	30.9	34.2	178.1	115.2	77.7	72.7	76.1	82.3
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	17,550.7	16,807.6	16,190.1	15,829.8	15,565.4	15,586.9	15,846.7	15,792.3
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	679.5	778.1	1,995.0	1,923.6	1,537.4	1,563.4	1,575.5	1,603.4
Loans	16,578.2	15,893.6	14,061.0	13,727.0	13,884.7	13,876.0	14,093.7	14,001.4
Trade credit and advances	293.0	135.9	134.1	179.3	143.3	147.5	177.4	187.5

	2010	2011	2012	2013	2014	2015		
	Dec.*	Dec.*	Dec.*	Dec.*	Dec.*	Jan.*	Feb.*	Mar.
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Direct investment: intercompany lending	6,136.5	5,017.4	5,386.2	5,698.5	6,380.1	6,567.2	6,692.1	6,761.4
Debt liabilities of direct investment enterprises to direct investors	4,131.0	4,143.1	4,082.4	3,521.6	3,781.1	3,846.3	3,891.4	3,880.2
Debt liabilities of direct investors to direct investment enterprises	366.7	175.5	164.5	159.5	250.5	259.2	275.8	281.6
Debt liabilities to fellow enterprises	1,638.7	698.9	1,139.4	2,017.4	2,348.4	2,461.7	2,524.9	2,599.6
<b>Gross external debt position</b>	<b>46,908.4</b>	<b>46,397.2</b>	<b>45,297.2</b>	<b>45,958.4</b>	<b>46,663.8</b>	<b>46,835.0</b>	<b>48,119.8</b>	<b>49,340.5</b>
o/w: Round tripping <sup>c</sup>	0.0	-	-	-	-	-	-	-
Memo items:								
Principal and interest arrears by sector	1,235.2	1,303.2	1,589.0	1,903.3	2,037.0	2,044.0	2,062.8	2,113.3
General government	0.9	0.0	0.8	0.8	0.8	0.8	0.8	0.8
Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	12.2	11.8	11.6	16.6	17.4	19.8	12.3	10.0
Other sectors	1,064.8	1,037.3	1,290.7	1,517.9	1,655.3	1,658.9	1,688.0	1,739.5
Direct investment: intercompany lending	157.3	254.1	285.8	368.0	363.5	364.6	361.7	362.9

<sup>a</sup> As from CNB Bulletin No. 207, the entire series of data on gross external debt has been revised so as to bring it into line with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> In the entire series of data, the CBRD is reclassified from other sectors to the sector general government. <sup>c</sup> The rise in the external debt of the Republic of Croatia is attributed to the direct investment-related debt which comprises round-tripping transactions. A significant transaction, contributing to the removal of a round tripping component of direct investment, was recorded in December 2010. Nevertheless, the debt is presented in this table under heading 5 Direct investment.

time varying weights, calculated to reflect the average structure of RC's foreign trade over three consecutive years (for more details see Box 3 in CNB Bulletin No. 205, 2014). The last reference period for the calculation of the weights is the period from 2010 to 2012. The time series for base indices are calculated based on 2010.

The index of the nominal effective exchange rate is an aggregate indicator of the average value of the domestic currency against a basket of currencies. An increase in the index of the nominal effective exchange rate of the kuna in a certain period indicates that the kuna has depreciated against the basket of currencies and vice versa. The index of the real effective exchange rate is a weighted geometric average of the index of bilateral exchange rates of the kuna adjusted for the corresponding indices of relative prices or costs (the ratio of price indices or costs in partner countries to domestic prices). Industrial producer price indices, consumer price indices (harmonised consumer price indices for EU member states) and unit labour cost indices in the total economy and manufacturing are used as deflators. The time series for the index of industrial producer prices on the non-domestic market for Croatia is available from January 2010. 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. As data on unit labour costs are not available for all the countries, the basket of countries for the calculation of the real effective exchange rate of the kuna deflated by unit labour costs in the total economy and manufacturing was narrowed to 15, that is, 13 countries trading partners – all countries trading partners (20 of them) excluding Switzerland, Turkey, China, Bosnia and Herzegovina and Serbia, that is, excluding these five countries and Belgium and Japan. 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.

**Table H12 Gross external debt by domestic sectors** • Gross external debt is defined as the external debt liabilities of residents on the basis of debt securities issued in the foreign markets (at nominal value), credits (repo agreements included) regardless of their contractual maturity, deposits of non-residents, and trade credits granted by non-residents with contractual maturity of more than 180 days (90 days up to 11 July 2001 and 150 days up to 31 December 2002) and, from December 2005 on, non-resident investment in debt securities issued in the domestic market. External debt is shown by domestic sectors, i.e. by debtor sectors, which implies the sector classification of residents according to ESA 2010 and SNA 2008 manuals. The general government sector includes central government, social security funds and local government. The sector of the central bank shows the debt of the Croatian National Bank. The sector of other monetary financial institutions shows the debt of credit institutions and money market funds. Item Other sectors shows the debt of all financial corporations except monetary financial institutions (including the Croatian Bank for Reconstruction and Development), private and public non-financial corporations, non-profit institutions serving households and households, including employers and self-employed persons. Item Direct investment shows borrower – lender transactions of other sectors that are interrelated by ownership, according to the directional principle. Each sector data (except direct investment) 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 (other monetary institutions) are reported in accordance with their maturity. Data for the previous periods are reported only on a long-term basis. Outstanding gross external debt includes future principal payments, accrued interest and principal and interest arrears. Outstanding debt data are shown at the CNB's midpoint exchange rate at the end of the period. Data are considered preliminary until after publication of the final BOP data for the reporting quarter.

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



	2010 Dec.*	2011 Dec.*	2012 Dec.*	2013 Dec.*	2014 Dec.*	2015		
						Jan.*	Feb.*	Mar.
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	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
<b>3 Non-publicly guaranteed private sector external debt</b>	<b>32,155.4</b>	<b>31,793.7</b>	<b>30,113.9</b>	<b>29,232.1</b>	<b>28,812.8</b>	<b>29,184.2</b>	<b>29,447.6</b>	<b>29,422.2</b>
Other investment	26,384.1	26,984.8	24,728.8	23,534.7	22,433.9	22,618.1	22,756.6	22,686.0
Short-term	3,961.7	4,747.2	3,132.6	2,919.0	2,642.6	2,562.1	2,435.8	2,713.1
Currency and deposits	2,185.4	3,273.4	1,448.3	1,710.9	1,487.6	1,390.5	1,299.6	1,582.0
Debt securities	0.0	0.1	0.1	0.0	24.5	24.6	29.2	28.9
Loans	1,720.9	1,303.7	1,468.7	1,068.4	1,025.9	1,046.5	1,000.9	992.0
Trade credit and advances	30.9	34.2	178.1	115.2	77.7	72.7	76.1	82.3
Other debt liabilities	24.5	135.8	37.2	24.4	26.9	27.8	30.0	27.9
Long-term	22,422.4	22,237.6	21,596.2	20,615.7	19,791.3	20,056.0	20,320.8	19,972.9
Currency and deposits	4,586.9	4,396.8	4,255.9	3,840.9	3,631.4	3,824.7	3,810.8	3,804.0
Debt securities	332.2	432.5	1,302.0	1,281.4	858.5	861.4	870.8	884.3
Loans	17,480.6	17,386.3	16,002.9	15,433.1	15,220.1	15,279.3	15,517.7	15,152.7
Trade credit and advances	21.6	21.1	12.6	57.9	79.2	88.6	119.5	129.7
Other debt liabilities	1.1	0.9	22.8	2.4	2.0	2.1	2.1	2.2
Direct investment: intercompany lending	5,771.3	4,808.8	5,385.1	5,697.4	6,379.0	6,566.1	6,691.0	6,736.2
Short-term	645.3	659.8	251.7	174.3	191.7	182.7	213.0	188.5
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	645.3	659.8	251.7	174.3	191.7	182.7	213.0	188.5
Trade credit and advances	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
Long-term	5,126.0	4,149.0	5,133.4	5,523.1	6,187.3	6,383.4	6,478.0	6,547.7
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	5,123.0	4,145.4	5,123.5	5,504.7	6,178.3	6,374.4	6,469.1	6,538.8
Trade credit and advances	3.0	3.6	9.9	18.4	9.0	8.9	8.9	8.9
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Gross external debt position</b>	<b>46,908.4</b>	<b>46,397.2</b>	<b>45,297.2</b>	<b>45,958.4</b>	<b>46,663.8</b>	<b>46,835.0</b>	<b>48,119.8</b>	<b>49,340.5</b>
o/w: Round tripping <sup>b</sup>	0.0	-	-	-	-	-	-	-
Memo items:								
Principal and interest arrears	1,235.2	1,303.2	1,589.0	1,903.3	2,037.0	2,044.0	2,062.8	2,113.3
Public sector external debt	73.2	76.4	40.9	0.9	0.9	0.9	0.9	0.9
Publicly guaranteed private sector external debt	0.0	0.0	0.0	22.6	7.2	7.0	7.0	6.9
Non-publicly guaranteed private sector external debt	1,162.0	1,226.7	1,548.1	1,879.8	2,028.9	2,036.2	2,054.9	2,105.5

<sup>a</sup> As from CNB Bulletin No. 207, the entire series of data on gross external debt has been revised so as to bring it into line with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> The rise in the external debt of the Republic of Croatia is attributed to the direct investment-related debt which comprises round-tripping transactions. A significant transaction, contributing to the removal of a round tripping component of direct investment, was recorded in December 2010. Nevertheless, the debt is presented in this table under heading 3, within Direct investment.

includes the general government, the central bank, public financial corporations, and public non-financial corporations. Publicly guaranteed private sector gross external debt is defined as the external debt liabilities of entities not covered by the definition of the public sector, the servicing of which is guaranteed by an

entity from the public sector. Non-publicly guaranteed private sector gross external debt is defined as the external debt liabilities of 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.



	Gross external debt 31/3/2015	Immediate/ arrears	Projected future principal payments											
			Q2/15 <sup>c</sup>	Q2/13	Q4/15	Q1/16	2015 <sup>c</sup>	2016	2017	2018	2019	2020	2021	Other
Long-term	15,792.3	1,642.8	946.9	566.7	1,446.7	526.4	2,960.3	2,838.3	2,113.0	1,081.7	1,300.7	1,655.9	352.2	1,847.5
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
Debt securities	1,603.4	0.0	26.3	19.2	0.6	0.0	46.1	5.1	698.3	0.1	270.0	581.8	0.0	2.0
Loans	14,001.4	1,636.0	886.1	536.5	1,381.2	513.5	2,803.8	2,811.1	1,368.0	1,080.3	1,030.5	1,074.1	352.2	1,845.5
Trade credit and advances	187.5	6.9	34.5	11.0	64.9	12.9	110.4	22.1	46.7	1.3	0.2	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
5 Direct investment: intercompany lending	6,761.4	362.9	675.9	286.2	1,084.0	285.8	2,046.1	1,176.2	915.4	378.1	321.5	298.8	51.5	1,210.8
Debt liabilities of direct investment enterprises to direct investors	3,880.2	301.4	328.0	198.6	755.7	79.8	1,282.3	789.7	636.7	127.1	164.7	137.8	39.2	401.3
Debt liabilities of direct investors to direct investment enterprises	281.6	18.6	74.6	5.5	104.0	8.3	184.0	16.5	12.9	35.9	3.0	3.5	0.9	6.1
Debt liabilities to fellow enterprises	2,599.6	42.8	273.3	82.1	224.4	197.7	579.8	370.0	265.8	215.2	153.8	157.5	11.4	803.4
<b>Gross external debt position</b>	<b>49,340.5</b>	<b>2,113.3</b>	<b>4,873.9</b>	<b>1,707.6</b>	<b>3,476.5</b>	<b>1,723.2</b>	<b>10,058.0</b>	<b>6,516.7</b>	<b>7,105.7</b>	<b>3,172.7</b>	<b>4,101.1</b>	<b>3,730.3</b>	<b>2,203.5</b>	<b>10,339.2</b>
Memo item: Projected interest payments			155.9	247.3	333.2	298.1	736.4	1,236.7	1,055.6	874.0	778.8	643.3	380.8	1,269.4

<sup>a</sup> As from CNB Bulletin No. 207, data on gross external debt have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> Projected payments of gross external debt include projected payments of principal and accrued interest. <sup>c</sup> Projected payments for this quarter and year refer to the period from the date of the gross debt position to the end of the stated quarter or year.

**Table H14 Gross external debt by domestic sectors and projected future payments** • The table shows outstanding gross external debt, projected gross debt payments and estimated interest payments according to the CNB's midpoint exchange rate at the end of the period. The structure of sectors, original maturity and instruments shown in this table follows the structure presented in Table H12. Future interest payments of monetary financial institutions are estimated on the basis of the available monetary

statistics data on the schedule of interest payments. Future interest payments of other sectors are estimated on the basis of the submitted schedule of payments and the benchmark interest rate applicable on the reporting date. Projected payments of accrued interest, which are an integral part of the gross external debt, increase the projected principal payments in the period when the first instalment of interest falls due and, consequently, decrease the projected first interest payments.

Table H15 Gross external debt by other sectors<sup>a,b</sup>

in million EUR

	2010 Dec.*	2011 Dec.*	2012 Dec.*	2013 Dec.*	2014 Dec.*	2015		
						Jan.*	Feb.*	Mar.
4.1 Other public financial corporations except monetary financial institutions	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
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	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
Long-term	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
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	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
4.2 Other private financial corporations except monetary financial institutions	4,682.6	4,095.1	3,797.6	3,441.8	3,143.5	3,119.5	3,064.7	2,915.8
Short-term	367.2	576.8	615.1	318.0	424.0	397.2	390.6	390.3
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	367.2	576.8	615.1	318.0	424.0	397.2	390.6	390.3
Trade credit and advances	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
Long-term	4,315.4	3,518.4	3,182.5	3,123.8	2,719.5	2,722.3	2,674.1	2,525.5
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	4,315.4	3,518.4	3,182.5	3,123.8	2,719.5	2,722.3	2,674.1	2,525.5
Trade credit and advances	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
4.3 Public non-financial corporations	3,262.6	2,914.6	2,444.3	1,958.0	1,819.7	1,814.4	1,763.1	1,846.1
Short-term	108.6	103.7	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
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	108.6	103.7	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	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
Long-term	3,154.1	2,810.9	2,444.3	1,958.0	1,819.7	1,814.4	1,763.1	1,846.1
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	356.2	347.4	701.9	646.0	681.3	704.7	707.4	721.8
Loans	2,526.5	2,348.7	1,623.9	1,274.9	1,118.0	1,090.6	1,037.5	1,106.2
Trade credit and advances	271.4	114.8	118.5	37.1	20.4	19.1	18.1	18.1
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.4 Private non-financial corporations	10,303.5	10,495.8	10,862.4	10,875.1	11,137.7	11,170.2	11,542.5	11,550.4
Short-term	429.9	229.4	509.8	308.1	293.4	304.5	315.6	311.7
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.1	0.1	0.0	24.5	24.6	29.2	28.9
Loans	399.0	195.0	331.5	192.9	191.3	207.2	210.3	200.5
Trade credit and advances	30.9	34.2	178.1	115.2	77.7	72.7	76.1	82.3
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	9,873.6	10,266.5	10,352.6	10,567.0	10,844.3	10,865.8	11,226.9	11,238.7
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	323.4	430.7	1,293.1	1,277.6	856.0	858.7	868.1	881.6
Loans	9,528.8	9,814.7	9,044.0	9,153.1	9,865.3	9,878.7	10,199.5	10,187.7
Trade credit and advances	21.5	21.1	15.5	136.4	122.9	128.4	159.3	169.4

	2010 Dec.*	2011 Dec.*	2012 Dec.*	2013 Dec.*	2014 Dec.*	2015		
						Jan.*	Feb.*	Mar.
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4.5 Households</b>	<b>211.9</b>	<b>213.0</b>	<b>206.7</b>	<b>176.0</b>	<b>162.4</b>	<b>161.6</b>	<b>159.7</b>	<b>159.2</b>
Short-term	7.0	6.0	5.4	0.1	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
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	7.0	6.0	5.4	0.1	0.0	0.0	0.0	0.0
Trade credit and advances	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
Long-term	205.0	207.1	201.3	175.9	162.4	161.6	159.7	159.2
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	204.8	207.1	201.3	170.1	162.4	161.6	159.7	159.2
Trade credit and advances	0.1	0.0	0.0	5.8	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
<b>4.6 Non-profit institutions serving households</b>	<b>2.6</b>	<b>4.8</b>	<b>9.4</b>	<b>5.3</b>	<b>19.4</b>	<b>22.8</b>	<b>22.8</b>	<b>22.9</b>
Short-term	0.0	0.0	0.0	0.2	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
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Trade credit and advances	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
Long-term	2.6	4.8	9.4	5.2	19.4	22.8	22.8	22.9
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	2.6	4.8	9.4	5.2	19.4	22.8	22.8	22.9
Trade credit and advances	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
<b>Gross external debt of other sectors</b>	<b>18,463.2</b>	<b>17,723.3</b>	<b>17,320.3</b>	<b>16,456.2</b>	<b>16,282.7</b>	<b>16,288.6</b>	<b>16,552.8</b>	<b>16,494.4</b>
Memo items:								
<b>1 Principal and interest arrears by sector</b>	<b>1,064.8</b>	<b>1,037.3</b>	<b>1,290.7</b>	<b>1,517.9</b>	<b>1,655.3</b>	<b>1,658.9</b>	<b>1,688.0</b>	<b>1,739.5</b>
Other public financial corporations except monetary financial institutions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other private financial corporations except monetary financial institutions	16.3	9.3	33.1	33.4	35.6	35.0	34.8	35.4
Public non-financial corporations	72.2	75.7	40.1	0.1	0.1	0.1	0.1	0.1
Private non-financial corporations	976.4	952.3	1,217.5	1,484.4	1,619.6	1,623.8	1,653.1	1,704.0
Households	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-profit institutions serving households	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>2 Quasi-direct investment – included in item 4.2 Other private financial corporations except monetary financial institutions<sup>c</sup></b>	<b>1,665.5</b>	<b>1,487.9</b>	<b>1,418.7</b>	<b>1,490.8</b>	<b>1,534.3</b>	<b>1,535.3</b>	<b>1,536.3</b>	<b>1,537.3</b>

<sup>a</sup> As from CNB Bulletin No. 207, the entire series of data on gross external debt has been revised so as to bring it into line with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> In the entire series of data, the CBRD is reclassified from the subsector other public financial corporations except monetary financial institutions to the sector central government. <sup>c</sup> Quasi-direct investment: Debt of residents in the other financial intermediaries sector to non-residents in the same sector with which they have a direct ownership relationship, but their debt relations under the current methodology are not part of the debt within direct investment but within other sectors.

**Table H15 Gross external debt by other sectors** • Gross external debt of other sectors shows the external debt of all financial corporations except monetary financial institutions (including the Croatian Bank for Reconstruction and Development), public non-financial corporations, private non-financial

corporations, non-profit institutions serving households and households, including employers and self-employed persons. Each sector data are further shown by contractual (short-term or long-term) maturity and by debt instrument.

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

in million EUR

	2010	2011	2012	2013	2014 <sup>d</sup>	2014				2015
						Q1 <sup>d</sup>	Q2 <sup>d</sup>	Q3 <sup>d</sup>	Q4 <sup>d</sup>	
1 International investment position (net)	-42,466.5	-40,723.0	-39,601.0	-38,483.0	-38,137.7	-39,552.9	-40,094.2	-38,053.1	-38,137.7	-38,473.7
2 Assets	23,826.0	23,577.5	23,580.1	24,635.0	27,929.1	24,258.1	25,949.5	28,497.7	27,929.1	30,726.8
2.1 Direct investment	3,663.9	3,680.0	3,511.1	3,283.5	4,648.7	3,124.3	4,896.2	5,044.5	4,648.7	4,780.4
2.2 Portfolio investment	3,659.1	2,988.1	3,367.2	3,477.7	3,906.6	3,367.1	3,512.8	3,749.7	3,906.6	4,174.4
2.2.1 Equity and investment fund shares	1,351.9	1,307.2	1,503.2	1,724.1	1,853.6	1,559.4	1,750.5	1,812.2	1,853.6	2,091.0
2.2.2 Debt securities	2,307.2	1,680.9	1,864.1	1,753.7	2,053.0	1,807.7	1,762.3	1,937.5	2,053.0	2,083.5
2.2.2.1 Long-term	1,431.0	1,074.3	1,365.7	1,185.1	1,771.7	1,215.5	1,170.1	1,595.2	1,771.7	1,848.5
2.2.2.2 Short-term	876.2	606.6	498.3	568.6	281.3	592.2	592.2	342.2	281.3	234.9
2.3 Financial derivatives	14.2	204.5	145.8	16.7	474.5	12.4	37.1	370.2	474.5	1,731.0
2.4 Other investment	5,828.6	5,510.0	5,320.1	4,949.6	6,211.7	5,654.2	5,168.7	7,217.8	6,211.7	5,883.2
2.4.1 Other equity	1.8	2.4	3.1	32.2	58.9	32.2	32.6	32.4	58.9	56.9
2.4.2 Currency and deposits	5,304.5	4,989.5	4,616.4	4,182.3	5,304.1	4,927.8	4,426.1	6,265.1	5,304.1	4,950.8
2.4.3 Loans	430.8	420.8	531.3	626.1	752.2	594.8	582.6	787.6	752.2	773.0
2.4.4 Trade credit and advances	80.5	85.7	142.0	80.8	74.5	84.6	82.9	76.4	74.5	82.5
2.4.5 Other accounts receivable	11.0	11.5	27.3	28.2	21.8	14.8	44.5	56.4	21.8	20.0
2.5 Reserve assets	10,660.2	11,194.8	11,235.9	12,907.4	12,687.7	12,100.0	12,334.7	12,115.6	12,687.7	14,157.7
3 Liabilities	66,292.5	64,300.5	63,181.1	63,118.0	66,066.8	63,811.0	66,043.8	66,550.8	66,066.8	69,200.5
3.1 Direct investment	24,587.9	22,173.8	22,451.5	21,923.9	24,886.4	21,868.4	24,592.9	25,117.1	24,886.4	25,635.4
3.2 Portfolio investment	7,144.2	7,237.1	9,151.6	10,681.4	11,374.3	10,687.0	10,860.2	11,080.4	11,374.3	12,682.9
3.2.1 Equity and investment fund shares	738.0	595.7	461.7	479.2	637.2	488.6	601.0	660.7	637.2	657.9
3.2.2 Debt securities	6,406.1	6,641.4	8,689.9	10,202.2	10,737.0	10,198.3	10,259.2	10,419.7	10,737.0	12,025.0
3.2.2.1 Long-term	5,937.8	6,483.4	8,572.5	10,132.6	10,628.9	10,023.2	10,096.9	10,395.1	10,628.9	11,959.5
3.2.2.2 Short-term	468.3	158.1	117.3	69.6	108.1	175.1	162.3	24.6	108.1	65.5
3.3 Financial derivatives	194.6	151.3	356.9	455.0	259.4	516.8	473.9	301.9	259.4	328.1
3.4 Other investment	34,365.8	34,738.3	31,221.1	30,057.7	29,546.7	30,738.7	30,116.7	30,051.4	29,546.7	30,554.1
3.4.1 Other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.4.2 Currency and deposits	6,795.2	7,699.0	5,731.3	5,668.4	5,242.8	5,987.7	5,560.5	5,011.3	5,242.8	5,567.2
3.4.3 Loans	26,865.0	26,372.5	24,766.6	23,730.0	23,692.7	24,099.4	23,894.1	24,384.1	23,692.7	24,301.2
3.4.4 Trade credit and advances	323.8	170.1	312.2	294.5	221.0	284.5	281.5	271.1	221.0	269.8
3.4.5 Other accounts payable	25.6	136.6	60.0	26.9	29.0	26.0	36.3	30.4	29.0	30.1
3.4.6 Special drawing rights	356.1	360.0	351.0	338.0	361.3	341.1	344.3	354.5	361.3	385.7

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). <sup>c</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>d</sup> Revised data. <sup>e</sup> Preliminary data.

**Table H16 International investment position** • 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). The conversion of values from the original currencies into the reporting currencies is performed 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).

The sector classification of the portfolio and other investment involves the sector classification of residents according to ESA 2010 and SNA 2008 and is fully harmonised with the sector classification of the gross external debt by domestic sectors and the balance of payments. The general government sector includes central government, social security funds and local government. The sector of the central bank includes the Croatian National Bank. The sector of other monetary financial institutions comprises credit institutions and money market funds. Other domestic sectors comprise all financial institutions and intermediaries except the central bank and other monetary financial institutions (including the Croatian Bank for Reconstruction and Development), private and public non-financial corporations, non-profit institutions and households, including craftsmen.

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, credit institutions and investment firms providing securities custody services, particularly in the part Assets of other sectors.

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

Within other investment, BPM6 defines a position of Other equity investment, which implies equity investments that do not meet the criteria for direct investment, portfolio investment or international reserve assets. This position also includes shares in ownership of international organisations.

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

International Settlements 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 credit institutions.

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 – 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 – Other equity investment comprises equity investment that is not in the form of securities. It comprises equity investment in quasi-corporations, international organisations etc.

Item Other investment – Other claims and liabilities includes other claims and liabilities not included in trade credits and other financial instruments.

Position Other investment – Special drawing rights on the liability side shows the balance of allocated special drawing rights. The balance of this position was increased on the basis of the general allocation of August 2009, when the Republic of Croatia was allocated SDR 270,652,208, and a special allocation in September of the same year, when it was allocated another SDR 32,848,735.

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

Table H17 International investment position – direct investment<sup>a,b</sup>

in million EUR

	2010	2011	2012	2013	2014 <sup>c</sup>	2014				2015
						Q1 <sup>c</sup>	Q2 <sup>c</sup>	Q3 <sup>c</sup>	Q4 <sup>c</sup>	
<b>Direct investment (net)</b>	<b>-20,924.0</b>	<b>-18,493.8</b>	<b>-18,940.4</b>	<b>-18,640.4</b>	<b>-20,237.8</b>	<b>-18,744.1</b>	<b>-19,696.8</b>	<b>-20,072.5</b>	<b>-20,237.8</b>	<b>-20,855.0</b>
<b>1 Assets</b>	<b>3,663.9</b>	<b>3,680.0</b>	<b>3,511.1</b>	<b>3,283.5</b>	<b>4,648.7</b>	<b>3,124.3</b>	<b>4,896.2</b>	<b>5,044.5</b>	<b>4,648.7</b>	<b>4,780.4</b>
1.1 Equity and investment fund shares	2,986.9	2,987.8	2,884.0	2,692.4	3,842.3	2,520.0	4,041.2	4,175.2	3,842.3	3,981.6
1.1.1 In direct investment enterprises	2,986.9	2,987.8	2,884.0	2,692.4	3,842.3	2,520.0	4,041.2	4,175.2	3,842.3	3,981.6
1.1.2 In direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.3 Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Debt instruments	677.0	692.2	627.1	591.1	806.3	604.4	855.0	869.4	806.3	798.9
1.2.1 In direct investment enterprises	608.7	641.5	572.1	521.8	558.9	398.0	604.5	621.1	558.9	559.8
1.2.2 In direct investor (reverse investment)	68.3	50.7	55.0	69.3	108.7	76.0	103.6	117.5	108.7	85.8
1.2.3 Between fellow enterprises	0.0	0.0	0.0	0.0	138.7	130.4	146.9	130.7	138.7	153.2
<b>2 Liabilities</b>	<b>24,587.9</b>	<b>22,173.8</b>	<b>22,451.5</b>	<b>21,923.9</b>	<b>24,886.4</b>	<b>21,868.4</b>	<b>24,592.9</b>	<b>25,117.1</b>	<b>24,886.4</b>	<b>25,635.4</b>
2.1 Equity and investment fund shares	18,451.5	17,156.4	17,065.2	16,225.4	18,506.4	16,014.2	18,578.6	19,076.4	18,506.4	18,874.0
2.1.1 In direct investment enterprises	18,451.5	17,156.4	17,065.2	16,225.4	18,506.4	16,014.2	18,578.6	19,076.4	18,506.4	18,874.0
2.1.2 In direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.3 Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2 Debt instruments	6,136.5	5,017.4	5,386.2	5,698.5	6,380.1	5,854.2	6,014.3	6,040.6	6,380.1	6,761.4
2.2.1 In direct investment enterprises	4,131.0	4,143.1	4,082.4	3,521.6	3,781.1	3,640.1	3,742.1	3,765.1	3,781.1	3,880.2
2.2.2 In direct investor (reverse investment)	366.7	175.5	164.5	159.5	250.5	178.8	239.1	226.0	250.5	281.6
2.2.3 Between fellow enterprises	1,638.7	698.9	1,139.4	2,017.4	2,348.4	2,035.3	2,033.1	2,049.6	2,348.4	2,599.6

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). <sup>c</sup> Revised data. <sup>d</sup> Preliminary data.

Table H18 International investment position – portfolio investment<sup>a,b</sup>

in million EUR

	2010	2011	2012	2013	2014 <sup>c</sup>	2014				2015
						Q1 <sup>c</sup>	Q2 <sup>c</sup>	Q3 <sup>c</sup>	Q4 <sup>c</sup>	
<b>Portfolio investment (net)</b>	<b>-3,485.1</b>	<b>-4,249.0</b>	<b>-5,784.3</b>	<b>-7,203.7</b>	<b>-7,467.7</b>	<b>-7,319.9</b>	<b>-7,347.4</b>	<b>-7,330.8</b>	<b>-7,467.7</b>	<b>-8,508.5</b>
<b>1 Assets</b>	<b>3,659.1</b>	<b>2,988.1</b>	<b>3,367.2</b>	<b>3,477.7</b>	<b>3,906.6</b>	<b>3,367.1</b>	<b>3,512.8</b>	<b>3,749.7</b>	<b>3,906.6</b>	<b>4,174.4</b>
1.1 Equity and investment fund shares	1,351.9	1,307.2	1,503.2	1,724.1	1,853.6	1,559.4	1,750.5	1,812.2	1,853.6	2,091.0
1.1.1 Other monetary financial institutions	9.2	13.7	10.6	19.2	16.5	17.6	16.6	17.1	16.5	13.5
1.1.2 Other sectors	1,342.6	1,293.5	1,492.6	1,704.9	1,837.1	1,541.8	1,733.9	1,795.1	1,837.1	2,077.5
1.2 Debt securities	2,307.2	1,680.9	1,864.1	1,753.7	2,053.0	1,807.7	1,762.3	1,937.5	2,053.0	2,083.5
<b>2 Liabilities</b>	<b>7,144.2</b>	<b>7,237.1</b>	<b>9,151.6</b>	<b>10,681.4</b>	<b>11,374.3</b>	<b>10,687.0</b>	<b>10,860.2</b>	<b>11,080.4</b>	<b>11,374.3</b>	<b>12,682.9</b>
2.1 Equity and investment fund shares	738.0	595.7	461.7	479.2	637.2	488.6	601.0	660.7	637.2	657.9
2.1.1 Other monetary financial institutions	175.9	166.7	154.2	141.3	163.6	141.6	141.8	151.3	163.6	185.0
2.1.2 Other sectors	562.1	428.9	307.5	337.9	473.7	347.0	459.2	509.4	473.7	472.9
2.2 Debt securities	6,406.1	6,641.4	8,689.9	10,202.2	10,737.0	10,198.3	10,259.2	10,419.7	10,737.0	12,025.0
2.2.1 Long-term	5,937.8	6,483.4	8,572.5	10,132.6	10,628.9	10,023.2	10,096.9	10,395.1	10,628.9	11,959.5
2.2.1.1 General government	5,249.4	5,703.4	6,568.6	8,205.3	9,089.1	8,039.8	8,602.5	8,877.7	9,089.1	10,353.4
2.2.1.2 Other monetary financial institutions	8.9	1.9	8.9	3.8	2.5	3.7	3.6	2.6	2.5	2.7
2.2.1.3 Other sectors	679.5	778.1	1,995.0	1,923.6	1,537.4	1,979.8	1,490.8	1,514.9	1,537.4	1,603.4
2.2.2 Short-term	468.3	158.1	117.3	69.6	108.1	175.1	162.3	24.6	108.1	65.5
2.2.2.1 General government	468.3	157.9	117.2	69.6	83.6	175.1	162.3	24.6	83.6	36.6
2.2.2.2 Other sectors	0.0	0.1	0.1	0.0	24.5	0.0	0.0	0.0	24.5	28.9

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>c</sup> Revised data. <sup>d</sup> Preliminary data.

Table H19 International investment position – other investment<sup>a,b</sup>  
in million EUR

	2010	2011	2012	2013	2014 <sup>c</sup>	2014				2015
						Q1 <sup>c</sup>	Q2 <sup>c</sup>	Q3 <sup>c</sup>	Q4 <sup>c</sup>	
<b>Other investment (net)</b>	<b>-28,537.2</b>	<b>-29,228.3</b>	<b>-25,901.0</b>	<b>-25,108.0</b>	<b>-23,335.1</b>	<b>-25,084.5</b>	<b>-24,948.0</b>	<b>-22,833.6</b>	<b>-23,335.1</b>	<b>-24,670.8</b>
<b>1 Assets</b>	<b>5,828.6</b>	<b>5,510.0</b>	<b>5,320.1</b>	<b>4,949.6</b>	<b>6,211.7</b>	<b>5,654.2</b>	<b>5,168.7</b>	<b>7,217.8</b>	<b>6,211.7</b>	<b>5,883.2</b>
1.1 Other equity	1.8	2.4	3.1	32.2	58.9	32.2	32.6	32.4	58.9	56.9
1.2 Currency and deposits	5,304.5	4,989.5	4,616.4	4,182.3	5,304.1	4,927.8	4,426.1	6,265.1	5,304.1	4,950.8
1.2.1 General government	0.0	0.0	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3
1.2.2 Other monetary financial institutions	4,058.2	3,559.7	3,108.4	2,888.7	3,563.3	3,108.1	3,101.2	4,660.4	3,563.3	2,999.1
1.2.3 Other sectors	1,246.3	1,429.8	1,508.0	1,293.2	1,740.6	1,819.4	1,324.6	1,604.4	1,740.6	1,951.5
1.3 Loans	430.8	420.8	531.3	626.1	752.2	594.8	582.6	787.6	752.2	773.0
1.3.1 Croatian National Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.3.2 General government	0.0	0.0	0.0	0.0	14.8	18.2	16.6	16.5	14.8	14.3
1.3.2.1 Long-term	0.0	0.0	0.0	0.0	14.8	18.2	16.6	16.5	14.8	14.3
1.3.3 Other monetary financial institutions	291.8	276.2	355.8	369.0	432.7	348.3	338.3	533.5	432.7	428.1
1.3.3.1 Long-term	257.2	266.6	238.9	299.5	280.8	298.5	288.2	271.7	280.8	286.2
1.3.3.2 Short-term	34.6	9.6	117.0	69.5	151.9	49.8	50.1	261.8	151.9	141.9
1.3.4 Other sectors	139.0	144.6	175.5	257.1	304.7	228.3	227.8	237.6	304.7	330.6
1.3.4.1 Long-term	101.3	140.0	154.5	237.9	293.8	219.5	216.0	225.4	293.8	322.7
1.3.4.2 Short-term	37.7	4.6	21.0	19.2	10.9	8.8	11.7	12.2	10.9	7.8
1.4 Trade credit and advances	80.5	85.7	142.0	80.8	74.5	84.6	82.9	76.4	74.5	82.5
1.4.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4.2 Other sectors	80.5	85.7	142.0	80.8	74.5	84.6	82.9	76.4	74.5	82.5
1.4.2.1 Long-term	61.4	58.3	57.6	53.2	52.0	54.1	54.1	52.5	52.0	59.7
1.4.2.2 Short-term	19.2	27.4	84.3	27.6	22.6	30.5	28.8	23.9	22.6	22.8
1.5 Other accounts receivable	11.0	11.5	27.3	28.2	21.8	14.8	44.5	56.4	21.8	20.0
<b>2 Liabilities</b>	<b>34,365.8</b>	<b>34,738.3</b>	<b>31,221.1</b>	<b>30,057.7</b>	<b>29,546.7</b>	<b>30,738.7</b>	<b>30,116.7</b>	<b>30,051.4</b>	<b>29,546.7</b>	<b>30,554.1</b>
2.1 Other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2 Currency and deposits	6,795.2	7,699.0	5,731.3	5,668.4	5,242.8	5,987.7	5,560.5	5,011.3	5,242.8	5,567.2
2.2.1 Croatian National Bank	1.2	0.1	0.0	83.5	83.6	101.6	24.6	40.9	83.6	139.7
2.2.2 Other monetary financial institutions	6,794.1	7,699.0	5,731.3	5,584.9	5,159.2	5,886.0	5,535.9	4,970.4	5,159.2	5,427.6
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
2.3 Loans	26,865.0	26,372.5	24,766.6	23,730.0	23,692.7	24,099.4	23,894.1	24,384.1	23,692.7	24,301.2
2.3.1 Croatian National Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	674.2
2.3.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3.2 General government	5,021.3	5,227.2	5,668.1	5,950.5	6,223.4	5,864.8	5,543.9	6,284.1	6,223.4	6,282.5
2.3.2.1 Long-term	5,021.3	5,227.2	5,667.2	5,750.5	6,223.2	5,864.8	5,543.9	6,284.1	6,223.2	6,282.5
2.3.2.2 Short-term	0.0	0.0	0.9	200.0	0.2	0.0	0.0	0.0	0.2	0.0
2.3.3 Other monetary financial institutions	4,383.8	4,370.4	4,085.5	3,541.3	2,969.4	3,445.6	3,335.0	3,130.2	2,969.4	2,752.2
2.3.3.1 Long-term	3,436.0	3,844.4	3,568.8	2,984.0	2,558.7	2,971.4	2,890.9	2,787.8	2,558.7	2,351.0
2.3.3.2 Short-term	947.8	526.0	516.8	557.3	410.7	474.2	444.0	342.3	410.7	401.2
2.3.4 Other sectors	17,459.9	16,775.0	15,012.9	14,238.2	14,499.9	14,789.0	15,015.2	14,969.9	14,499.9	14,592.3
2.3.4.1 Long-term	16,578.2	15,893.6	14,061.0	13,727.0	13,884.7	14,127.2	14,318.2	14,214.2	13,884.7	14,001.4
2.3.4.2 Short-term	881.7	881.4	952.0	511.1	615.2	661.8	697.0	755.6	615.2	590.8
2.4 Trade credit and advances	323.8	170.1	312.2	294.5	221.0	284.5	281.5	271.1	221.0	269.8
2.4.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4.1.1 Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4.2 Other sectors	323.8	170.1	312.2	294.5	221.0	284.5	281.5	271.1	221.0	269.8
2.4.2.1 Long-term	293.0	135.9	134.1	179.3	143.3	169.3	172.6	169.9	143.3	187.5
2.4.2.2 Short-term	30.9	34.2	178.1	115.2	77.7	115.2	108.9	101.2	77.7	82.3
2.5 Other accounts payable	25.6	136.6	60.0	26.9	29.0	26.0	36.3	30.4	29.0	30.1
2.6 Special drawing rights	356.1	360.0	351.0	338.0	361.3	341.1	344.3	354.5	361.3	385.7

<sup>a</sup> As from CNB Bulletin No. 207, data have been compiled in accordance with the new methodology prescribed by the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) and the new sector classification of institutional units in line with ESA 2010. <sup>b</sup> The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. <sup>c</sup> Revised data. <sup>d</sup> Preliminary data.

## I Government finance – selected data

Table I1 Consolidated central government according to the government level<sup>a</sup>  
in million HRK

	2010	2011	2012	2013	2014	2015			
						Jan.*	Feb.*	Mar.*	Apr.
<b>1 REVENUE (A+B)</b>	<b>110,831.6</b>	<b>110,406.1</b>	<b>112,883.5</b>	<b>112,051.1</b>	<b>118,066.9</b>	<b>9,100.8</b>	<b>8,843.5</b>	<b>9,872.7</b>	<b>11,527.3</b>
A) Budgetary central government	107,457.6	107,067.2	109,558.4	108,581.8	114,015.6	7,129.6	7,016.1	7,962.4	9,444.6
B) Extrabudgetary users	3,374.0	3,338.9	3,325.0	3,469.4	4,051.3	1,971.2	1,827.4	1,910.3	2,082.7
1 Croatian Pension Insurance Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Croatian Institute for Health Insurance	0.0	0.0	0.0	0.0	0.0	1,581.3	1,553.5	1,580.1	1,626.3
3 Croatian Employment Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4 Croatian Waters	1,690.7	1,594.3	1,580.2	1,715.2	1,992.4	148.1	144.9	174.5	181.3
5 Fund for Environmental Protection and Energy Efficiency	1,040.7	1,091.3	1,056.7	1,039.1	1,168.7	100.7	123.3	138.6	134.7
6 Croatian Motorways Ltd.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Croatian Roads Ltd.	86.2	57.5	55.4	51.5	54.0	1.7	4.4	4.0	2.3
8 State Agency for Deposit Insurance and Bank Resolution	529.6	552.8	576.1	597.2	749.3	138.7	-0.2	11.9	137.7
9 Centre for Restructuring and Sale <sup>b</sup>	26.7	43.0	56.7	66.4	87.0	0.7	1.5	1.1	0.5
<b>2 EXPENSE (A+B)</b>	<b>122,584.0</b>	<b>122,427.7</b>	<b>120,930.5</b>	<b>126,410.2</b>	<b>127,920.4</b>	<b>10,683.4</b>	<b>11,188.8</b>	<b>11,019.3</b>	<b>10,060.0</b>
A) Budgetary central government	118,312.3	118,224.1	117,051.0	121,822.3	123,671.9	9,037.8	9,088.4	8,658.6	7,965.5
B) Extrabudgetary users	4,271.7	4,203.6	3,879.5	4,587.9	4,248.5	1,645.6	2,100.4	2,360.7	2,094.4
1 Croatian Pension Insurance Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Croatian Institute for Health Insurance	0.0	0.0	0.0	0.0	0.0	1,395.0	1,786.9	2,050.8	1,774.1
3 Croatian Employment Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4 Croatian Waters	1,771.2	1,458.2	1,455.5	1,512.7	1,525.9	28.7	52.6	136.4	118.2
5 Fund for Environmental Protection and Energy Efficiency	1,003.6	914.8	959.7	882.8	1,129.8	54.7	81.3	84.8	78.3
6 Croatian Motorways Ltd.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Croatian Roads Ltd.	1,405.9	1,320.9	1,277.0	1,478.1	1,329.6	161.0	175.2	82.0	117.4
8 State Agency for Deposit Insurance and Bank Resolution	17.0	408.9	89.5	538.3	174.7	0.5	0.5	1.1	2.3
9 Centre for Restructuring and Sale <sup>b</sup>	74.0	100.8	97.8	176.1	88.5	5.6	3.8	5.7	4.2
<b>NET/GROSS OPERATING BALANCE (1-2)</b>	<b>-11,752.5</b>	<b>-12,021.6</b>	<b>-8,047.0</b>	<b>-14,359.0</b>	<b>-9,853.5</b>	<b>-1,582.6</b>	<b>-2,345.4</b>	<b>-1,146.6</b>	<b>1,467.3</b>
<b>3 CHANGE IN NET WORTH: TRANSACTIONS (3.1+3.2-3.3)</b>	<b>-11,752.5</b>	<b>-12,021.6</b>	<b>-8,047.0</b>	<b>-14,359.0</b>	<b>-9,853.5</b>	<b>-1,582.6</b>	<b>-2,345.4</b>	<b>-1,146.6</b>	<b>1,467.3</b>
<b>3.1 CHANGE IN NET ACQUISITION OF NON-FINANCIAL ASSETS</b>	<b>2,679.3</b>	<b>3,372.5</b>	<b>3,133.1</b>	<b>3,653.6</b>	<b>3,215.1</b>	<b>205.6</b>	<b>156.9</b>	<b>227.6</b>	<b>213.6</b>
Acquisition	3,005.8	3,751.9	3,442.3	3,941.9	3,908.4	231.7	187.3	255.2	245.2
A) Budgetary central government	1,550.7	1,486.0	1,108.0	1,564.0	1,857.0	90.5	79.8	114.6	101.8
B) Extrabudgetary users	1,455.1	2,265.9	2,334.3	2,377.9	2,051.4	141.1	107.5	140.6	143.4
Disposals	326.5	379.4	309.2	288.3	693.4	26.1	30.4	27.6	31.6
A) Budgetary central government	318.3	347.0	278.4	259.5	689.7	26.0	30.3	27.5	31.5
B) Extrabudgetary users	8.2	32.4	30.8	28.8	3.6	0.1	0.1	0.1	0.2
<b>NET LENDING/BORROWING (1-2-3.1)</b>	<b>-14,431.8</b>	<b>-15,394.1</b>	<b>-11,180.1</b>	<b>-18,012.6</b>	<b>-13,068.6</b>	<b>-1,788.2</b>	<b>-2,502.2</b>	<b>-1,374.2</b>	<b>1,253.7</b>
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (3.3-3.2)</b>	<b>14,431.8</b>	<b>15,394.1</b>	<b>11,180.1</b>	<b>18,012.6</b>	<b>13,068.6</b>	<b>1,788.2</b>	<b>2,502.2</b>	<b>1,374.2</b>	<b>-1,253.7</b>
<b>3.2 CHANGE IN NET ACQUISITION OF FINANCIAL ASSETS</b>	<b>2,816.6</b>	<b>-353.9</b>	<b>-165.7</b>	<b>14,146.1</b>	<b>-2,724.8</b>	<b>-7,540.8</b>	<b>2,832.1</b>	<b>6,678.2</b>	<b>435.3</b>
3.2.1 Domestic	2,816.2	-359.2	-172.2	13,940.9	-2,930.8	-7,540.8	2,832.1	6,671.0	441.3
A) Budgetary central government	1,942.7	-818.0	-651.4	13,792.7	-3,998.8	-8,228.2	3,018.8	6,897.5	393.5
B) Extrabudgetary users	873.5	458.8	479.2	148.2	1,068.0	687.4	-186.7	-226.5	47.8
3.2.2 Foreign	0.0	0.0	0.0	204.3	206.0	0.0	0.0	7.2	-6.0
A) Budgetary central government	0.4	5.3	6.5	205.2	206.0	0.0	0.0	1.2	0.0
B) Extrabudgetary users	0.4	5.3	6.5	1.0	0.0	0.0	0.0	6.0	-6.0
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
<b>3.3 CHANGE IN NET INCURRENCE OF LIABILITIES</b>	<b>17,248.4</b>	<b>15,040.2</b>	<b>11,014.4</b>	<b>32,158.7</b>	<b>10,343.8</b>	<b>-5,752.7</b>	<b>5,334.3</b>	<b>8,052.4</b>	<b>-818.4</b>

	2010	2011	2012	2013	2014	2015			
						Jan.*	Feb.*	Mar.*	Apr.
3.3.1 Domestic	12,892.5	6,448.4	2,958.3	10,585.8	5,868.2	8.0	5,352.0	-3,891.8	-73.5
A) Budgetary central government	11,835.1	4,793.1	1,414.0	8,904.9	4,822.2	-126.0	5,515.7	-3,718.0	45.3
B) Extrabudgetary users	1,057.4	1,655.3	1,544.3	1,680.8	1,046.0	134.0	-163.7	-173.8	-118.8
3.3.2 Foreign	4,355.9	8,591.8	8,056.0	21,573.0	4,475.6	-5,760.7	-17.7	11,944.2	-744.9
A) Budgetary central government	4,277.0	8,597.2	8,125.2	21,534.8	4,524.1	-5,760.4	-17.4	11,950.5	-731.4
B) Extrabudgetary users	79.0	-5.4	-69.2	38.2	-48.6	-0.3	-0.3	-6.3	-13.5

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

<sup>b</sup> The Croatian Privatisation Fund (CPF) ceased to operate on 31 March 2011. The Agency for Management of the Public Property (AUDIO) operated from 1 April 2011 to 30 July 2013 and was composed of the CPF and the Central State Administrative Office for State Property Management (the former budget user). From 30 July 2013 onwards, the State Property Management Administration and the newly established Centre for Restructuring and Sale carry out the operations of the AUDIO.

The Notes on Methodology can be found in the Ministry of Finance Monthly Statistical Review. Note: On a cash basis.

Source: MoF.

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

	2010	2011	2012	2013	2014	2015			
						Jan.*	Feb.*	Mar.*	Apr.
<b>1 REVENUE</b>	<b>107,466.4</b>	<b>107,069.7</b>	<b>109,558.9</b>	<b>108,585.0</b>	<b>114,044.5</b>	<b>7,131.3</b>	<b>7,016.2</b>	<b>7,965.6</b>	<b>9,448.4</b>
1.1 Taxes	62,856.6	61,422.2	64,693.9	63,044.9	63,349.9	4,883.4	4,952.9	5,259.8	6,308.2
1.2 Social contributions	38,712.4	38,605.1	37,845.9	37,149.3	41,701.5	1,726.2	1,697.9	1,717.4	1,761.4
1.3 Grants	637.1	869.0	968.4	1,737.8	2,268.0	97.0	63.6	137.8	1,025.1
1.4 Other revenue	5,260.3	6,173.4	6,050.8	6,653.0	6,725.1	424.5	301.7	850.6	353.7
<b>2 EXPENSE</b>	<b>120,323.3</b>	<b>119,939.5</b>	<b>118,730.0</b>	<b>123,505.9</b>	<b>125,689.5</b>	<b>9,408.6</b>	<b>9,419.3</b>	<b>9,024.1</b>	<b>8,326.9</b>
2.1 Compensation of employees	31,096.5	31,737.4	31,383.2	30,461.8	30,032.0	1,782.5	1,786.7	1,782.5	1,784.3
2.2 Use of goods and services	7,655.7	7,943.6	7,406.3	7,537.4	7,186.0	655.9	402.3	587.8	503.5
2.3 Consumption of fixed capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4 Interest	6,236.5	7,097.6	8,335.7	9,259.2	9,911.1	1,856.1	570.3	1,062.6	813.0
2.5 Subsidies	6,582.2	6,555.3	5,762.3	5,537.8	5,174.5	112.1	1,469.5	366.5	192.8
2.6 Grants	5,778.6	5,083.7	4,843.8	6,511.7	8,535.4	877.4	1,156.9	938.4	911.9
2.7 Social benefits	56,906.6	56,483.0	56,169.9	58,943.4	59,393.1	3,732.8	3,744.9	3,764.4	3,729.5
2.8 Other expense	6,067.3	5,039.1	4,828.9	5,254.6	5,457.4	391.7	288.7	522.0	391.8
<b>3 CHANGE IN NET WORTH: TRANSACTIONS</b>	<b>-12,857.0</b>	<b>-12,869.8</b>	<b>-9,171.1</b>	<b>-14,920.8</b>	<b>-11,645.0</b>	<b>-2,277.3</b>	<b>-2,403.2</b>	<b>-1,058.5</b>	<b>1,121.6</b>
3.1 Change in net acquisition of non-financial assets	1,232.4	1,139.0	829.6	1,304.5	1,167.3	64.5	49.5	87.0	70.3
3.1.1 Fixed assets	1,200.4	1,118.7	772.2	1,036.6	1,069.4	36.6	47.1	89.0	72.9
3.1.2 Inventories	11.0	2.5	29.3	225.5	-0.4	25.7	3.0	-3.6	-0.5
3.1.3 Valuables	6.1	3.7	3.5	1.3	0.8	0.0	0.0	0.0	0.0
3.1.4 Non-produced assets	14.9	14.0	24.7	41.1	97.4	2.3	-0.6	1.7	-2.1
3.2 Change in net acquisition of financial assets	2,022.7	-618.4	-461.5	14,214.4	-3,466.0	-8,228.2	3,045.6	7,086.9	365.1
3.2.1 Domestic	2,022.3	-623.8	-468.0	14,009.2	-3,672.0	-8,228.2	3,045.6	7,085.7	365.1
3.2.2 Foreign	0.4	5.3	6.5	205.2	206.0	0.0	0.0	1.2	0.0
3.2.3 Monetary gold and SDRs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.3 Change in net incurrence of liabilities	16,112.0	13,390.4	9,539.2	30,439.8	9,346.3	-5,886.3	5,498.3	8,232.5	-686.1
3.3.1 Domestic	11,835.1	4,793.1	1,414.0	8,904.9	4,822.2	-126.0	5,515.7	-3,718.0	45.3
3.3.2 Foreign	4,277.0	8,597.2	8,125.2	21,534.8	4,524.1	-5,760.4	-17.4	11,950.5	-731.4

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

The Notes on Methodology can be found in the Ministry of Finance Monthly Statistical Review. Note: On a cash basis.

Source: MoF.

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

	2010 Dec.*	2011 Dec.*	2012 Dec.*	2013 Dec.*	2014 Dec.*	2015		
						Jan.*	Feb.	Mar.
<b>1 Domestic debt of general government</b>	<b>106,546.8</b>	<b>127,451.1</b>	<b>136,590.3</b>	<b>156,250.0</b>	<b>165,714.9</b>	<b>164,813.5</b>	<b>170,305.8</b>	<b>167,329.0</b>
1.1 Domestic debt of central government	102,973.8	123,766.9	132,982.2	151,670.6	160,735.6	159,803.0	165,408.8	162,496.9
Short-term debt securities	17,198.1	19,308.5	18,259.6	22,838.9	24,235.4	23,574.4	23,024.1	22,144.4
Long-term debt securities	49,323.8	56,256.2	63,539.7	72,884.6	83,754.5	82,471.4	86,481.4	87,130.9
Loans	36,451.9	48,202.2	51,182.9	55,947.2	52,745.7	53,757.2	55,903.3	53,221.7
1.2 Domestic debt of social security funds	1.0	2.3	1.6	0.9	3.5	3.4	3.3	2.8
Short-term debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	1.0	2.3	1.6	0.9	3.5	3.4	3.3	2.8
1.3 Domestic debt of local government	3,756.9	3,854.3	3,768.0	4,761.2	5,174.5	5,209.4	5,096.6	5,031.7
Short-term debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt securities	384.9	260.2	209.1	151.7	74.8	57.4	57.4	57.3
Loans	3,372.0	3,594.1	3,559.0	4,609.5	5,099.7	5,152.0	5,039.2	4,974.5
<b>2 External debt of general government</b>	<b>80,378.5</b>	<b>84,446.8</b>	<b>92,199.5</b>	<b>109,883.6</b>	<b>113,854.1</b>	<b>110,721.0</b>	<b>110,496.2</b>	<b>121,144.3</b>
2.1 External debt of central government	79,721.8	83,882.3	91,686.8	109,400.2	113,721.7	110,589.1	110,364.4	121,013.2
Short-term debt securities	3,520.5	1,205.3	895.1	539.8	642.5	559.7	306.2	281.7
Long-term debt securities	37,427.1	40,627.9	47,486.5	62,695.6	64,692.2	61,338.5	61,379.6	71,901.6
Loans	38,774.2	42,049.0	43,305.2	46,164.8	48,387.0	48,690.9	48,678.6	48,829.9
2.2 External debt of social security funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3 External debt of local government	656.7	564.6	512.7	483.4	132.4	131.9	131.8	131.1
Short-term debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt securities	165.8	133.6	132.5	132.7	130.4	129.6	129.5	128.7
Loans	490.9	431.0	380.2	350.7	2.0	2.4	2.3	2.3
<b>3 Total (1+2)</b>	<b>186,925.3</b>	<b>211,898.0</b>	<b>228,789.8</b>	<b>266,133.7</b>	<b>279,569.0</b>	<b>275,534.5</b>	<b>280,802.0</b>	<b>288,473.3</b>
Supplement: Central government guarantees								
Domestic debt	7,945.1	3,256.1	3,935.7	3,626.7	3,761.6	3,817.4	2,912.5	3,145.5
o/w: Guarantees for CBRD loans	1,177.3	802.0	823.6	825.1	1,878.3	1,887.4	1,914.3	1,914.7
External debt	6,932.8	5,153.4	4,704.9	4,393.5	4,201.2	4,247.5	4,247.7	4,268.5

<sup>a</sup> The data are revised in the whole series due to the inclusion of the CBRD into the central government subsector.

**Table I3: General government debt • Up to September 2014,** Table I3 showed general government debt in accordance with the European system of national and regional accounts in the European Union 1995 (ESA 1995). With the beginning of the implementation of the new methodology at the EU level in accordance with the European system of national and regional accounts in the European Union 2010 (ESA 2010) and in line with the accordingly revised Eurostat Manual on Government Deficit and Debt, starting from October 2014, the methodology has been aligned and data from the beginning of the series have been revised.

As from 31 December 2010, an official sector classification of institutional units in the Republic of Croatia is used, in accordance with the Decision on the statistical classification of institutional sectors issued by the Croatian Bureau of Statistics, which is based on ESA 2010 methodology which divides the general government into the following subsectors: central government, social security funds and local government.<sup>1</sup> Up to November 2010, the sector classification of institutional units was based on the prescribed Decision on the Chart of Accounts for Banks by the Croatian National Bank.

The source of primary data for domestic and external debt are general government units (the Ministry of Finance of the Republic of Croatia and other units of government authorities system, units of local and regional self-government, non-financial corporations allocated to the statistical definition of general government sector, etc.) in the part that relates to treasury bills, bonds and foreign loans and the Croatian National Bank in the part relating to loans of resident banks, the Croatian Bank for Reconstruction and Development (hereinafter: the CBRD) and the Croatian National Bank. Up to November 2010, data on resident bank loans were based on the reporting system in accordance with the Decision relating to the bank statistical report and from December 2010, the data are based on the reporting system in accordance with the Decision on statistical and prudential reporting.

Data are divided by creditor to domestic and external debt and by instrument categories, in accordance with ESA 2010, to short-term debt securities, long-term debt securities, and loans.

The stock of the category short-term debt securities includes

short-term debt securities with original maturity up to and including one year, such as treasury bills of the Ministry of Finance (issued in kuna, with a currency clause or denominated in foreign currency), eurobills of the Ministry of Finance and other money market instruments.

The stock of the category long-term debt securities includes long-term debt securities with original maturity of over one year, such as bonds issued on the domestic and foreign markets and long-term T-bills of the Ministry of Finance. Bonds issued abroad in one foreign currency and swapped into another foreign currency are treated as debt denominated in the currency of the swap transaction.

Starting from February 2002, debt securities issued abroad, owned by resident institutional units at the end of the reference period, were reclassified from external into domestic debt. Starting from December 2005, debt securities issued in the domestic market, owned by non-resident institutional units at the end of the reference period, were reclassified from domestic into external debt.

Loans include loans received from resident and non-resident creditors and, in accordance with the ESA 2010 methodology, assumed state-guaranteed loans given to institutional units whose guarantees were activated within a period of three years (the so-called third call criterion) or loans transferred by agreement from the original debtor to the state. In addition, harmonisation was carried out in conjunction with the methodology of the treatment of public-private partnerships and concessions.

The stock of t-bills regardless of original maturity is shown at nominal value, i.e. with the entire discount included. The stocks of bonds and loans include outstanding principal value, excluding accrued interest.

The stock of debt of a specific subsector of general government is consolidated within the subsector; the stock of domestic general government debt is also consolidated among the subsectors.

Below shown is data on the total stock of central government guarantees issued, reduced by guarantees given to other central government units, social security funds and the local government. The sources of data are identical to those for loans

<sup>1</sup> The scope of sector classification is shown in "Classification and presentation of data on claims and liabilities". Under the new sector classification ESA 2010, the central government comprises, in addition to the Croatian Radiotelevision, CBRD and Croatian Railways Infrastructure, public corporations Rijeka – Zagreb Motorway and Croatian Motorways (CM). From January 2008 on, CM is classified into the central government subsector, while it was shown under social security funds subsector in the previous series. Under ESA 2010, social security funds include the Croatian Pension Insurance Administration, the Croatian Institute for Health Insurance and the Croatian Employment Service. By way of exception, in this Table, the subsector social security funds in part 2 External debt comprises the debt of Croatian Roads and the State Agency for Deposit Insurance and Bank Resolution starting from (and including) December 1998 and up to December 2010, and in part 1 Domestic debt, starting from (and including) December 2002 and up to December 2010, social security funds include also the debt of Croatian Roads, Croatian Waters, Croatian Privatisation Fund/Government Asset Management Agency.

## J Non-financial statistics – selected data

Table J1 Consumer price and producer price indices

Year	Month	Basic indices, 2010 = 100 <sup>a</sup>				Chain indices				Monthly year-on-year indices			
		Consumer price indices			Industrial producer prices <sup>b</sup>	Consumer price indices			Industrial producer prices <sup>b</sup>	Consumer price indices			Industrial producer prices <sup>b</sup>
		Total	Goods	Services		Total	Goods	Services		Total	Goods	Services	
2000	December	77.2	79.1	70.0	79.2	100.4	100.4	100.1	100.2	105.5	105.5	105.5	111.2
2001	December	79.1	80.2	74.7	76.4	100.4	100.4	100.5	99.0	102.4	101.3	106.8	96.9
2002	December	80.5	81.1	78.2	78.1	100.4	100.6	99.6	99.9	101.8	101.1	104.6	102.3
2003	December	81.9	82.3	79.9	78.9	100.3	100.2	100.5	100.0	101.7	101.6	102.2	101.0
2004	December	84.1	84.4	82.8	82.7	100.7	100.9	100.2	99.3	102.7	102.5	103.6	104.8
2005	December	87.2	87.3	86.2	84.5	100.5	100.5	100.5	99.7	103.6	103.5	104.1	102.7
2006	December	89.0	89.0	89.0	86.1	100.0	100.0	100.2	100.0	102.0	101.4	104.2	101.9
2007	December	94.1	94.9	91.5	91.2	101.2	101.2	101.3	100.4	105.8	106.6	103.4	105.9
2008	December	96.8	97.3	95.3	95.1	99.4	99.1	100.5	98.7	102.9	102.4	104.3	104.3
2009	December	98.7	98.6	99.0	96.6	99.4	99.3	100.2	100.0	101.9	101.3	103.9	101.6
2010	December	100.5	100.8	99.3	102.1	100.0	100.1	99.9	101.0	101.8	102.2	100.3	105.7
2011	December	102.6	103.8	98.3	108.0	99.6	99.6	99.6	99.8	102.1	103.0	98.9	105.8
2012	December	107.4	109.4	100.2	115.4	99.9	99.9	99.7	100.0	104.7	105.5	102.0	106.9
2013	December	107.7	109.7	100.7	112.4	99.8	99.8	100.0	100.0	100.3	100.2	100.4	97.4
2014	June	108.0	109.8	101.5	111.5	99.7	99.4	100.4	99.8	99.6	99.3	100.6	97.1
	July	107.6	109.2	102.0	111.7	99.6	99.4	100.4	100.3	99.9	99.7	100.7	97.6
	August	107.5	108.8	102.6	111.0	99.9	99.7	100.6	99.3	99.7	99.1	101.6	96.8
	September	108.3	109.8	102.6	111.1	100.7	100.9	100.0	100.1	99.8	99.2	101.7	96.8
	October	108.4	110.0	102.6	110.8	100.1	100.2	100.0	99.8	100.4	99.9	101.8	97.9
	November	108.1	109.6	102.5	109.9	99.7	99.7	99.9	99.2	100.2	99.7	101.8	97.8
	December	107.2	108.4	102.5	108.6	99.1	98.9	100.0	98.8	99.5	98.8	101.8	96.6
2015	January	106.6	107.7	102.4	106.1	99.5	99.3	99.9	97.7	99.1	98.3	101.5	94.4
	February	106.9	108.0	102.5	107.5	100.2	100.3	100.0	101.3	99.6	99.0	101.6	96.0
	March	107.9	109.4	102.3	108.8	101.0	101.3	99.8	101.2	100.1	99.6	101.5	97.3
	April	108.0	109.6	102.3	108.2	100.1	100.1	100.0	99.4	99.9	99.4	101.4	96.8
	May	108.4	110.1	102.4	108.8	100.4	100.5	100.1	100.6	100.0	99.7	101.2	97.4

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

Source: CBS.

**Table J1 Consumer price and producer price indices** • The Central Bureau of Statistics (CBS) introduced the consumer price index (CPI) in early 2004. This indicator of price movements was compiled in accordance with the methodological principles laid down by the ILO and Eurostat. In its First Release, issued on 17 February 2004, the CBS published the data on movements in the CPI in January 2004 and the time series for the CPI as of January 2001. The CBS subsequently constructed the time series for the consumer price index encompassing the

period from January 1998 to December 2000. As expected following the introduction of the new index, the CBS ceased to publish the retail price index (RPI) and the cost of living index, whose calculation methodologies have not been adequately harmonised with internationally accepted standards. The main features of the CPI are described in the CNB Bulletin No. 91 (see Box 1). The data on the average year-on-year consumer price inflation rate are shown in the Bulletin table on Economic indicators.

Table J2 Core consumer price indices

Year	Month	Basic indices, 2005 = 100			Chain indices			Year-on-year indices		
		Total	Goods	Services	Total	Goods	Services	Total	Goods	Services
2000	December	81.5	82.9	74.2	100.4	100.4	100.2	103.3	103.0	105.0
2001	December	82.5	83.6	77.0	99.8	99.7	100.3	101.2	100.8	103.8
2002	December	83.5	84.4	78.9	100.0	100.1	99.4	101.2	101.0	102.4
2003	December	84.5	85.2	81.2	100.2	100.1	101.0	101.2	100.9	103.0
2004	December	86.5	87.0	83.6	100.1	100.1	100.4	102.3	102.2	102.9
2005	December	89.1	89.5	86.7	100.1	100.0	100.5	103.0	102.9	103.7
2006	December	91.1	91.5	88.9	99.8	99.7	100.3	102.3	102.2	102.5
2007	December	95.6	96.4	91.9	100.8	100.8	100.4	105.0	105.3	103.5
2008	December	99.6	100.2	96.5	99.4	99.3	100.2	104.2	104.0	105.0
2009	December	99.9	100.1	98.8	98.8	98.6	100.2	100.2	99.8	102.4
2010	December	99.9	100.2	98.6	99.1	99.0	99.7	100.1	100.1	99.8
2011	December	102.8	103.5	99.6	99.5	99.4	100.1	102.9	103.3	101.1
2012	December	104.9	105.4	102.5	99.4	99.2	100.0	102.0	101.9	102.8
2013	December	105.5	105.9	103.3	99.1	98.9	100.0	100.6	100.5	100.9
2014	June	105.4	105.6	103.8	99.7	99.6	100.4	99.2	98.9	100.2
	July	104.7	104.7	104.4	99.4	99.2	100.6	98.8	98.6	100.0
	August	104.8	104.5	105.6	100.0	99.8	101.1	99.2	98.6	101.7
	September	105.7	105.5	105.7	100.9	101.0	100.1	99.3	98.6	102.0
	October	106.1	106.2	105.3	100.4	100.6	99.6	99.5	99.0	101.7
	November	106.2	106.4	105.1	100.1	100.2	99.8	99.8	99.3	101.7
	December	105.1	105.0	105.1	99.0	98.7	100.1	99.6	99.2	101.7
2015	January	104.8	104.7	105.0	99.7	99.7	99.9	100.0	99.6	101.5
	February	104.9	104.7	105.0	100.0	100.0	100.0	100.4	100.1	101.7
	March	105.5	105.6	104.8	100.6	100.9	99.8	100.1	99.9	101.5
	April	106.0	106.3	104.8	100.5	100.7	100.0	100.5	100.3	101.6
	May	106.2	106.5	104.9	100.1	100.2	100.1	100.5	100.4	101.4

Source: CBS.

**Table J2 Core consumer price indices** • The core consumer price index is calculated by the Central Bureau of Statistics (CBS) in the manner that agricultural products prices and administrative prices (which among others include the prices of electricity and refined petroleum products) are excluded from the basket of goods and services used in the calculation of the total index. These two groups of products account for a total of 35.23% in the basket in 2013 (agricultural products 5.53 percentage points, and administrative products 29.70 percentage points) and are assigned a zero weight.

**Table J3 Hedonic real estate price index** • The Croatian National Bank started methodological work on developing a hedonic real estate price index (HREPI)<sup>2</sup> in 2008. By using data on realised transactions and estimates of realised transactions from the database of *Hrvatska burza nekretnina* (Croatian association of real estate agencies) as input data, an econometric model was constructed to create a hedonic real estate price index (HREPI), which is methodologically consistent with the Eurostat's Handbook on Residential Property Prices Indices<sup>3</sup>. From the first quarter of 1997, the HREPI is reported on a quarterly and

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

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

3 [http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/methodology/hps/rppi\\_handbook](http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/methodology/hps/rppi_handbook)

Table J3 Hedonic real estate price index

Year	Quarter	Basic indices, 2010 = 100			Year-on-year rate of change			Rate of change from the previous quarter		
		Croatia	Zagreb	Adriatic coast	Croatia	Zagreb	Adriatic coast	Croatia	Zagreb	Adriatic coast
2000		60.4	68.0	38.0	-2.0	-1.5	-4.8	....	....	....
2001		61.5	65.4	49.8	1.9	-3.7	31.2	....	....	....
2002		64.9	67.9	56.2	5.6	3.7	12.8	....	....	....
2003		67.0	70.8	55.9	3.2	4.2	-0.6	....	....	....
2004		74.5	78.0	64.1	11.1	10.2	14.7	....	....	....
2005		82.8	85.5	74.8	11.2	9.7	16.8	....	....	....
2006		97.5	101.7	85.1	17.7	18.9	13.8	....	....	....
2007		109.2	112.7	99.1	12.0	10.8	16.4	....	....	....
2008		113.0	115.7	105.2	3.5	2.7	6.2	....	....	....
2009		108.8	109.5	106.8	-3.8	-5.4	1.5	....	....	....
2010		100.0	100.0	100.0	-8.1	-8.7	-6.4	....	....	....
2011		96.3	94.9	99.5	-3.7	-5.1	-0.5	....	....	....
2012		97.3	97.0	97.9	1.0	2.2	-1.6	....	....	....
2013		81.2	82.5	78.4	-16.5	-15.0	-19.9	....	....	....
2014		79.3	80.1	77.7	-2.4	-2.9	-0.9	....	....	....
2014	Q1	77.4	81.2	69.3	-9.7	-8.0	-13.2	-2.7	2.1	-13.0
	Q2	77.8	79.3	74.7	-2.9	-2.9	-2.5	0.6	-2.3	7.9
	Q3	81.5	80.2	84.4	2.5	-0.3	8.8	4.7	1.1	13.0
	Q4	80.5	79.6	82.5	1.2	0.0	3.6	-1.3	-0.8	-2.2
2015	Q1	78.3	81.3	72.4	1.2	0.1	4.5	-2.8	2.2	-12.3

Table J4 Average monthly net wages

in current prices, in kuna

Year	Month	Nominal amount in kuna	Chain indices	Monthly year-on-year indices	Cumulative year-on-year indices
2001	December	3,582.0	96.6	102.4	106.5
2002	December	3,839.0	98.0	107.2	105.0
2003	December	4,045.0	99.8	105.4	105.9
2004	December	4,312.0	99.1	106.6	105.9
2005	December	4,473.0	97.3	103.7	104.9
2006	December	4,735.0	97.0	105.9	105.2
2007	December	4,958.0	96.6	104.7	105.2
2008	December	5,410.0	100.3	109.1	107.0
2009	December	5,362.0	99.6	99.1	102.6
2010	December	5,450.0	97.6	101.7	100.6
2011	December	5,493.0	95.9	100.8	101.8
2012	December	5,487.0	96.6	99.9	100.7
2013	December	5,556.0	98.6	101.3	100.7
2014	May	5,497.0	100.0	98.5	99.7
	June	5,558.0	101.1	101.3	100.0
	July	5,530.0	99.5	100.5	100.1
	August	5,516.0	99.7	100.1	100.1
	September	5,442.0	98.7	100.3	100.1
	October	5,532.0	101.7	100.5	100.1
	November	5,632.0	101.8	100.0	100.1
	December	5,716.0	101.5	102.9	100.3
2015	January	5,656.0	99.0	101.9	101.9
	February	5,565.0	98.4	102.5	102.2
	March	5,723.0	102.8	104.0	102.8
	April	5,676.0	99.2	103.3	102.9

Source: CBS.

Table J5 Consumer confidence index, consumer expectations index and consumer sentiment index  
index points, original data

Year	Month	Consumer confidence index	Composite indices			Response indices (I)						
			Consumer expectations index	Consumer sentiment index	I1	I2	I3	I4	I7	I8	I11	
2000	October	-20.9	3.5	-32.2	-26.2	1.2	-22.0	5.7	26.9	-48.3	-63.6	
2001	October	-27.0	-11.4	-35.6	-29.6	-10.0	-35.9	-12.7	22.9	-41.3	-62.3	
2002	October	-25.2	-8.3	-29.3	-22.6	-5.1	-31.2	-11.5	20.1	-34.1	-64.0	
2003	October	-22.2	-4.5	-25.0	-21.5	-2.6	-26.5	-6.4	14.7	-27.1	-65.2	
2004	October	-23.9	-7.9	-22.0	-19.1	-4.1	-30.5	-11.6	22.5	-16.5	-57.3	
2005	December	-26.4	-13.7	-25.6	-16.4	-5.9	-34.4	-21.5	27.6	-25.9	-50.6	
2006	December	-18.9	-4.7	-15.4	-10.9	1.1	-22.4	-10.5	16.9	-12.9	-49.4	
2007	December	-24.7	-15.5	-24.5	-16.8	-9.8	-31.8	-21.2	12.8	-25.0	-54.8	
2008	December	-42.0	-33.3	-40.9	-30.7	-25.9	-51.8	-40.6	43.4	-40.3	-57.9	
2009	December	-46.8	-32.7	-47.6	-35.7	-22.6	-64.5	-42.8	63.9	-42.5	-58.0	
2010	December	-42.9	-30.6	-48.7	-40.7	-21.7	-65.9	-39.4	55.7	-39.4	-54.8	
2011	December	-23.6	-8.9	-43.1	-31.6	-5.5	-56.5	-12.3	25.0	-41.2	-51.4	
2012	December	-47.1	-33.5	-52.6	-42.1	-23.1	-71.4	-43.9	59.1	-44.2	-62.3	
2013	December	-40.7	-26.3	-45.9	-34.5	-17.4	-61.9	-35.2	49.9	-41.3	-60.4	
2014	June	-34.7	-23.7	-44.2	-30.8	-13.8	-60.5	-33.5	37.2	-41.3	-54.1	
	July	-36.4	-22.9	-46.2	-32.2	-13.1	-60.1	-32.7	39.8	-42.8	-59.8	
	August	-33.8	-22.0	-40.3	-28.3	-12.9	-58.3	-31.2	37.6	-34.2	-53.5	
	September	-34.8	-22.5	-42.1	-30.1	-13.2	-57.6	-31.8	39.0	-38.6	-55.0	
	October	-37.6	-25.1	-41.3	-27.3	-14.2	-55.1	-36.0	42.2	-41.7	-57.9	
	November	-37.0	-24.0	-43.9	-31.3	-13.7	-60.4	-34.2	43.6	-40.0	-56.4	
	December	-35.6	-24.3	-42.4	-31.4	-16.7	-57.0	-31.9	39.3	-38.7	-54.5	
2015	January	-25.8	-13.7	-36.0	-22.1	-7.5	-51.0	-19.8	24.8	-35.0	-51.1	
	February	-25.1	-11.4	-38.5	-25.8	-5.5	-49.7	-17.3	23.9	-40.1	-53.7	
	March	-23.7	-10.2	-36.1	-24.0	-4.6	-48.9	-15.8	17.7	-35.5	-56.6	
	April	-22.0	-9.5	-32.5	-22.1	-4.2	-43.4	-14.7	16.1	-32.0	-52.9	
	May	-23.0	-11.5	-34.0	-23.7	-6.0	-42.3	-16.9	17.1	-36.0	-52.0	

Sources: Ipsos Puls and CNB.

Table J5 Consumer confidence index, consumer expectations index and consumer sentiment index • The Consumer Confidence Survey has been carried out regularly since April 1999 in accordance with the methodology of the European Commission, the Joint Harmonised EU Programme of Business and Consumer Surveys. Until April 2005, the survey was conducted once a quarter (in January, April, July and October). As of May 2005, the survey is carried out in monthly frequency in cooperation with the European Commission, using its technical and financial assistance.

The questionnaire contains 23 questions, examining consumer perception of the changes as regards every-day economic issues. The value of the response index is determined in line with the set methodology, based on the responses to the questions from the Consumer Confidence Survey. The movements of three composite indices, consumer confidence index (CCI), consumer sentiment index (CSI) and consumer expectations index (CEI), are calculated and monitored based on the value of the response indices. Each of the said composite indices is calculated as the arithmetic average of the response indices (I), i.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 × (-1), I11

CEI: I2, I4

CSI: I1, I3, I8.



## List of banks and savings banks

1 July 2015

### Authorised banks

1. Banka Kovanica d.d., Varaždin
2. Banka splitsko-dalmatinska d.d., Split
3. BKS Bank d.d., Rijeka
4. Croatia banka d.d., Zagreb
5. Erste&Steiermärkische Bank d.d., Rijeka
6. Hrvatska poštanska banka d.d., Zagreb
7. Hypo Alpe-Adria-Bank d.d., Zagreb
8. Imex banka d.d., Split
9. Istarska kreditna banka Umag d.d., Umag
10. Jadranska banka d.d., Šibenik
11. Karlovačka banka d.d., Karlovac
12. KentBank d.d., Zagreb
13. Kreditna banka Zagreb d.d., Zagreb
14. OTP banka Hrvatska d.d., Zadar
15. Partner banka d.d., Zagreb
16. Podravska banka d.d., Koprivnica
17. Primorska banka d.d., Rijeka
18. Privredna banka Zagreb d.d., Zagreb
19. Raiffeisenbank Austria d.d., Zagreb
20. Samoborska banka d.d., Samobor
21. Sberbank d.d., Zagreb
22. Slatinska banka d.d., Slatina
23. Société Générale – Splitska banka d.d., Split
24. Štedbanka d.d., Zagreb
25. Vaba d.d. banka Varaždin, Varaždin
26. Veneto banka d.d., Zagreb
27. 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 and 25/2013)

### Representative offices of foreign banks

1. BKS Bank AG, Zagreb
2. Commerzbank Aktiengesellschaft, Zagreb
3. Deutsche Bank AG, Zagreb
4. LHB Internationale Handelsbank AG, Zagreb

### Banks and savings banks undergoing bankruptcy proceedings

Name of bank/savings bank	Date of bankruptcy proceedings opening
1. Agroobrtnička banka d.d., Zagreb	14/6/2000
2. Alpe Jadran banka d.d., Split	15/5/2002
3. Centar banka d.d., Zagreb	30/9/2013
4. Credo banka d.d., Split	16/1/2012
5. Glumina banka d.d., Zagreb	30/4/1999
6. Gradska banka d.d., Osijek	3/5/1999
7. Hrvatska gospodarska banka d.d., Zagreb	19/4/2000
8. Ilirija banka d.d., Zagreb	6/4/1999
9. Nava banka d.d., Zagreb	1/12/2014
10. Primus banka d.d., Zagreb	13/1/2015
11. Trgovačko-turistička banka d.d., Split	8/9/2000
12. Županjska banka d.d., Županja	3/5/1999

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

Name of bank/savings bank	Date of winding-up proceedings initiation
1. Investicijsko-komercijalna štedionica d.d., Zagreb	31/5/2000
2. Križevačka banka d.d., Križevci	3/1/2005
3. Obrtnička štedna banka d.d., Zagreb	22/12/2010

### 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. Zagrebačka štedionica d.d., Zagreb (now MEDFIN d.o.o., Zagreb – in bankruptcy proceedings)	22/3/2000

## Management of the Croatian National Bank

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1 July 2015

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

Chairman of the Council	Boris Vujčić
Members of the Council	Neven Barbaroša
	Bojan Fras
	Michael Faulend
	Relja Martić
	Damir Odak
	Tomislav Presečan
	Vedran Šošić

### Management of the CNB

Governor	Boris Vujčić
Deputy Governor	Relja Martić
Vicegovernor	Vedran Šošić
Vicegovernor	Damir Odak
Vicegovernor	Tomislav Presečan
Vicegovernor	Bojan Fras
Vicegovernor	Michael Faulend
Vicegovernor	Neven Barbaroša

### Executive directors

Research Area	Ljubinko Jankov
Statistics Area	Tomislav Galac
Central Banking Operations Area	Irena Kovačec
Prudential Regulation and Supervision Area	Željko Jakuš
Payment Operations Area	Ivan Biluš
International Relations And Resolvability Assessment Area	Sanja Tomičić
Planning, Controlling and Accounting Area	Diana Jakelić
Information Technology Area	Mario Žgela
Support Services Area	Boris Ninić









ISSN 1334-0050 (online)

