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General information on Croatia

Economic indicators

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Area (square km)	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594	56,594
Population (million) ^a	4.312	4.314	4.312	4.310	4.303	4.290	4.280	4.268	4.256	4.238	4.238
GDP (million HRK, current prices) ^b	270,191	294,437	322,310	347,685	330,966	328,041	332,587	330,456	329,571	328,431	334,219
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	43,921
GDP per capita (in EUR)	8,467	9,321	10,189	11,169	10,480	10,495	10,453	10,300	10,225	10,157	10,364
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	1.6
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	-0.5
Current account balance (million EUR) ^c	-1,892	-2,615	-3,139	-4,228	-2,300	-488	-315	-20	443	898	2,260
Current account balance (as % of GDP)	-5.2	-6.5	-7.1	-8.8	-5.1	-1.1	-0.7	0.0	1.0	2.1	5.1
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	46.4	50.0
Imports of goods and services (as % of GDP)	45.5	46.5	46.3	46.5	38.2	38.1	40.9	41.2	42.7	44.4	47.2
External debt (million EUR, end of year) ^c	25,990	29,725	33,721	40,590	45,600	46,908	46,397	45,297	45,958	46,664	45,534
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	103.7
External debt (as % of exports of goods and services)	180.6	186.1	196.6	219.1	292.7	275.8	256.2	247.3	244.9	233.6	207.1
External debt service (as % of exports of goods and services) ^d	28.1	42.0	40.1	33.8	52.9	49.5	40.9	43.3	41.0	43.9	41.1
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	13,707
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	7.9
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	7.6350
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	6.9918
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	7.6096
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	6.8623
Consolidated general government net lending (+)/borrowing (-) (million HRK) ^e	-10,413.5	-9,971.9	-7,880.6	-9,604.6	-19,844	-20,311	-26,090	-17,549	-17,446	-18,079	-10,706
Consolidated general government net lending (+)/borrowing (-) (as % of GDP) ^e	-3.9	-3.4	-2.4	-2.8	-6.0	-6.2	-7.8	-5.3	-5.3	-5.5	-3.2
General government debt (as % of GDP) ^e	41.3	38.9	37.7	39.6	49.0	58.3	65.2	70.7	82.2	86.5	86.7
Unemployment rate (ILO, persons above 15 years of age) ^f	12.7	11.2	9.9	8.5	9.2	11.6	13.7	15.9	17.3	17.3	16.3
Employment rate (ILO, persons above 15 years of age) ^f	43.3	43.6	47.6	48.6	48.2	46.5	44.8	43.2	42.1	43.3	44.1

^a The population estimate of the Republic of Croatia for 2000 is based on the 2001 Census and that for the 2001-2014 period on the 2011 Census. The estimate of the total population for 2015 is not yet available so that it is assumed that it equals the estimate for 2014.

^b The GDP data are presented according to the ESA 2010 methodology, while 2014 and 2015 values are preliminary.

^c 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 2016 and data on the gross external debt position as at the end of March 2016.

^d Includes principal payments on bonds, long-term trade credits and long-term loans (excluding liabilities to affiliated enterprises), as well as total interest payments (including FISIM), without interest payments on direct investment.

^e Fiscal data is shown according to the ESA 2010 methodology.

^f 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

The domestic economy continues to recover in 2016, with an anticipated real GDP growth rate of 2.3%.

Economic growth is expected to accelerate slightly in 2017 and reach 2.5%.

Risks to the growth outlook are tilted to the downside.

Positive labour market developments accelerated in the first half of 2016.

The average annual consumer price inflation rate is projected to stand at -0.9% in 2016 and accelerate to 1.2% in 2017.

The current and capital account surplus is expected to decrease in 2016, primarily due to the disappearance of the effect of the conversion of Swiss franc loans.

Real GDP could increase by 2.3% in 2016. Notwithstanding a slightly lower projected growth rate of goods and services exports than that of the previous year, foreign demand could this year again make the largest positive contribution to economic growth. All domestic demand components are also expected to grow. Personal consumption is expected to accelerate sharply, given the stronger employment growth, a sharp decrease in the unemployment rate and favourable real gross wage trends. Capital investments are also expected to accelerate growth, generated largely by the private sector, while the pace of public investments will probably be slower than was expected. Government consumption will continue growth at low rates so that it will make an almost neutral contribution to total economic activity. The acceleration of domestic demand, coupled with a steady and relatively high increase in exports, will also boost goods and services imports so that net foreign demand could again make a slightly negative contribution. The projected GDP growth rate slightly exceeds that from the December 2015 projection, mainly due to high performance in the first three months of this year.

Real GDP growth is expected to accelerate to 2.5% in 2017, still primarily due to goods and services exports. Investment activity growth could accelerate and make a contribution almost equalling that of personal consumption. The negative contribution of net foreign demand to total economic growth is expected to rise slightly.

The risks to the GDP projection are mainly negative. Such an assessment is based on the unstable domestic political situation that may adversely affect investment growth. Furthermore, should current uncertainties surrounding future economic and financial developments become embedded in household expectations, consumer optimism could decline and their consumption increase at lower rates. In addition, although the result of the UK referendum on EU membership could diminish growth perspectives in the whole of Europe, international institutions have remained reserved when it comes to the quantification of potential effects. With exports being the main generator of economic growth, any deceleration in the growth of Croatia's main trading partners could have a negative effect on domestic economic developments, while an increase in global uncertainty could adversely affect financing conditions.

The increase in the number of employed persons accelerated additionally in 2016 from the end of 2015 and similar trends continued during the second quarter, although at a slightly slower pace. Such positive employment dynamics had an impact on changes in unemployment, as shown by trends in the internationally comparable unemployment rate, which dropped to 14.6% in the first quarter of 2016. Employment is expected to grow at an annual rate of 1.5% in 2016. Unemployment could decrease sharply and the survey unemployment rate is expected to stand at 15%. Nominal and real wages are projected to increase annually, in line with the dynamics observed in the first five months. Favourable developments are expected to continue in 2017, although at a somewhat slower pace.

As a result of a decrease in the prices of natural gas and refined petroleum product prices, energy made the largest negative contribution to inflation in 2016. Crude oil prices are expected to grow slightly towards the end of 2016. This, and a positive base effect (a decline in refined petroleum product prices in the same period in the previous year), could gradually boost overall inflation towards positive values late in the year. The average annual rate of change in food prices is expected to be slightly negative in 2016 due to the spillover effect of a decrease in global food raw material prices on domestic prices and also because of surpluses in the EU market. The average annual growth rate of the CPI excluding food and energy is estimated to slow down and remain mildly positive in 2016, counteracting to a small extent the negative contribution of energy and food prices to domestic inflation. The average annual consumer price inflation rate could rise to 1.2%, primarily due to an increase in imported inflationary pressures expected, stemming mainly from growing crude oil prices.

The current and capital account surplus is expected to decrease from 5.9% of GDP in 2015 to 3.6% of GDP in 2016. If the effect of the conversion of Swiss franc loans on banks' business results in 2015 is excluded, this decrease could be very mild, generated mainly by the deterioration in the balance of trade in goods and somewhat improved business performance of foreign enterprises in Croatia. A positive impact on the current and capital account balances could come from a further increase in net exports of services, especially tourism services, and a better use of EU funds. The current and capital account surplus is expected to continue declining in the projection period. In 2016 and 2017 capital flows with other countries could be marked by a net capital outflow, largely caused by an improvement in the net external position of credit institutions, which is

Domestic lending activity is recovering amid favourable trends in financing conditions.

While maintaining the exchange rate stability, the CNB continues to pursue an expansionary monetary policy, strengthened by structural repo operations.

With favourable fiscal developments continuing in early 2016, the total annual deficit could drop below the threshold of 3% of GDP.

expected to weaken with the gradual decline in the current and capital account surplus. Relative external debt indicators could improve considerably in the same period as a result of a decrease in the balance of gross external debt and nominal GDP growth.

All sectors' domestic financing costs mostly continued to decrease in the first half of the year. Domestic lending to households and enterprises grew under such conditions. On the other hand, enterprises reduced their external liabilities in the first quarter, with the result that the overall corporate debt decreased at an annual level. Nevertheless, it is expected to edge up in 2016. Credit institution placements, which decreased for two years in a row (based on transactions) are also expected to grow. The credit growth projection is exposed to negative risks.

At the first two structural repo auctions, held in the first half of 2016, the CNB placed HRK 711.5m, with a maturity of four years, thus ensuring access to long-term kuna liquidity sources for banks. In addition, the CNB continued with regular weekly reverse repo auctions and intervened in the foreign exchange market in late May, halting the appreciation of the kuna/euro exchange rate and creating additional kuna liquidity. Monetary policy will remain expansionary towards the end of 2016 and in 2017 in an aim to produce a favourable effect on domestic financing costs and spur a recovery of lending to the economy.

MoF's cash data and CNB's financial accounts statistics show that the general government deficit continued to decrease annually in the first quarter of 2016. These trends were supported not only by continued economic growth, which made a positive impact on revenue dynamics, but also by cuts on the expenditure side of the budget. The general government balance could continue to improve under such conditions and the RC could, for the first time in many years, record a general government deficit lower than 3% of GDP. General government debt decreased in absolute terms in the first three months of 2016 from the end of 2015 due to the appreciation of the kuna/euro exchange rate. GDP growth also contributed to the decrease in the relative debt indicator.

Table 1.1 Summary table of projected macroeconomic measures

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
National accounts (real rate of change, in %)										
GDP	2.1	-7.4	-1.7	-0.3	-2.2	-1.1	-0.4	1.6	2.3	2.5
Personal consumption	1.2	-7.5	-1.5	0.3	-3.0	-1.9	-0.7	1.2	2.9	2.5
Government consumption	-0.7	2.1	-1.6	-0.3	-1.0	0.3	-1.9	0.6	0.4	0.5
Gross fixed capital formation	9.2	-14.4	-15.2	-2.7	-3.3	1.4	-3.6	1.6	2.9	6.1
Exports of goods and services	0.8	-14.1	6.2	2.2	-0.1	3.1	7.3	9.2	5.7	5.5
Imports of goods and services	4.0	-20.4	-2.5	2.5	-3.0	3.1	4.3	8.6	6.6	6.7
Labour market										
Number of employed persons (average rate of change, in %)	2.3	-2.1	-4.2	-1.1	-1.2	-1.5	-2.0	0.7	1.5	1.3
Registered unemployment rate	13.2	14.9	17.4	17.8	18.9	20.2	19.6	17.0	15.6	15.3
ILO unemployment rate	8.5	9.2	11.6	13.7	15.9	17.3	17.3	16.3	15.0	14.6
Prices										
Consumer price index (average rate of change, in %)	6.1	2.4	1.1	2.3	3.4	2.2	-0.2	-0.5	-0.9	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	-0.6	0.4	1.1
External sector										
Current account balance (as % of GDP)	-8.8	-5.1	-1.1	-0.7	0.0	1.0	2.1	5.1	2.7	1.9
Goods	-22.4	-16.5	-13.2	-14.3	-14.3	-15.1	-14.8	-15.1	-15.5	-16.0
Services	14.4	12.8	12.8	13.8	14.8	15.6	16.8	18.0	18.0	18.0
Primary income	-3.0	-3.6	-3.1	-2.9	-3.3	-2.0	-2.0	-0.6	-2.8	-2.9
Secondary income	2.2	2.2	2.4	2.7	2.8	2.6	2.1	2.9	2.9	2.8
Current and capital account balance (as % of GDP)	-8.7	-5.0	-1.0	-0.6	0.1	1.2	2.3	5.9	3.6	3.1
Gross external debt (as % of GDP)	84.3	101.1	104.2	103.7	103.0	105.6	108.4	103.7	96.9	91.3
Monetary developments (rate of change, in %)										
Total liquid assets – M4	4.1	-1.0	1.9	5.6	3.6	4.0	3.2	5.1	3.4	3.7
Total liquid assets – M4 ^a	3.8	-0.8	0.7	4.6	3.9	3.6	2.4	5.0	3.4	3.7
Credit institution placements to the private sector	10.7	-0.6	4.7	4.8	-5.9	-0.5	-1.6	-2.9	-2.5	1.2
Credit institution placements to the private sector ^b	8.7	-0.3	2.3	3.5	-1.2	1.0	-1.5	-2.2	0.8	1.5

^a Exchange rate effects excluded. ^b Rates of change are calculated on the basis of data on transactions (see Annex 1 Introduction of data on transactions in monetary developments analysis in Bulletin 221).

Note: Estimate for 2016 and projection for 2017 are derived from the data available until early July 2016.

Sources: CBS, MoF and CNB.

2 Global developments

Global economic growth could accelerate slowly in 2016 and in 2017, after having decelerated in the previous year. However, global growth expectations were revised downwards from the previous projection to 3.2% in 2016 and 3.5% in 2017. Expectations are slightly lower both for developing and emerging market countries, as well as for developed countries. Growth in developing and emerging market countries was at its lowest level in the last few years, primarily because of a slowdown in the Chinese economy and the escalation of political and economic crises in some large markets. Developments in early 2016 suggest only a slight improvement in economic trends in this group of countries, where rigid financing conditions and accumulated imbalances continue to weigh on the short-term outlook. Thanks to a long period of low global raw material prices, importing countries managed to create additional room for domestic consumption growth. However, such prices constrain exporting countries' investment potential and growth. Stable economic growth in developed countries stems from strong domestic demand, which compensates for weak global demand, although in many of these countries the limited room for active economic policy results in a bearish medium-term outlook. Additionally, the recent UK referendum vote to withdraw from the European Union agitated global financial markets and could further limit the growth of European economies.

In the developed markets, the euro area stood out in terms

of recovery of economic growth in 2015 (the rate was 1.6%, the highest in the last five years). This was mainly due to the strengthening of growth in Spain and France and to the end of the recession in Italy, brought about by economic policy incentives, as well as to external factors, such as low energy prices. A relatively dynamic growth rate was sustained in the first quarter of 2016 (0.6% up from the previous quarter) and positive developments are expected to continue in the remaining part of 2016 and 2017, although with no additional momentum. Germany, Spain and France are expected to make the largest contribution and the economic upturn would be further facilitated if Greece came out of its long-term recession. Expectations are that growth will continue to be driven by low energy product prices, a weak euro exchange rate, strongly accommodative monetary policy and mild fiscal expansion. The Investment Plan for Europe will also contribute to the strengthening of the private sector's investment activity, once the implementation of a large number of projects starts. Under such conditions, consumer price inflation is expected to converge gradually towards slightly higher levels, although more slowly than expected (the expected inflation rate is 1.3% until the end of 2017). However, there are downside risks to the economic growth outlook, especially those related to the possible disappearance of the favourable effects of the exchange rates and low energy prices, coupled with heightened uncertainty about the forthcoming exit of the

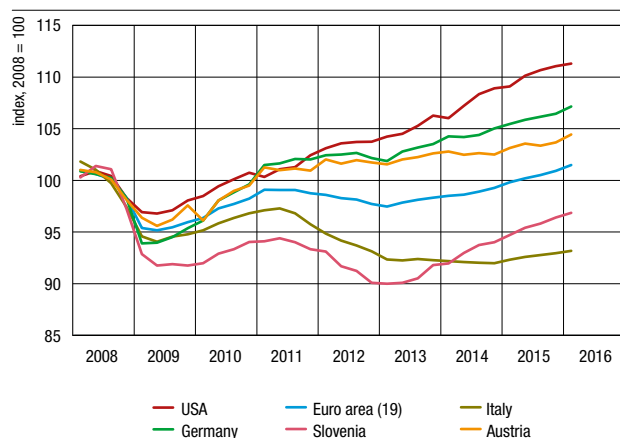
Table 2.1 Global economic developments

	2014	2015	2016		2017
			Current projection	Δ Previous projection	Current projection
GDP (real rate of change, in %)					
World	3.4	3.1	3.2	-0.4	3.5
Euro area	0.9	1.6	1.5	-0.1	1.6
USA	2.4	2.4	2.4	-0.4	2.5
Developing countries and emerging market countries	4.6	4.0	4.1	-0.4	4.6
Central and Eastern Europe	2.8	3.5	3.5	0.5	3.3
China	7.3	6.9	6.5	0.2	6.2
Main trading partners of the Republic of Croatia	1.3	1.8	1.8	-0.2	2.0
Italy	-0.3	0.8	0.9	-0.4	1.2
Germany	1.6	1.5	1.6	0.0	1.6
Slovenia	3.0	2.9	1.9	0.1	2.0
Austria	0.4	0.9	1.2	-0.3	1.4
Bosnia and Herzegovina	1.1	2.8	3.0	0.0	3.2
Serbia	-1.8	0.7	1.8	0.3	2.3
Prices					
Euro area HICP ^a	0.4	0.0	0.2	-0.8	1.3
Oil prices (USD/barrel) ^b	98.9	52.4	44.6	-24.9	50.9
Oil prices (year-on-year rate of change)	-9.1	-47.1	-14.8	-26.5	14.1
Raw materials prices (excl. energy) (year-on-year rate of change)	-4.0	-17.5	-6.0	-5.3	-1.7
EURIBOR 3M (end of year) ^c	0.08	-0.13	-0.28	-	-
EUR/USD exchange rate (average) ^d	1.33	1.11	1.12	0.00	1.11
EUR/CHF exchange rate (average) ^d	1.21	1.07	1.10	0.05	1.12

^a ECB, June 2016. ^b Bloomberg, *Brent crude oil futures*. ^c Bloomberg. ^d *Foreign Exchange Consensus Forecast* (June 2016).

Source: IMF (*World Economic Outlook*, WEO), April 2016.

Figure 2.1 Gross domestic product of selected economies
seasonally adjusted data, constant prices



Sources: Eurostat and BEA.

United Kingdom from the European Union and a possible deterioration of foreign trade or a drop in investments. The refugee crisis also poses a major challenge to European economies, but also gives them an opportunity for growth.

The growth of the US economy in 2015 is estimated at 2.4%, with the same dynamics expected for 2016. Preliminary data indicate that growth decelerated to a low of 0.2% in the first quarter, the weakest growth performance in the last few quarters. The main reasons for the mentioned slowdown included the weakening of personal consumption, a decline in private investments, especially in non-residential investments, and deterioration in foreign trade, continuing for several successive quarters as a result of the weakening of price competitiveness. However, low energy prices and favourable labour market conditions, combined with the improved balance sheet of the household sector and real estate price growth, should provide a basis for solid growth in personal consumption and residential investments, which are of great significance for the overall economy. A mildly expansionary fiscal policy and the postponed tightening of monetary policy should also give additional support to sound economic growth.

Economic growth in developing and emerging market economies was 4.0% in 2015, the lowest rate since 2009. Growth expectations for 2016 (4.1%) were significantly moderated from the previous projection due to some large markets' weaker performance in the beginning of the year. Growth is expected to accelerate at a more rapid rate (4.6%) no sooner than in 2017, once raw material prices stabilise, Brazil and Russia exit the recession and structural adjustments in some countries continue. The Chinese economy is expected to continue the long-lasting economic slowdown. Due to the end of investment expansion and the convergence towards more sustainable growth rates based on consumption and services, Chinese economic growth fell below 7% in 2015, for the first time in the last 25 years. The decline in investments was accompanied by a drop in Chinese exports, the first in several years. As developments in the first quarter of 2016 were similar, Chinese economic growth is expected to slow down to 6.5% towards the end of the year.

Croatia's main trading partners

The growth rate of the German economy is expected to remain unchanged in 2016 from 2015, at 1.5%. The economy grew at a rate of 0.7% in the first quarter compared with the

previous period, based on strong domestic demand, which compensated for the deceleration of foreign demand. Domestic demand continued to be stimulated by an expansionary monetary policy and, to a lesser extent, fiscal policy, as well as by low energy product prices. Favourable labour market conditions and a more dynamic real estate market boosted household disposable income. Similar trends are expected to continue in 2017, with the constrained growth of foreign demand continuing to weigh on economic growth. Germany is also the largest European trading partner of the United Kingdom and as such exposed to considerable uncertainty over a possible slowdown in export and investment growth.

The Italian economy exited the debt crisis-induced recession in 2015, growing at a rate of 0.8% and it is expected to continue a mild recovery. The recovery will be driven by personal consumption rising on the back of employment growth and an alleviation of the tax burden. Investment spending should be stimulated by both the Investment Plan for Europe and by the improved balance sheet position of the corporate sector. As in the majority of other euro area countries, the largest risk to further recovery lies in global uncertainty, export demand and continued uncertainty in the domestic market that holds back investments.

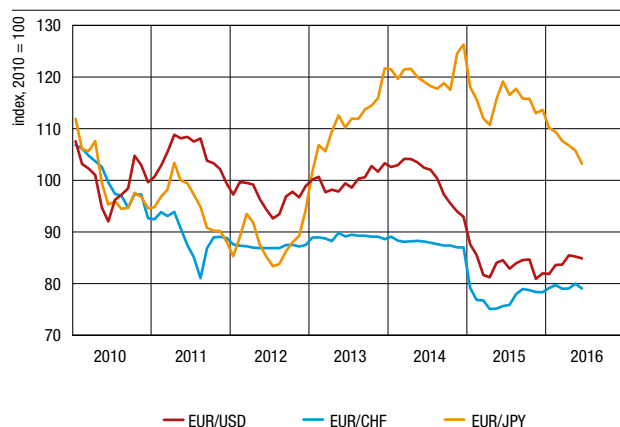
After a sluggish growth in the previous years, the Austrian economy could grow at a rate of 1.2% in 2016 under the positive influence of personal consumption, strengthened by an income tax cut, investment recovery and accelerated export growth. Austria was less affected by a slowdown in demand from emerging markets than other developed European countries because its foreign trade is mostly related to the EU and the US.

The above-average growth rate of the Slovenian economy in 2015 (2.9%) derived from export growth and a high inflow of EU funds used for public investment financing. However, this growth rate could decelerate significantly in the current year (1.9%) and remain subdued in the following period due to an expected sharp decrease in public investments caused by declining inflows of EU funds. The contributions of exports and personal consumption will remain positive.

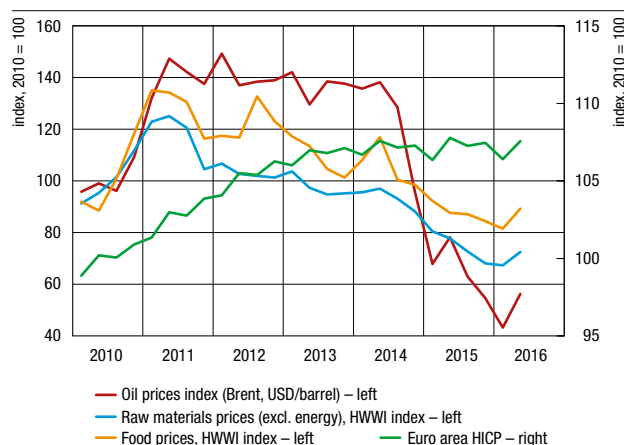
Expectations are that the positive developments from 2015 will continue in most of Croatia's non-EU trading partners. Serbia's economic growth could accelerate to a higher than expected rate (1.8%) on the back of strong investments and exports. Having weakened for several years, personal consumption is also expected to grow as a result of increases in wages and employment. Having exceeded expectations in the previous year, economic growth in Bosnia and Herzegovina is expected to continue at a similar rate of 2.8%. The three year stand-by arrangement to be concluded by Bosnia and Herzegovina with the IMF in July 2016 is expected to have a stabilising effect on the country's public finances while the structural reforms required under the arrangement are expected to set the grounds for a faster growth in the forthcoming period.

Exchange rates and price movements

The US dollar is expected to strengthen slightly against the euro towards the end of 2016 and in the first half of 2017. In the period from the beginning of April to the middle of June 2016, the US dollar/euro exchange rate moved within a range of $\pm 2.5\%$ around the average value of EUR/USD 1.13, marginally exceeding the first quarter average of EUR/USD 1.10. The slight weakening of the exchange rate of the US dollar against the euro in the first half of 2016 was mainly caused by the expectations of market participants that the Fed could postpone the rise in the key interest rate due to weaker than expected US economic indicators and concerns about subdued economic growth. However, most market participants expect the Fed to

Figure 2.2 Exchange rates of individual currencies against the euro

Note: A growth in the index denotes a depreciation of a currency against the euro.
Source: Eurostat.

Figure 2.3 Prices

Note: Data for the second quarter of 2016 refers to April and May.
Sources: Eurostat, Bloomberg and HWWI.

raise the key interest rate by the end of 2016 and thus contribute to the strengthening of the dollar versus the euro, which could continue until mid-2017. The 2016 US dollar/ euro exchange rate is projected to stand at EUR/USD 1.12. In addition, following the recent United Kingdom referendum on withdrawing from the European Union, the exchange rate of the euro could be exposed to depreciation pressures, which will primarily depend on the negotiations between the European Union and the United Kingdom. The euro/Swiss franc exchange rate was stable in the first half of 2016, moving within a narrow range around its average value of EUR/CHF 1.10. The Swiss franc is expected to depreciate only slightly versus the euro by the end of the current year and in 2017.

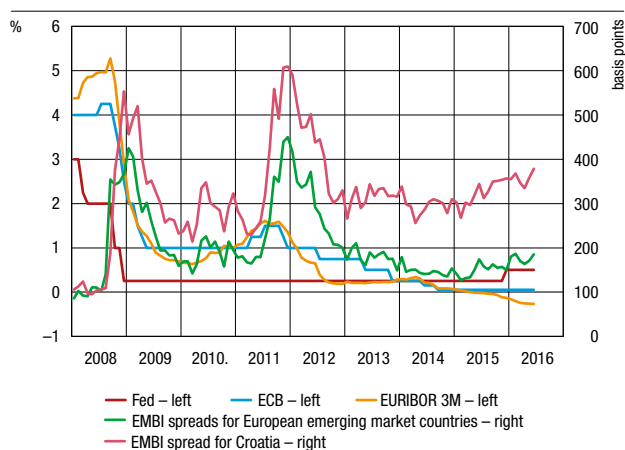
Standing at USD 52 per barrel in 2015, the price of Brent crude oil is expected to amount to USD 45 per barrel in 2016, which is about 12% higher than expected in the spot market for oil in the first quarter of 2016. The recovery of crude oil prices continued from mid-January to the second quarter of 2016. The price of Brent crude oil went up from USD 33 at the end of January to USD 47 in mid-June 2016. The oil price growth was influenced by both supply-side and demand-side factors, that is,

by a continued decline in new technology oil production in the United States, as well as by decreases in oil production in Nigeria, Libya, Kuwait, Venezuela and Canada, on the one hand, and, on the other hand, a somewhat unexpected increase in demand for refined petroleum products in China, India and Russia on the other. Market expectations incorporated in spot contracts indicate that crude oil prices could continue to rise mildly towards the end of 2016 and in 2017 due to the expected narrowing of the gap between global crude oil supply and demand and a possible agreement of OPEC Member Countries to freeze the level of oil production.

Having fallen steeply in 2015, the prices of raw materials excluding energy (in US dollars) are expected to decelerate markedly in 2016 and 2017. The prices of raw materials, excluding energy, measured by the HWWI index, started to increase in February and continued growth in the following three months, albeit at a slower pace. These developments largely resulted from the growth of food product prices (soya, corn and rice) due to poor weather conditions in South American and Asian producing regions. Metal prices also increased sharply, with the prices of iron ore (up by almost one third) and zinc rising the most as a result of a drop in metal production in mines in China. Current market expectations suggest that global prices of raw materials will hold steady until the end of 2016 and decline mildly in 2017.

Interest rate trends

After the Fed for first time in nine years increased the target range for the benchmark rate from 0.25 to 0.5 percentage points in late 2015, no further changes were made in the first half of 2016. American monetary policy makers even announced that the interest rate could be raised slightly more gradually towards the end of the year than was previously planned. The interest rate rise was postponed due to concerns over the US economic slowdown early in the year amid continued heightened risks and uncertainties in financial markets. The ECB, on the other hand, further loosened its monetary policy in March 2016 by cutting the key interest rate from 0.05 percentage points to zero (in addition to reducing the marginal interest rate and the deposit interest rate by 5 and 10 percentage points respectively) while announcing that it would keep the rate at the same or even at a lower level over the long term. In addition, the ECB's unconventional monetary measures, introduced in March 2016, included

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 2016 refer to May.
Source: Bloomberg, 17 June 2016.

increasing the monthly amount of bond purchases in the secondary market from EUR 60bn to EUR 80bn and expanding the list of eligible assets to include corporate bonds. The monthly purchases are intended to be carried out until the end of March 2107 and even longer if necessary, until price developments are consistent with the inflation target.

Despite strong fluctuations, external financing conditions for Central and Eastern European countries did not change

significantly in the first five months of 2016. The Croatian government bond yield spread ranged around 350 basis points, still considerably exceeding the average spread in peer European emerging markets. In the forthcoming period, this indicator for Croatia will be heavily influenced by the stabilisation of the political situation as well as by the implementation of fiscal and other measures aimed at the improvement of the economic outlook.

3 Aggregate demand and supply

GDP is expected to grow at an annual rate of 2.3% in 2016, driven primarily by goods and services exports. Household consumption will benefit from wage increases, continued employment growth and declining energy and food prices. Investments should also make a positive contribution to aggregate growth, although the planned public investment projects could be realised at a slower pace than planned because of the political situation in the country. The strengthening of domestic demand and continued growth of total exports will probably lead to a further increase in total exports, with the result that net exports could again, after four years, make a slightly negative contribution to overall economic growth. GDP growth is expected to accelerate somewhat (to 2.5%) in 2017, mainly under the influence of a strong increase in investment.

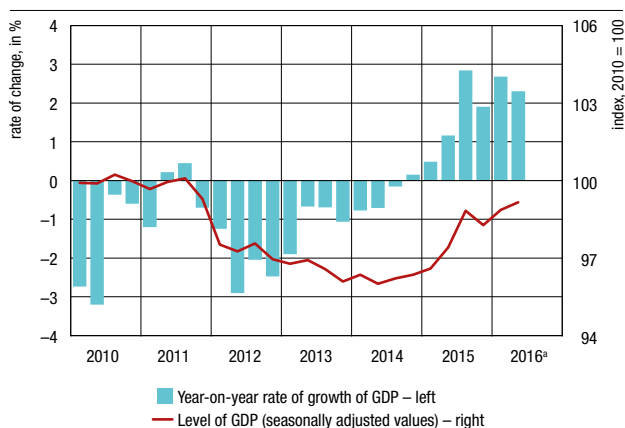
Having dropped at the end of the previous year, real GDP increased by 0.6% in the first quarter of 2016 from the previous quarter (the annual growth rate stood at a relatively high 2.7%). Domestic demand continued to recover in the first three months of this year, with gross fixed capital investments rising the most, while exports held steady at the previous year's level. Expectations are that positive trends will continue towards the end of the year. The CNB's flash estimate indicates that real GDP could grow at a rate of 0.3% in the second quarter from the beginning of the year¹.

Real exports of goods and services remained at the level from the end of the previous year in the first quarter of 2016, but

the annual growth rate remained at a high 7.1%. The quarterly slowdown in growth was above all a consequence of a drop in real exports of goods. Nominal trade in goods data show a decline in exports of energy, capital goods and durable consumer goods as well as a steady rise in exports of intermediate goods and non-durable goods, with the latter increasing for the sixth consecutive quarter. Real exports of services also edged down from the previous quarter. However, the performance of tourism was good, as shown by increases in the number of foreign tourist arrivals and nights spent and in the nominal value of revenues from tourism in the balance of payments.

Exports of goods and services could surge annually in 2016, although the growth rate might be lower than in 2015, when both exports of goods and exports of services grew at very high rates. The steady growth in goods exports is due to the continued economic recovery of Croatia's main trading partners and an increase in the share of Croatian producers in foreign markets, the latter being due to liberalised trade rules, in effect since Croatia's accession to the European Union, and a stronger focus of domestic manufacturers on foreign markets. Exports of services, primarily tourism services, could also continue to grow, as also shown by balance of payments data and the number of foreign tourist nights spent and arrivals in the first half of the year. However, tourist services could grow at a lower annual rate than in the previous year.

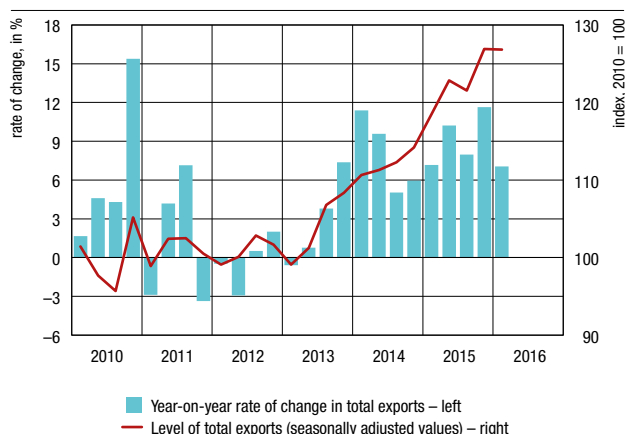
Figure 3.1 Gross domestic product
real values



^a Data for the second quarter of 2016 is the estimate derived using the CNB's Monthly indicator of real economic activity, on the basis of data published until 6 July 2016.

Source: CBS data seasonally adjusted by the CNB.

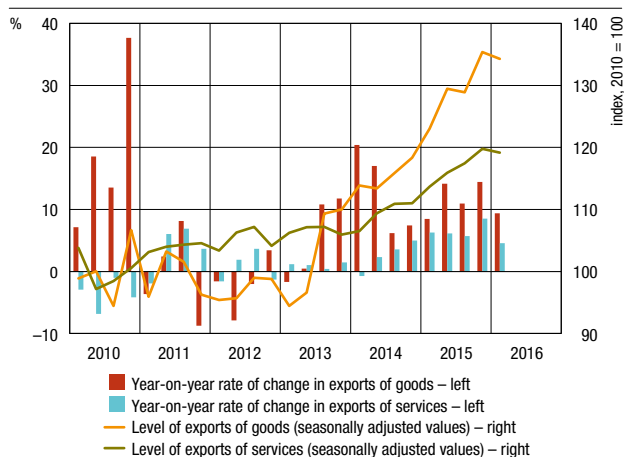
Figure 3.2 Exports of goods and services
real values



Source: CBS data seasonally adjusted by the CNB.

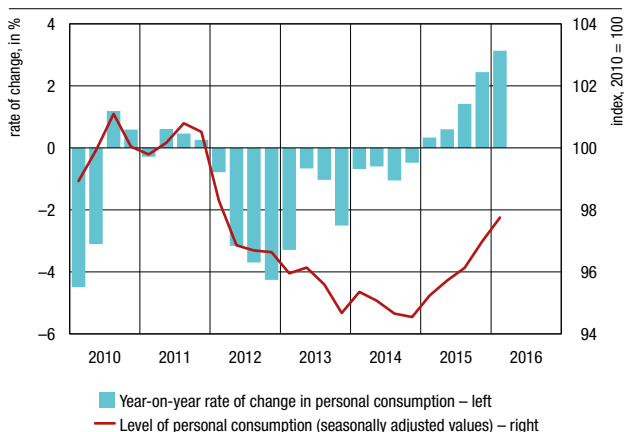
¹ This estimate is based on available monthly data for April. The model is described in the paper by Kunovac, D., and B. Špalat: *Nowcasting GDP Using Available Monthly Indicators* (W-39, October 2014).

Figure 3.3 Real exports of goods and services



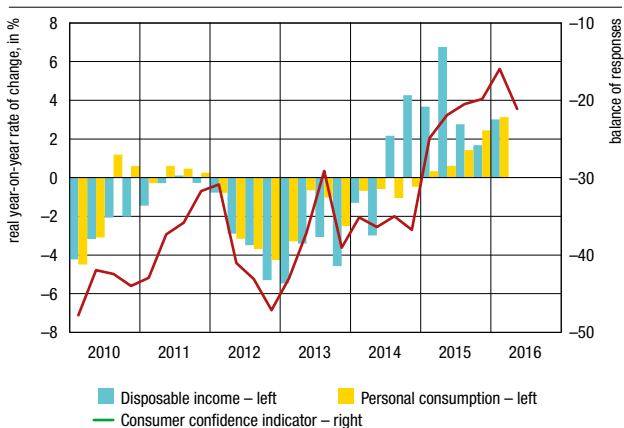
Source: CBS data seasonally adjusted by the CNB.

Figure 3.4 Personal consumption real values



Source: CBS data seasonally adjusted by the CNB.

Figure 3.5 Determinants of personal consumption



Note: The values of the consumer confidence indicator in a month are calculated as three-member averages of monthly data.

Sources: CBS, Ipsos and CNB.

All domestic demand components (with the exception of changes in inventories), as well as goods and services exports, increased in the first quarter and contributed to the recovery of the domestic economy. Similar developments should continue in the remaining part of the year.

Personal consumption went up further in the first quarter of 2016, rising by 0.8% from the previous three months and by 3.1% annually. These high rates were due to continuing employment growth and a sharp decrease in the unemployment rate. The survey unemployment rate was down to 15.4% in the first quarter (14.6% according to seasonally adjusted data), with the number of unemployed persons falling by almost 60 000. Administrative unemployment data are also favourable: the figure of about 220 000 unemployed persons registered with the CES in late June was last recorded in mid-2008. In addition, gross wages rose at a high annual rate of 2.6% in the first quarter, with sharp wage increases both in the private and public sectors. Real wages rose even more sharply due to a decrease in the inflation rate.

Personal consumption growth will positively impact expected employment growth in the remaining part of 2016 and the annual unemployment rate could drop from 16.3% in 2015 to 15%. Real wages are expected to increase at high annual rates due to rising gross wages and a negative average inflation rate. In contrast, after the consumer confidence index increased markedly in 2015, reaching the pre-crisis level, consumer optimism declined in the first half of 2016 amid negative expectations about economic and financial prospects and the domestic political future. A further decrease in consumer optimism could push up the savings rate and adversely affect the personal consumption growth projection (for more details on the household savings rate see Box 1).

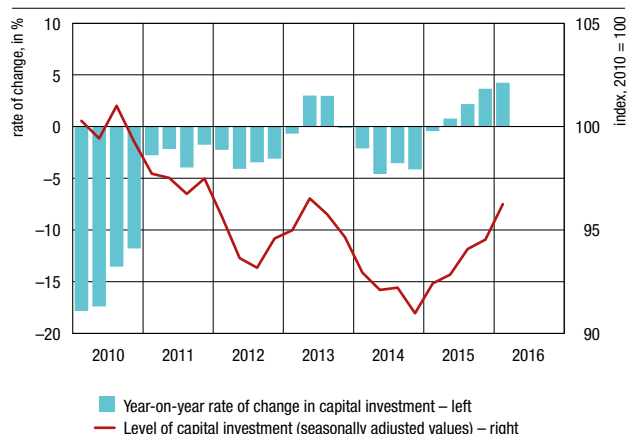
Gross fixed capital formation increased in early 2016 for the fifth quarter in a row, up at an annual rate of 4.3%. The increase resulted from strengthening construction activity (buildings and civil engineering works), suggesting positive trends in the private and public sectors. An increase in private sector investments in the first quarter of this year is also indicated by data on the growth of manufacture and imports of capital goods, which can be attributed to a rise in enterprises' investments in equipment and plants.

Capital investments are expected to accelerate annually from 2015. The acceleration should be driven by the private sector, despite a continued relatively high debt overhang of a large number of enterprises (for more details on the effect of excessive debt on corporate investment activity see Box 2 Effect of excessive corporate debt on investment activity in Croatia). Public sector investments could also rise annually due to a better use of EU funds, but their realisation could be slower than projected in the budget, partly as a result of the political situation in the country.

In early 2016, government consumption remained at the level reached in late 2015 and increased by 0.6% from the first quarter of 2015. Fiscal data and data on employment trends suggest that the increase resulted from a continued growth in employment in public and government services, as well as from an increase in intermediate consumption. Although the process of fiscal consolidation is anticipated to continue throughout the year, real government consumption could record a small increase, but it will still make an almost neutral contribution to economic growth this year.

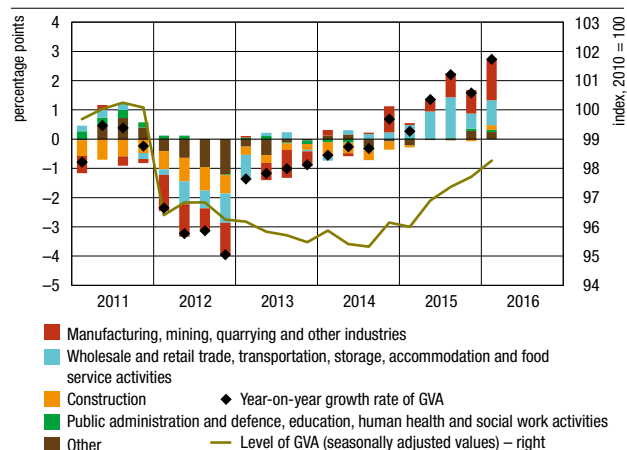
The growth of domestic demand and exports resulted in a continuing increase in imports of goods and services, which were up at an annual rate of 6.1% in the first quarter of 2016, decreasing slightly by 0.7% from the previous quarter. The quarterly decrease in total imports resulted from a decline in imports of services, whereas imports of goods decelerated significantly from the previous quarter. As shown by nominal data on trade in goods, the deceleration of imports of goods was due to

Figure 3.6 Gross fixed capital formation



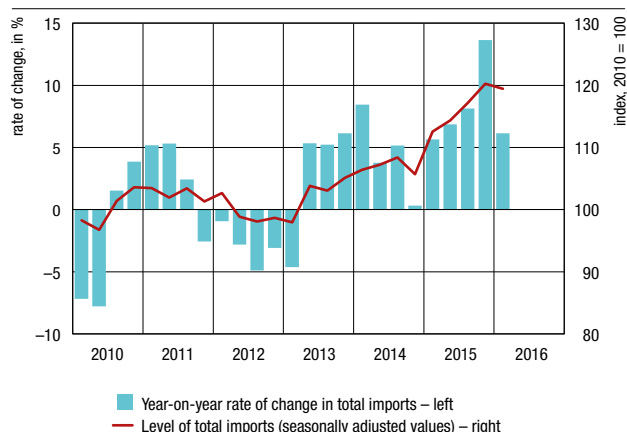
Source: CBS data seasonally adjusted by the CNB.

Figure 3.9 Change in GVA contribution by components



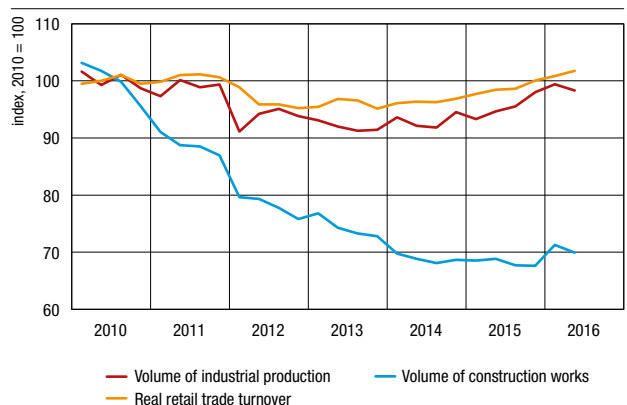
Source: CBS data seasonally adjusted by the CNB.

Figure 3.7 Imports of goods and services real values



Source: CBS data seasonally adjusted by the CNB.

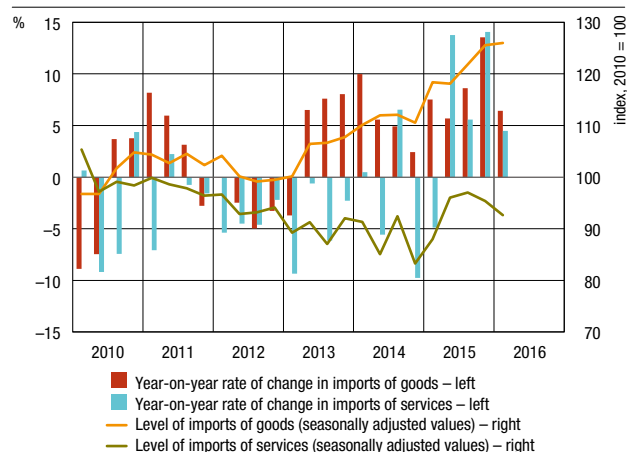
Figure 3.10 Short-term economic indicators



Note: Quarterly data are calculated as an average of monthly data.
Data on construction in the second quarter of 2016 refer to April, while data on industry and retail trade refer to April and May.

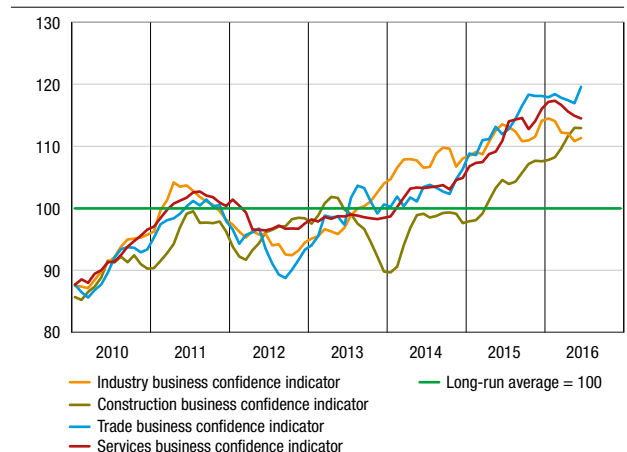
Source: CBS data seasonally adjusted by the CNB.

Figure 3.8 Real imports of goods and services



Source: CBS data seasonally adjusted by the CNB.

Figure 3.11 Business and consumer confidence indicators standardised seasonally adjusted values, three-member moving averages



Note: The last data available refers to June 2016.

Sources: Eurostat, Ipsos and CNB.

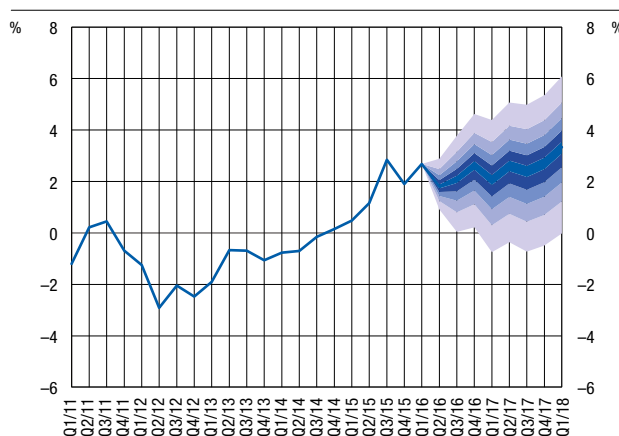
weakening imports of oil and refined petroleum products. At the same time, imports in other main industrial groupings (MIGs) increased. Imports are expected to rise relatively significantly on the annual level in 2016, although at a lower rate than in 2015, resulting from a slowdown in exports.

GDP by output approach indicates an annual increase of 2.7% in GVA in the first quarter, resulting from favourable trends in all activities. Economic growth was primarily driven by GVA increases in manufacturing, wholesale and retail trade, transport and storage, accommodation and food service activities. GVA in construction also increased on the back of improved trends in this activity, with the result that construction contributed to overall economic growth for the first time since the end of 2008. Available monthly data suggest that industrial production fell in April and May from its average value in the previous three months, with decreases recorded in all components of the main industrial groupings, except in durable consumer goods. Construction activity declined in the same period after a high increase in the first three months of 2016, while retail trade grew slightly. As revealed by the business optimism survey for the second quarter of 2016 (seasonally adjusted data), optimism in construction continued to grow from the previous quarter's average and business optimism in trade also increased. In contrast, expectations in industry and service activities continued to deteriorate.

Risks

It is estimated that risks to the GDP projection for the projection period are tilted to the downside. Specifically, unstable political conditions could have a stronger negative impact on investment growth than currently projected. Public investments could be realised at a slower than projected pace in 2016, while the absence of a functioning government could affect the issuance of permits to private investors and slow down their

Figure 3.12 Projection of real GDP dynamics
year-on-year rate of growth



Sources: CBS and CNB.

investments. A possible further decline in consumer optimism could lead to a drop in personal consumption.

Furthermore, although the outcome of the UK referendum on the exit from the European Union could diminish growth prospects in the whole of Europe, international organisations have been conservative when it comes to quantifying its potential effects. With exports being the main driver of economic growth, potentially weaker growth in Croatia's main trading partners could adversely affect domestic economic developments and heightened global uncertainty could have a negative impact on financing conditions. Finally, in the long term, EU Funds could be depleted since the UK is a net contributor to the EU budget.

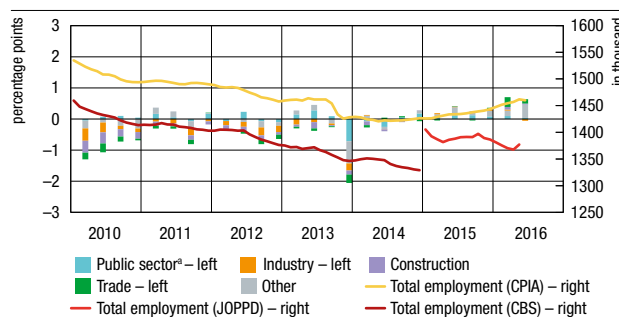
4 Labour market

The first half of 2016 saw favourable trends in the labour market. According to CPIA data, the increase in the number of employed persons accelerated markedly in the first quarter of 2016 from the end of 2015 and similar trends continued in the second quarter, although at a somewhat slower pace.² The increase was generated by private sector services, with the largest contribution coming from trade, whereas the contribution of other activities was negligible (Figure 4.1). Employment is expected to increase at the somewhat slower annual rate of 1.5% in the rest of 2016 and continue the trend in 2017, given that economic growth is not expected to accelerate.

The positive employment dynamics had an impact on changes in unemployment, which declined at an accelerated rate in the first half of 2016. The number of unemployed persons decreased considerably, by 5.6%, in the first quarter of 2016 from the last quarter of 2015 due to increased outflows for employment and other business activities, as well as for other reasons. Data for April and May point to the continuation of this trend (Figure 4.2), suggesting that administrative unemployment could decrease sharply on an annual basis in 2016.

In line with these developments, the administrative

Figure 4.1 Total employment and contribution to the quarterly change in employment by sector
seasonally adjusted series



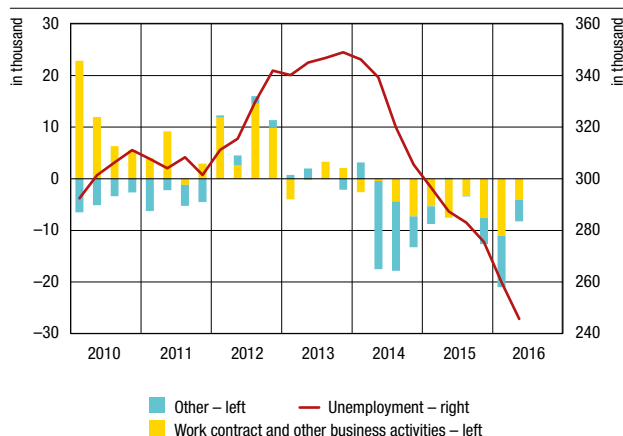
^a Public administration and defence, compulsory social security, education and human health and social work activities.

Note: Around 20,000 insured persons were removed from the CPIA register due to administrative reasons in October 2013. The JOPPD form is now the source of data on employed persons and wages due to changes in the CBS methodology for collection and processing of data on employed persons and wages in effect as of January 2015. Structural columns show contributions by sector in accordance with CPIA data. Data on the number of employed persons according to the JOPPD form for the second quarter of 2016 refer to April and May.

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

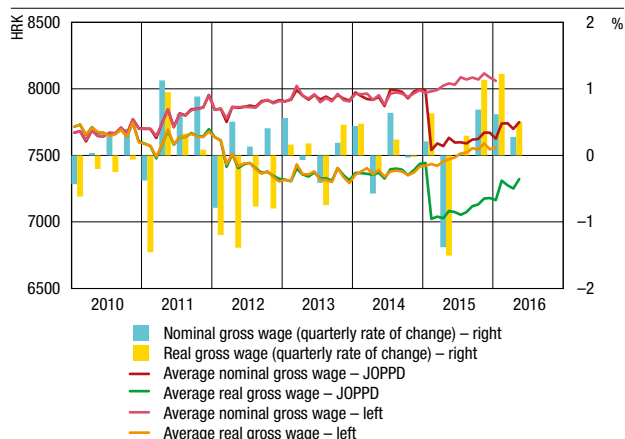
2 The CNB uses CPIA data to assess employment trends. Administrative CBS data on the number of employed persons collected on the basis of the JOPPD form point to negative employment trends in the first five months of 2016.

Figure 4.2 Total unemployment and net inflows from unemployment
seasonally adjusted series



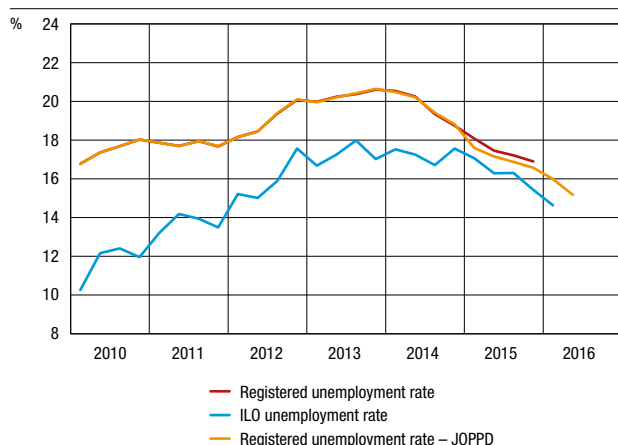
Note: Data for the second quarter of 2016 refer to April and May.
Source: CES data seasonally adjusted by the CNB.

Figure 4.4 Average gross wages
seasonally adjusted series



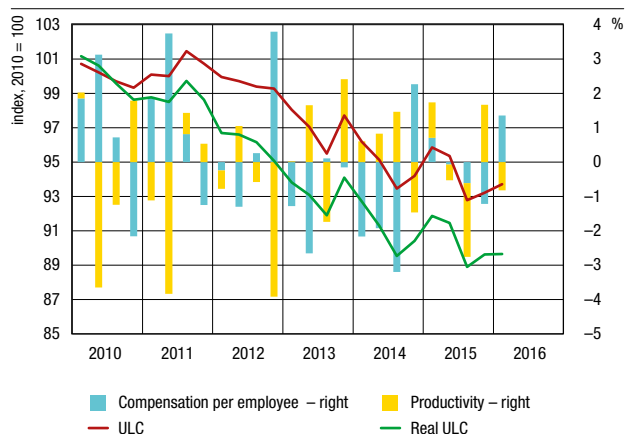
Note: From the second quarter of 2015, rates of change are based on the data contained in JOPPD form. Data for the second quarter of 2016 refer to April and May.
Source: CBS data seasonally adjusted by the CNB.

Figure 4.3 Registered and ILO unemployment rates
seasonally adjusted series



Note: Data for the second quarter of 2016 refer to April and May.
Source: CES data seasonally adjusted by the CNB.

Figure 4.5 Compensation per employee, productivity and unit labour costs
seasonally adjusted series, levels and quarterly rates of change



Note: Productivity growth carries a negative sign.
Sources: CBS and Eurostat data seasonally adjusted by the CNB.

rate (seasonally adjusted data) fell to 14.6% from 15.4% in the last quarter of 2015. The survey unemployment rate could stand at about 15% in 2016 and decrease further in 2107.

Wages continued relatively strong growth in the first quarter of 2016, before decelerating in April and May. Nominal gross and net wages rose markedly in the first three months of 2016 from the previous quarter (Figure 4.4), with the rise primarily generated by the private sector (industry and trade), while the public sector made a perceptibly smaller positive contribution.

Real wages increased at slightly higher growth rates than nominal wages in the observed period due to a fall in consumer prices, hence maintaining the increase in purchasing power. The unit labour cost, which represents a direct link between the cost of labour and productivity, grew in the first quarter of 2016 (Figure 4.5) and similar trends are expected to continue on an annual basis as the rise in wages could exceed growth in the productivity of labour.

5 Inflation

The annual consumer price inflation rate has been negative for the third consecutive year, to a large extent due to the spillover effect of a decrease in global raw material prices (crude oil, food raw materials) on domestic prices. The annual decline in consumer prices accelerated from -0.6% in December 2015 to -1.8% in May 2016, mainly as a result of a drop in the annual rate of change of energy prices and to some extent also due to decreases in the rates of change of prices of industrial products, processed food products and services. Core inflation again turned negative, falling from 0% in December 2015 to -0.8% in May, mainly because of decreases in the annual rates of change of prices of communication services, clothing, tobacco and milk and meat. Developments in domestic industrial producer prices (excluding energy) suggest that they will continue to give rise to deflation pressures as the negative annual rate of change of these prices accelerated from 0.55 in December 2015 to 1.6% in May 2016.

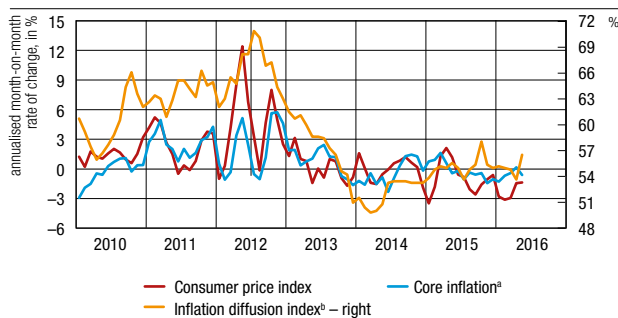
The indicator of current trends in overall CPI inflation (Figure 5.1) increased in the last three months, but remained negative, standing at -1.4% in May. An additional indicator of inflation pressures – the inflation diffusion index – points to a small

increase in the share of products whose prices grew in a given month in the total number of products in the last three months (56.5% in May). This share is still somewhat lower than the long-term average (63%).

The largest negative contribution to the annual CPI inflation rate comes from energy. This contribution increased from 0.9 percentage points in December 2015 to 1.5 percentage points in May, primarily due to a decrease in the administrative price of natural gas. Global raw material prices started recovering in the last few months, with the price of Brent crude oil growing from USD 26 in mid-January to USD 48 in late May. Refined petroleum products contributed -0.9 percentage points to the annual inflation rate in May 2016. In addition, the contribution of the CPI excluding food and energy to annual inflation decreased from 0.4 percentage point in December 2015 to 0.1 percentage point in May. The contribution of telephone services, clothing and tobacco decreased the most. The negative contribution of food grew from 0.1 percentage point in December 2015 to 0.2 percentage point in May due to declining annual rates of change of milk, fruit and meat prices.

The annual inflation rate measured by the EU harmonised

Figure 5.1 Indicators of current developments in overall and core inflation and the inflation diffusion index



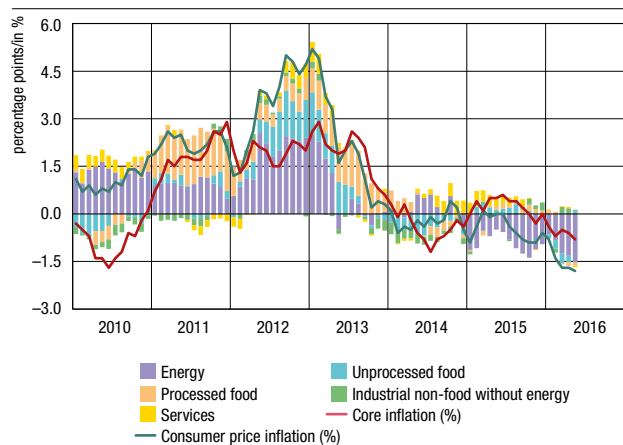
^a Core inflation does not include agricultural product prices, refined petroleum product prices and administrative prices.

^b 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 and is based on the monthly rates of change derived from the seasonally adjusted components of the HICP.

Note: The month-on-month rate of change in the CPI and core inflation is calculated from the quarterly moving average of seasonally adjusted consumer price indices.

Sources: CBS, Eurostat and CNB.

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



Sources: CBS and CNB calculations.

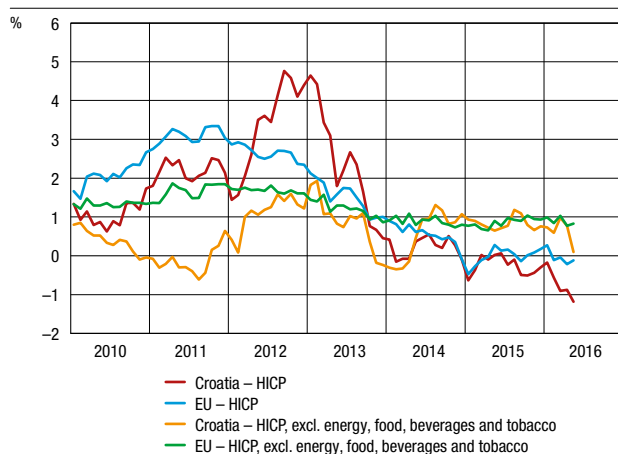
Table 5.1 Price indicators

year-on-year rate of change

	2012	2013	2014	2015	9/2015	12/2015	3/2016	4/2016	5/2016
Consumer price index and its components									
Total index	3.4	2.2	-0.2	-0.5	-0.8	-0.6	-1.7	-1.7	-1.8
Energy	10.5	3.1	0.9	-4.9	-6.6	-5.0	-7.4	-7.8	-9.1
Unprocessed food	5.8	3.8	-2.8	1.1	0.0	-0.1	-3.4	-2.2	0.9
Processed food (incl. alcoholic drinks and tobacco)	2.6	4.9	0.2	0.3	0.6	0.5	-0.1	-0.5	-0.4
Industrial non-food without energy	0.4	-0.4	-1.0	0.2	0.4	1.1	0.9	0.7	0.2
Services	0.5	0.8	0.8	0.9	1.0	0.0	0.1	0.2	-0.2
Other price indicators									
Core inflation	1.9	1.9	-0.4	0.2	0.2	0.0	-0.5	-0.6	-0.8
Index of industrial producer prices on the domestic market	7.0	0.5	-2.7	-3.9	-4.8	-4.1	-5.0	-5.8	-6.3

Source: CBS.

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



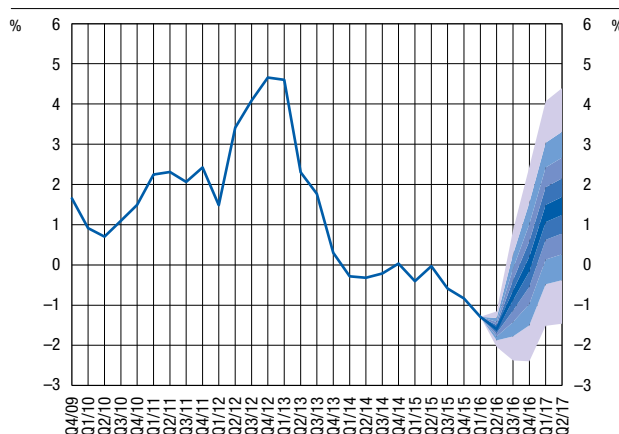
Sources: CBS and Eurostat.

index of consumer prices (HICP) decreased from 0.2% in December 2015 to -0.1% in May 2016 (Figure 5.3). The annual inflation rate turned negative due to several factors. The negative contribution of energy prices increased due to the base effect (although global crude oil prices grew since the beginning of February 2016, they remained considerably below their level in the same period in the previous year), while the contribution of prices of unprocessed food products and market-based services (travel services) edged down. The inflation slowdown was also due to the recent appreciation of the euro, the indirect effects of the fall in oil prices on consumer prices and a slower than expected labour market recovery. Core inflation (the annual rate of change in the HICP, excluding energy, food, beverages and tobacco) fell slightly from 0.9% in December 2015 to 0.8% in May 2016 due to developments in services prices.

Inflation slowed down more quickly in Croatia than in other EU countries, with the result that the annual rate of change in Croatia's HICP decreased from -0.3% in December 2015 to -1.2% in May 2016. Inflation of the prices of industrial products, processed food products and services decelerated especially steeply. In contrast, Croatia was among the rare EU countries where the prices of unprocessed food products increased slightly their contribution to inflation. Net of the volatile components, energy, food, beverages and tobacco, Croatia's core inflation indicator declined by 0.7 percentage points, considerably more than in the EU as a whole, amounting to 0.1% in May 2016. The contribution to inflation of changes in indirect taxes fell from 0.4 percentage point in December 2015 to 0 in May 2016 (for more details see Box 3 Assessment of the effects of changes in indirect taxes on inflation).

The average annual consumer price inflation rate could drop to -0.9% (from -0.5% in 2015) in 2016. In addition to energy, food is also expected to contribute negatively. The annual decrease in energy prices resulted from a fall in the prices of natural gas and refined petroleum product prices. Crude oil prices are expected to grow slightly from June towards the end of 2016. This, and a positive base effect (a decline in refined petroleum product prices in the same period in the previous year), could gradually boost overall inflation in the direction of positive

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



Sources: CBS and CNB calculations.

values late in the year. The average annual rate of change in food prices is projected to be mildly negative in 2016 due to the spill-over effect of a decrease in global food raw material prices on domestic prices and to surpluses in the European agricultural product market. It is estimated that the average annual growth rate of the CPI excluding food and energy will slow down, but stay mildly positive in 2016, offsetting to a small extent the negative contributions of energy and food to domestic inflation.

The average annual consumer price inflation rate could rise to 1.2% in 2017, primarily due to an increase in the annual rate of change in energy prices. This should result from a positive base effect related to a steep fall in the prices of refined petroleum products and natural gas at the beginning of 2016 and the anticipated increase of average crude oil prices. Furthermore, imported inflationary pressures could mount due to the expected acceleration of inflation in the euro area. Domestic inflationary pressures are expected to build up somewhat in 2017, driven by continued economic recovery. According to the projection based on the described conditions in the domestic market and assumed positive indirect effects of increases in crude oil prices, the average annual growth rate of the CPI excluding food and energy will increase slightly in 2017. The average annual rate of change in food prices is also projected to rise.

It is estimated that the risks of lower 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. Crude oil prices could decrease due to global demand weakening as a result of stifled economic growth and/or a larger than expected increase in output, especially in Iran. On the other hand, there are several risks that could lead to higher than forecast inflation, such as the possibility of a stronger growth of administratively regulated prices, unfavourable weather conditions that might result in a considerable increase in agricultural product prices, a fairly strong rise in crude oil prices (due to geopolitical tensions and/or a possible agreement of OPEC Member Countries to limit oil production) and a more pronounced depreciation of the euro versus the US dollar.

6 Foreign trade and competitiveness

The current and capital account ran a deficit in the first three months of 2016. Due to a sharper increase in net expenditures on direct equity investments and lower use of EU funds, the deficit was one fourth higher than in the same period in the previous year. An analysis of last year's cumulative value shows that the current and capital account surplus hit a historical high in the third quarter of 2015 before narrowing to 5.1% of GDP in the first quarter of 2016, among other things due to banks' expenses generated by the conversion of Swiss franc loans, estimated at about 2% of GDP.

The annual surplus in the current and capital accounts is expected to amount to 3.6% of estimated GDP, which is a small decline (5.9% of GDP) from the previous year, if the effect of the conversion of Swiss franc loans (2% of GDP) is excluded. The major adverse effect was a deterioration in the foreign trade balance brought about by a more pronounced growth in imports than in exports, but also by somewhat improved business performance of foreign enterprises in Croatia. In contrast, a positive impact on the current and capital account balances could come from a further increase in net exports of services, especially tourism services, and better absorption of EU funds. It is expected that similar trends will continue in the following year and contribute to a gradual decline in the current and capital account surplus.

The bulk of the increase in the current account deficit in the first quarter of 2016 came from an increase in the negative balance in the primary income account stemming from a rise in expenses and a fall in income on direct equity investments. Expenses increased due to the growing profitability of foreign-owned domestic enterprises, especially those dealing with financial intermediation, the hotel business, manufacture of food products and beverages, while income declined as a result of poorer business results of foreign enterprises in domestic ownership. In contrast, interest expense of domestic sectors arising from foreign liabilities increased.

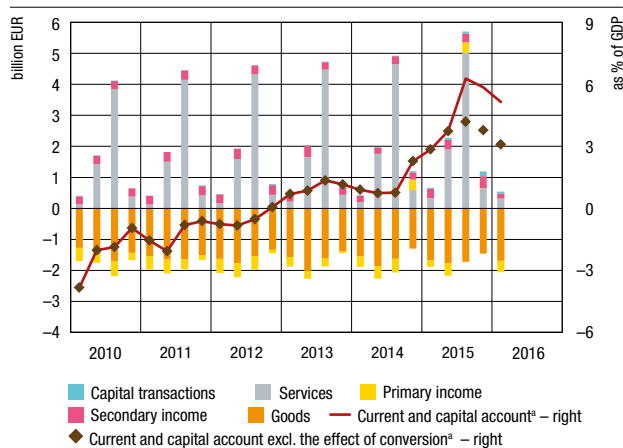
The total amount of EU funds used in the first quarter of 2016 was lower than in the same period in the previous year. Current revenues dropped especially sharply, with the result that the balance in the secondary income account deteriorated, while

the amount of funds for capital projects grew, boosting the surplus in the capital transaction account. However, the amounts of EU funds paid to the National Fund's account were several fold higher than the amounts allocated to end beneficiaries, which are recorded in the secondary income and capital transaction accounts, so that the latter amounts will probably increase in the following periods that are earmarked for their allocation to end beneficiaries. If analysed cumulatively in the last one-year period, the amounts of funds paid out to end beneficiaries exceeded the payments to the EU budget by 0.5% of GDP in the first quarter of 2016 (Figure 6.2, blue line), while the net amounts of funds received from the EU were twice as high (Figure 6.2, red line).

Net exports of services declined slightly in the first quarter of 2016 from the same period in the previous year. The decline was due to the worsening of the balance of trade in other services, primarily affected by a fall in revenues from repair services and construction services, as well as by a drop in net exports of manufacturing services on physical inputs owned by others. The surplus in trade in travel services widened further, with revenues increasing by 16.2%. Better financial results in tourism were coupled with a noticeable improvement of volume indicators: arrivals of foreign tourists in commercial accommodation capacities and nights spent, which increased by 22.8% and 27.5% respectively, mainly owing to tourists from Germany, Italy and Slovenia.

The deficit in trade in goods (as shown by foreign trade statistics) expanded slightly in early 2016 from the same period in the previous year, while annual export and import growth rates decelerated to 4.6% and 4.7% respectively. The deficit increased slightly due to a drop of 1.8% in exports of goods, coupled with a negligible increase in imports. Exports primarily decreased due to weakening exports of oil, refined petroleum products and ships. Exports of other goods, however, increased by 5.0%, above all due to a pickup in exports of capital goods (electrical machinery, apparatus and appliances) and food products (sugar and sugar preparations) as well as of road vehicles, medical and pharmaceutical products and miscellaneous finished goods. Notwithstanding a fall in imports of oil and refined petroleum

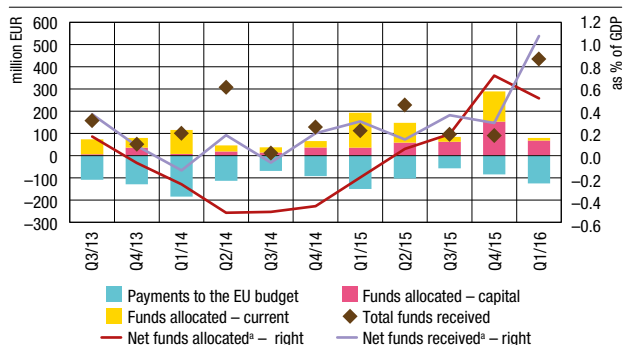
Figure 6.1 Current and capital account balance and its structure



^a Four-quarter moving average.

Source: CNB.

Figure 6.2 Transactions with the EU budget

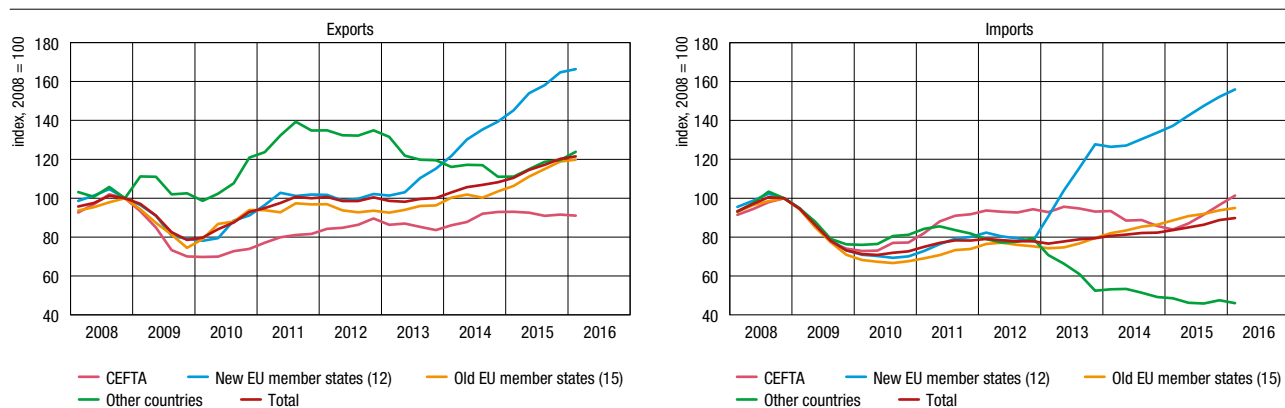


^a Average of the last four available quarters.

Note: As regards total funds received from EU funds, only funds allocated and paid out to end beneficiaries are recorded in the current and capital account of the balance of payments, while funds received but not allocated are recorded in the financial account. Payments to the EU budget carry a negative sign in the figure. The positive value of net received and net allocated funds is the surplus over the payments to the EU budget.

Sources: CNB and MoF.

Figure 6.3 Croatian trade in goods by economic classification of countries



Note: CEFTA includes Albania, Bosnia and Herzegovina, Montenegro, Macedonia, Moldova, Serbia and UNMIK/Kosovo. Data on goods exports are shown by the countries of destination. A new methodological criterion for recording the imports of goods by countries has been applied since 1 July 2013 (also applied to data for the first six months of 2013). In Extrastat, data on the imports are shown by the countries of origin of the goods, while in Intrastat data on the arrivals of goods are presented by the countries of dispatch. As a result, data on imports by countries in the period from January 2013 onward are not comparable with earlier data. Index values are calculated as four-quarter moving averages.

Source: CBS.

products, total imports of goods rose slightly in the first three months of 2016 on account of imports of ships and, especially, of other goods. Imports of other goods (excluding oil and ships) increased by 2.8%, mostly due to rising imports of manufactured goods classified chiefly by material, clothing, medical and pharmaceutical products and various finished products. Data on trends in trade in goods for April suggest that exports grew by 1.1% and imports at a slightly higher rate of 2.9%, which resulted in the widening of the deficit from the first quarter.

Developments in Croatia's trade in goods broken down by individual markets show that the EU market has continued to account for the bulk of the growth of exports and imports (for more details on the characteristics of Croatia's goods exports in the last three years see Box 4 Changes in the dynamics and structure of Croatian goods exports since entry to the EU). Exports to EU countries increased the most in the first quarter of 2016 from the same period in the previous year. Strong growth was recorded in exports to Germany (electrical machinery, apparatus and appliances), Italy (sugar and sugar preparations, cork and wood, medical and pharmaceutical products) and Slovenia (food products, capital equipment, cork and wood). Growth in exports to third countries accelerated as a result of increased exports of medical and pharmaceutical products and miscellaneous finished goods to the US. Exports to CEFTA countries decreased, largely as a result of a drop in exports of oil and refined petroleum products to Bosnia and Herzegovina. The growth of imports in the first quarter of 2016 was mainly driven by an increase in imports from EU countries, primarily from Germany (road vehicles), Bulgaria (miscellaneous finished goods) and Slovenia (natural and industrial gas, medical and pharmaceutical products, road vehicles). Imports from CEFTA countries also grew, with imports from Serbia (non-ferrous metals and electricity) and from Bosnia and Herzegovina (electricity) making up the bulk of the growth. Imports from third countries dropped, primarily as a result of a steep decrease in imports of oil and refined petroleum prices from Russia and Azerbaijan.

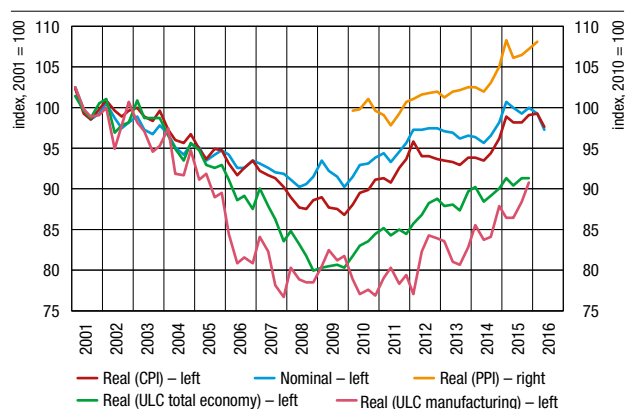
The increase in the goods trade deficit is expected to continue at the 2016 level, especially as regards the narrow aggregate that excludes ships and oil. Imports growth derives from the expected moderate recovery of domestic demand and investments, better use of EU funds and recognition of a high import dependency of the domestic economy. Nevertheless, net imports of oil and refined petroleum products will probably decrease annually

due to falling global crude oil prices. Expectations of imports growth are based on the assumption of continuing economic recovery in Croatia's main trading partners and facilitated access to the EU market.

The price competitiveness of Croatian exports deteriorated in the first half of 2016 under the influence of the nominal effective depreciation of the kuna. Following a small appreciation in the first quarter, real effective kuna exchange rates deflated by consumer and producer prices appreciated considerably in April and May of 2016 from the previous quarter average. The appreciation of the nominal effective kuna exchange rate offset the effect of more positive developments in consumer and producer prices in Croatia than in its main trading partners. However, the price competitiveness of Croatia's goods exports, measured by the index of the real effective exchange rate of the kuna deflated by consumer prices, is expected to improve slightly on an annual basis in 2016 and 2017.

The price and cost competitiveness of Croatia's exports improved, which is only partially attributable to strong export performance in the last two years. Specifically, mild appreciation pressures on the kuna arose as early as in 2009, with the

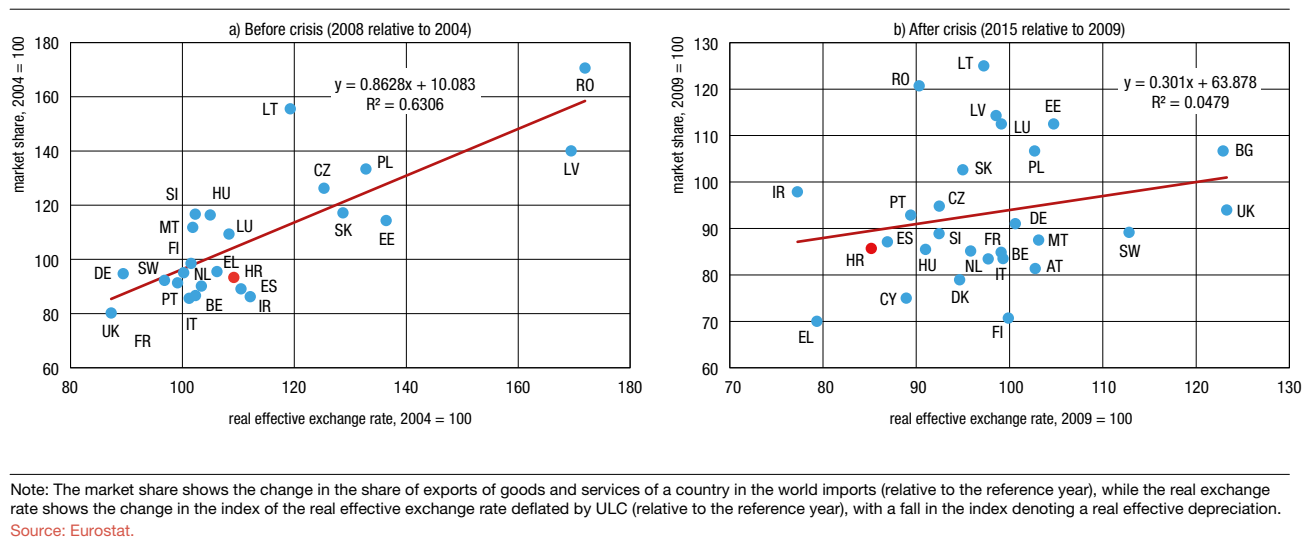
Figure 6.4 Nominal and real effective exchange rates of the kuna



Note: Real effective exchange rate of the kuna deflated by producer prices includes the Croatian index of industrial producer prices on the non-domestic market, which is available from January 2010. A fall in the index denotes an effective appreciation of the kuna.

Source: CNB.

Figure 6.5 Changes in the market share of exports of goods and services and the real effective exchange rate deflated by ULC



exchange rate depreciating at higher rates in real than in nominal terms, but exports did not start to grow until after Croatia's accession to the EU. Although the strengthening of exports of goods and services had an impact on the recovery of the share of Croatia's exports in the world's market, especially in 2015, this share remained lower than that in the pre-crisis period, despite a relatively significant improvement in price and cost competitiveness. Furthermore, a weak and limited effect of relatively favourable historical trends in the real effective exchange rate of the Croatian kuna, compared with trends in the currencies of

Central and Eastern European countries, points to the greater significance of non-price competitiveness factors, including business environment quality, investment inflows into export-oriented sectors, geographical and production structure of exports, participation in global value chains and investments in research and development. During the pre-crisis years, exports had grown at the highest rates in the countries recording the strongest appreciation of the real effective exchange rate (Figure 6.5a), but this link vanished after the outbreak of the crisis (Figure 6.5b).

7 Financing conditions and capital flows

In the conditions of record high liquidity on the domestic and foreign financial markets financing conditions in 2016 are expected to be more favourable. The costs of financing of domestic sectors were mostly favourable in the first half of 2016 (Figure 7.1). The interest rate on one-year kuna T-bills fell from 1.48% at the end of 2015 to the historically low 0.94% in June. The average short-term kuna interest rate on bank loans was lower for all sectors than in the previous year and if compared to end-2015, the corporate sector saw the biggest improvement in financing conditions. The long-term costs of bank lending with a currency clause were also more favourable than at the end of the previous year, with the interest rate on home loans holding steady from December to April at levels higher than in 2015, as a result of the conversion of loans with a currency clause in the Swiss franc into loans with a currency clause in euro. The fall in interest rates was also spurred by lower costs of bank financing, as seen in the fall in the NRR³ and EURIBOR. The financing conditions are expected to remain more favourable in the rest of the year. This is based on the assumption of fast stabilisation of foreign markets following the shock caused by the UK referendum decision to leave the EU. In the first days following the decision, the shock did not have any effect on the interest rates on the domestic banking market, due to the fact that the banks

currently have no borrowing needs.

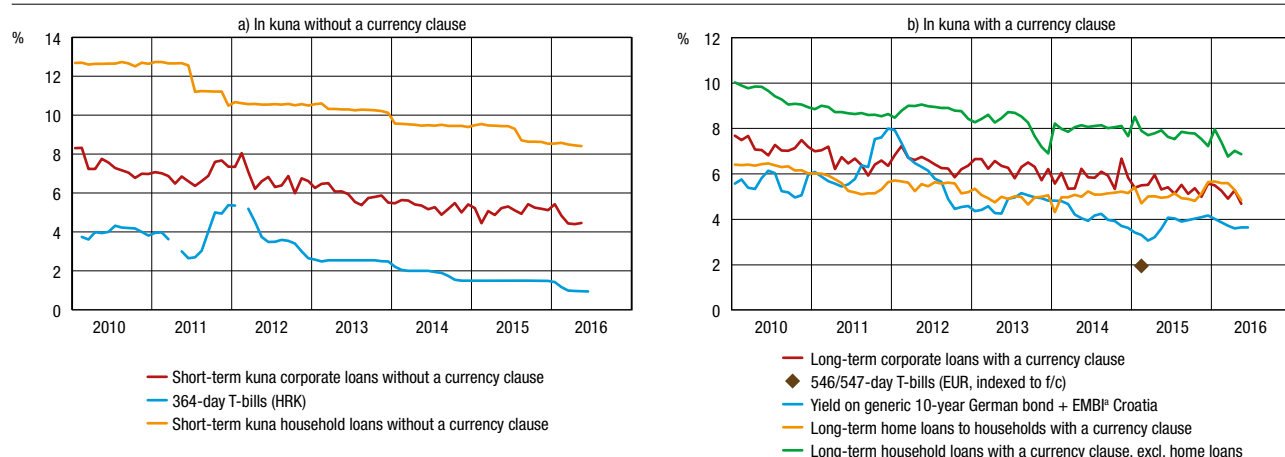
The price of government borrowing abroad, estimated by the sum of yields on the German government bond and the EMBI indicator for Croatia, fell in the first half of the year exclusively as a result of a fall in yields on long-term German borrowing. Nevertheless, the planned issue of a foreign government bond did not materialise due to political instability in the country. The yields on Croatian government bonds rose slightly towards the end of June as a result of instability in the financial markets following the decision of the United Kingdom to leave the European Union. This was accompanied by an additional fall in the yields on German government bonds, also driven by the outcome of the referendum, which led to an increase in the yield spread between Croatian and German government bonds.

Looking at the yield curve for Croatian government bonds over a longer period of time, government financing conditions were considerably more favourable from end-2013 to the first half of this year. The yield on the four-year kuna bond without a currency clause fell by approximately 2.5 percentage points, while the yield on the six-year kuna bond with a currency clause in euro fell by approximately 2 percentage points during the same period (Figure 7.2).

Credit default swaps of parent banks of the largest banks in

3 The national reference rate (NRR) is the average interest rate paid on deposits by the banking sector which is used as one of the benchmark interest rates for determining the level of the variable component of the variable interest rate on loans, in accordance with Article 11a of the Credit Consumer Act.

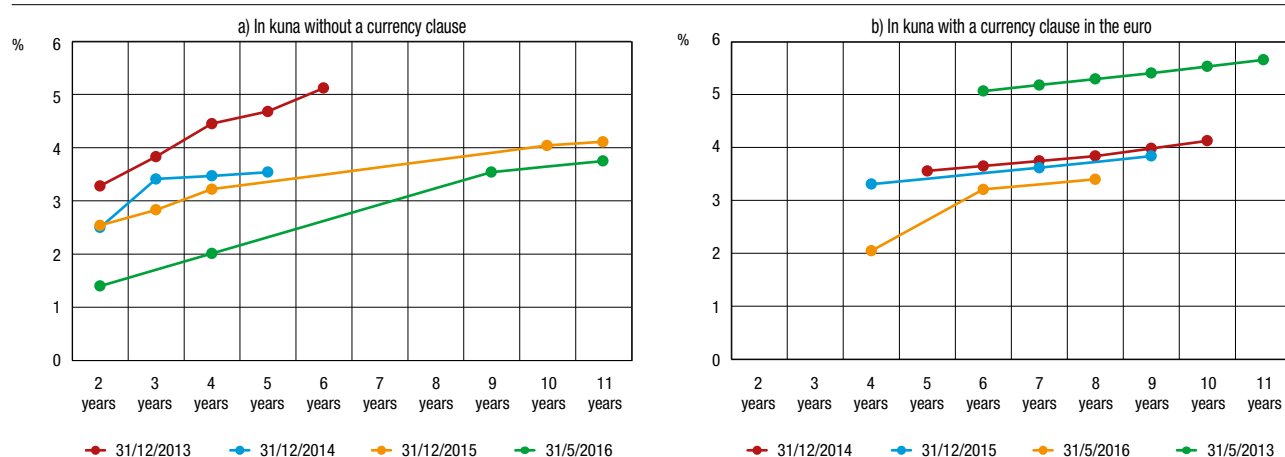
Figure 7.1 Costs of financing of domestic sectors



^a EMBI (Emerging Market Bond Index) is the spread between yields on government securities of emerging markets, including Croatia, and risk-free securities of developed countries.

Sources: MoF, Bloomberg and CNB.

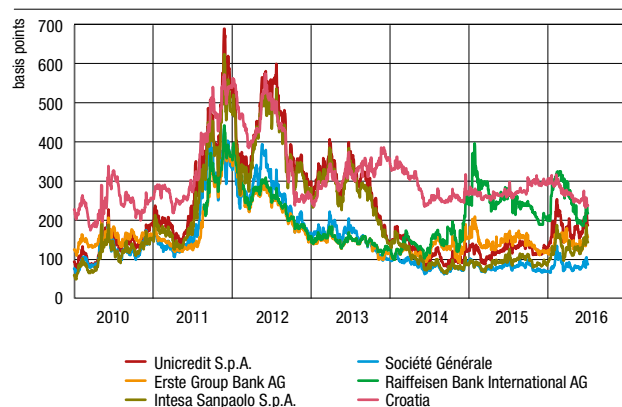
Figure 7.2 Yield-to-maturity on RC bonds



Note: Dots show achieved yields; other values are interpolated.

Source: CNB.

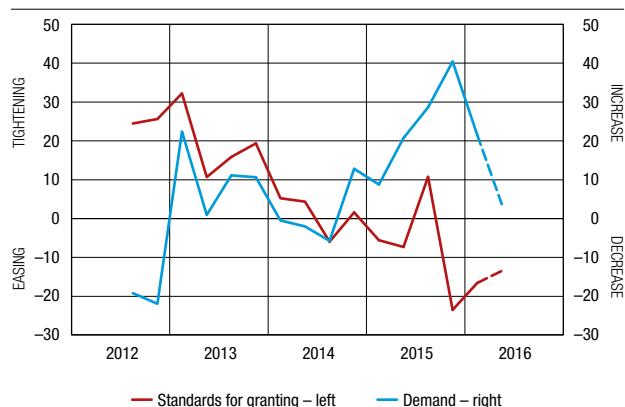
Figure 7.3 CDS spreads for Croatia and selected parent banks of domestic banks



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: S&P Capital IQ.

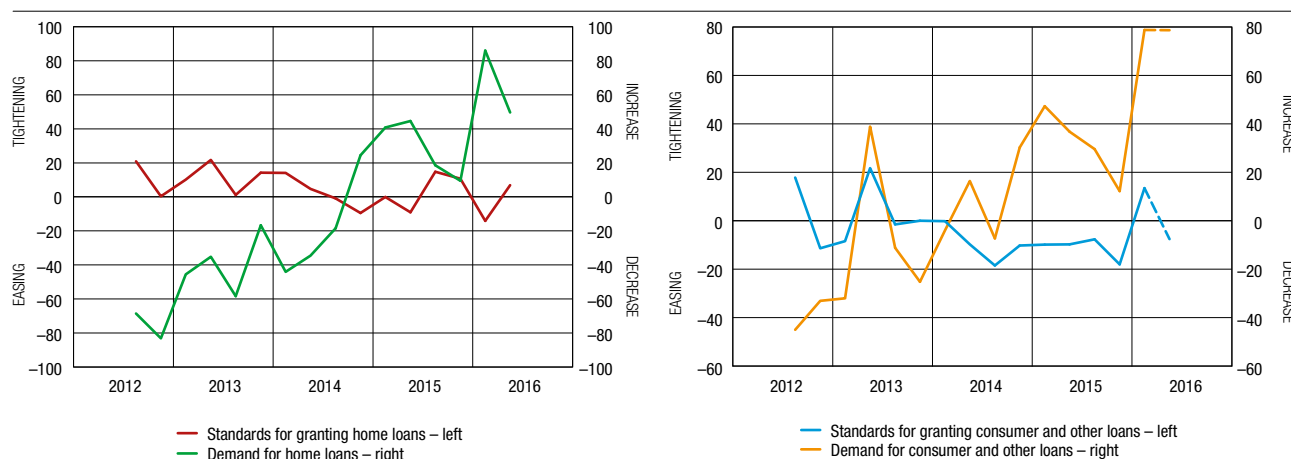
Figure 7.4 Standards for granting loans and corporate demand for loans



Note: Data represent the net percentage of banks weighted by the share in total loans to corporations. Broken lines represent bank expectations for the second quarter of 2016.

Source: CNB.

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 bank expectations for the second quarter of 2016.
Source: CNB.

Croatia reached their peak levels this year in the first quarter of the year, reflecting rising concern of the financial markets regarding future bank profitability, but stabilised briefly afterwards. However, following the referendum decision on the exit of the United Kingdom from the EU, the premiums of parent banks rose again and at end-June were higher than at the end of the previous year (Figure 7.3). By contrast, the CDS for Croatia in the middle of the year was lower than at the end of 2015, but remained considerably higher than peer countries' premiums.

With favourable developments in domestic interest rates, the standards for granting corporate loans and corporate demand for loans continued to improve in the first quarter of 2016 although at a slower pace than in the previous period (Figure 7.4). Based on banks' responses to the Bank Lending Survey, the relaxation in corporate loan granting standards was mostly spurred by positive expectations in relation to general economic developments and competition among banks, while increased demand was mostly driven by the needs for the financing of inventories and working capital and debt restructuring.

As regards the household sector loan demand and supply, banks' responses to the Bank Lending Survey indicate that the demand for consumer and home loans in the first quarter of 2016 recorded the most favourable developments since the Survey was first conducted (Figure 7.5). Such developments in home loans were mostly influenced by consumer confidence while those in consumer and other loans were influenced by spending on durable consumer goods. As regards the standards for granting loans, the banks relaxed those for granting home loans but tightened those for granting consumer and other household loans, for the first time since 2013.

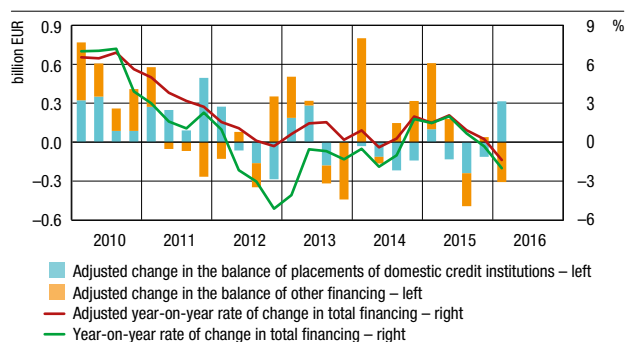
Despite favourable developments in financing conditions, the total debt of non-financial corporations held steady during the first quarter of 2016, but fell by 1.4% on an annual level (Figure 7.6). In the first quarter of the year, private and public enterprises increased their level of debt with domestic credit institutions (2.5%, based on transactions), but both groups of enterprises reduced their foreign financing by approximately the same amount. The first two months of the second quarter also saw an increase in the corporate credit activity of domestic credit institutions.

The developments in household placements in the first five months of the year were more favourable than in the same period of previous years (Figure 7.7). Thus, household placements

rose by 0.6% in the first five months of 2016 (based on transactions), with a particularly strong growth in kuna lending. However, on an annual level, total placements continued to fall, dropping by 0.7% at the end of May. Also, the nominal stock of household loans in the first five months of 2016 was again largely influenced by the conversion and partial write-off of loans in the Swiss franc, a process launched to a more significant extent in December of the previous year. Towards the end of November 2015, household placements in the Swiss franc and indexed to the Swiss franc stood at HRK 21.7bn and at the end of May 2016 at HRK 2.3bn. During that period, HRK 11.2bn worth of loans in the Swiss franc was converted and HRK 5.8bn was written off.

In 2016, total corporate debt might rise slightly as a result of an increase in domestic lending while over a medium term corporate borrowing is expected to accelerate gradually. Accordingly, the total domestic credit activity of banks might also heighten in 2016, after falling for two years in a row, while households are expected to deleverage further, though at a much slower pace than in 2015. By contrast, the stock of placements

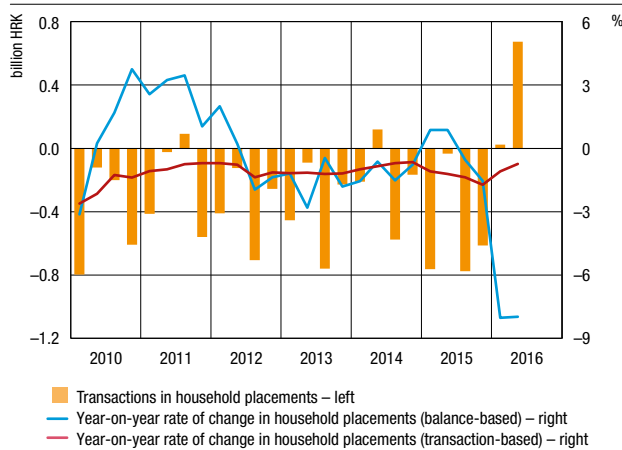
Figure 7.6 Corporate financing by sources



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 on transactions in placements of domestic credit institutions and data on the developments in external debt which do not include the effect of the assumption of loans to the shipyards by the Ministry of Finance in 2012 and the effect of the transformation of debt into equity.

Sources: HANFA, CNB and CNB calculations.

Figure 7.7 Household placements



Note: Data for the second quarter of 2016 refer to April and May.

Source: CNB.

will shrink, mostly as a result of the write-off of household placements associated with the conversion of loans indexed to the Swiss franc and the write-offs associated with the sale of non-performing placements of non-financial corporations. Despite expectations of a gradual acceleration in bank activity over a medium term, the risks to lending recovery are slightly negatively skewed, given the high corporate sector debt, increased corporate orientation towards more favourable foreign sources of financing as well as further worsening of the country's credit rating and possible halting of the favourable trends in financing conditions. By contrast, favourable developments in the real sector of the economy, fiscal consolidation and the smaller financial needs of the government may create room for stronger lending to the private sector.

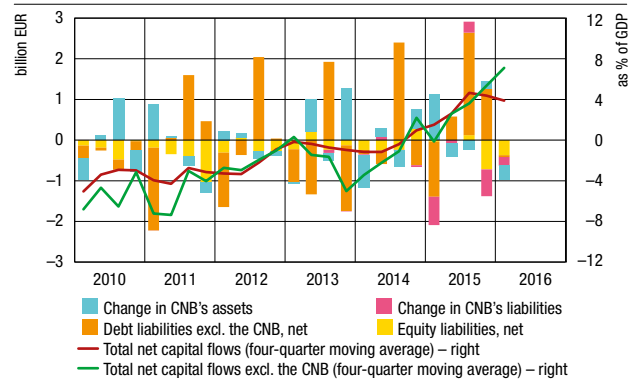
Foreign capital flows

Net foreign capital inflows in the first three months of 2016 were much lower than in the same period of the previous year. The financial account of the balance of payments, excluding central bank transactions, witnessed growth in net foreign liabilities of EUR 0.5bn while that in the year before was EUR 1.3bn.

The net inflow of foreign direct investment in the first quarter of 2016 stood at EUR 0.4bn, having almost doubled from the same period of the previous year. The biggest contributor to this growth was the improvement in retained earnings on the liabilities side, as a result of better business results of banks and, to a lesser extent, domestic enterprises in foreign ownership. The already modest direct equity investments in Croatia dropped additionally and were, debt-to-equity transactions excluded, almost twice as low as at the beginning of the previous year. New equity investments mostly took place in retail trade and in real estate activities. The growth in assets declined as a result of lower equity investments abroad and poorer business results of foreign enterprises in resident ownership.

Unlike the beginning of the previous year when net capital inflow was almost entirely due to debt investments, the first three months of 2016 saw only a small increase in net liabilities on this basis. In addition to an increase in liabilities based on received but undistributed EU funds, it was due to a deterioration in the net external position of credit institutions which continued to deleverage but at the same time decreased their foreign exchange assets even more. The liabilities of other domestic sectors (to

Figure 7.8 Financial account flows



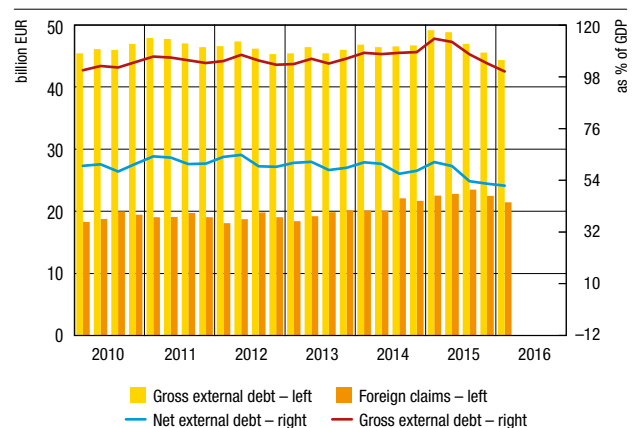
Note: A positive value denotes net outflow of equity abroad. The change in CNB's assets includes the change in gross international reserves and funds in the dedicated cash account in TARGET2-HR. Net liabilities represent the difference between the change in assets and the change in liabilities. Total net capital flow series are shown as a four-quarter moving average.

Source: CNB.

affiliated and other creditors) rose only slightly as the increase in liabilities based on short-term trade credits was accompanied by a slightly slower deleveraging in relation to other instruments. This relates in particular to public non-financial corporations, while private non-financial corporations rolled back their liabilities to non-affiliated creditors and at the same time borrowed slightly from affiliated creditors. By contrast, general government liabilities to foreign creditors fell considerably.

The net external position of the central bank (the effects of cross-currency changes excluded), worsened additionally in the first quarter of 2016 as a result of a fall in claims and, to a lesser extent, rise in liabilities. The CNB's decision repealing the requirement for the banks to allocate the foreign exchange component of reserve requirements with the central bank which provided the banks flexibility in their foreign exchange liquidity management, had a strong unfavourable impact on reserves. The fall in reserves was also due, to an extent, to the withdrawal of funds from the government foreign currency deposits with the CNB. The investment of reserves in repo agreements had an opposite effect on reserves, at the same time increasing foreign liabilities of the central bank. The stock of gross international

Figure 7.9 Gross and net external debt



Note: Net external debt is calculated as gross external debt stock net of foreign debt claims.

Source: CNB.

reserves fell by EUR 0.5bn in the first three months of 2016 and stood at EUR 13.2bn at the end of March. However, the coverage of short-term debt by remaining maturity rose slightly, to 97.5%. During that period, the reserves were sufficient for the coverage of 7.5 months of goods and services imports.

The expectations for the remaining part of the year include a fall in the debt liabilities of domestic sectors, particularly as a result of bank deleveraging. By contrast, government foreign liabilities might continue falling until the last quarter of the year when the government might again approach the foreign markets to finance the budget deficit. Accordingly, debt liabilities might continue to fall considerably throughout the year, with bank deleveraging playing the lead role in overall developments in 2016. Other sectors' deleveraging, particularly deleveraging in relation to un-affiliated creditors, might also contribute slightly to this trend. Owing to a fall in gross debt, accompanied by a rise in the nominal GDP, the relative indicator of external debt might

improve visibly and fall below the level of 100% of GDP. Debt capital flows in 2017 are expected to continue to be strongly influenced by further deleveraging of credit institutions, although its intensity will slow down gradually. By contrast, foreign liabilities of the government and other domestic sectors might grow gradually. The outlook in such conditions points to a further improvement in the relative indicators of external debt.

As regards foreign direct investments, after falling sharply in 2015, the net inflow of capital on this basis in the current year might return to the level approximate to the average values in the years following the outbreak of the crisis. On the liabilities side, retained earnings are expected to rise as a result of greater profitability of banks and enterprises in foreign ownership, while equity investments might fall, but exclusively as a result of the large amount of debt-to-equity swap transactions and to one large transaction in the tobacco industry last year.

8 Monetary policy

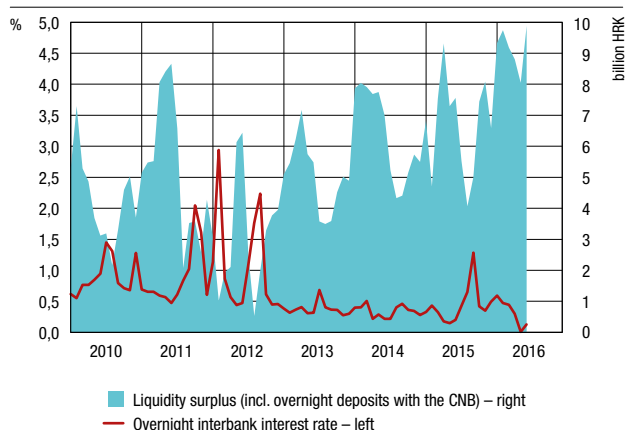
In the first half of 2016, the CNB continued to pursue an expansionary monetary policy, maintaining at the same time the stability of the exchange rate of the kuna against the euro. The expansionary monetary policy orientation was supported additionally by the introduction of long-term structural kuna repo operations. The surplus kuna liquidity rose from the average HRK 6.7bn in 2015 to HRK 9.2bn in the first half of 2016. In such conditions, the overnight interest rate on the interbank money market, in the conditions of a marked fall in the volume of trade, fell to 0.13% in June, after reaching almost 2.0% in mid-September of the previous year. The yield on kuna T-bills of the Ministry of Finance also fell and so did the kuna yield curve for government bonds. In the remaining part of 2016 and in 2017, the CNB will continue to pursue an expansionary monetary policy and to maintain the stability of the exchange rate of the kuna.

Two of the total of four structural repo auctions planned for this year were held in the first half of 2016. At these auctions, the CNB granted to the banks a total of HRK 711.5m for

a four-year term, at the fixed rate of 1.8% (HRK 565.0m was auctioned in February and HRK 146.5m in May). These operations provided banks access to longer-term sources of kuna liquidity which is expected to uphold the trend of increased bank lending in the domestic currency particularly present up to now in 2016. The CNB continued to conduct regular weekly reverse repo operations at a fixed repo rate of 0.5%; however, in the conditions of ample surplus kuna liquidity, the average stock of funds placed at these auctions in the first six months of this year stood at only HRK 117.3m.

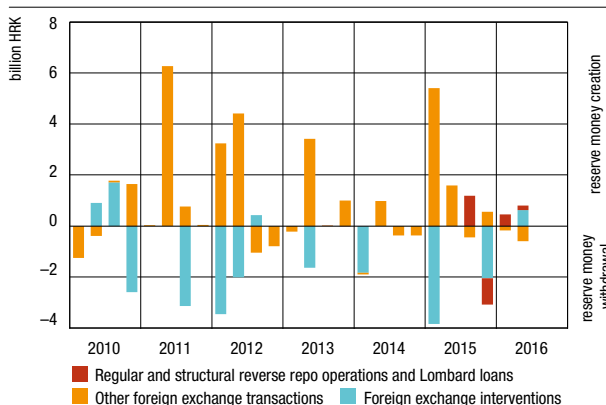
Foreign exchange transactions of the CNB had only a modest net impact on kuna liquidity in the first half of 2016. On the one hand, the central bank held a foreign exchange intervention towards end-May, purchasing EUR 83.5m and creating HRK 625.6m, which helped increase kuna liquidity. Also, in its foreign exchange transactions with the Ministry of Finance in the first half of the year, the CNB purchased EUR 109.7m worth of foreign exchange. But on the other hand, the sale of EUR 210.7m worth of foreign exchange to the European Commission

Figure 8.1 Bank liquidity and overnight interbank interest rate



Source: CNB.

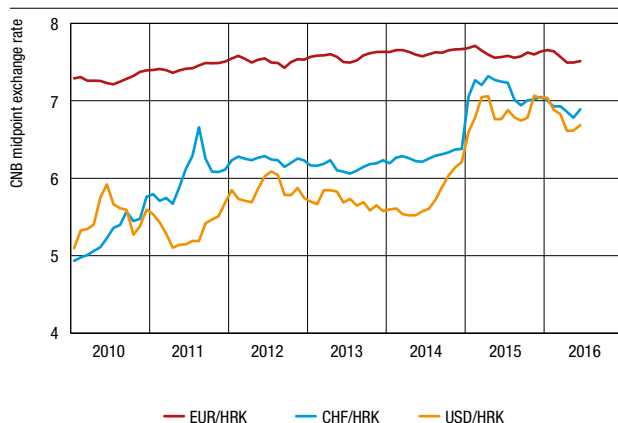
Figure 8.2 Flows of reserve money (M0) creation



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 8.3 Nominal exchange rates of the kuna against selected currencies



Source: CNB.

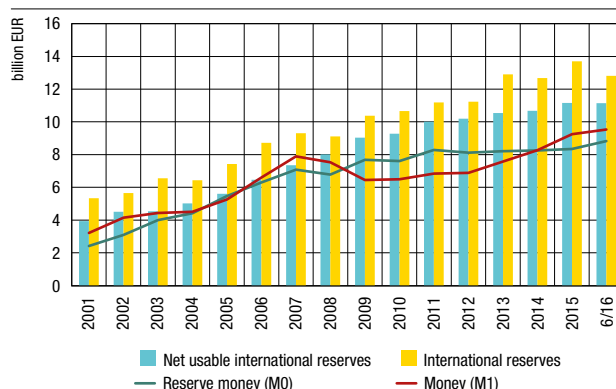
had the opposite effect. Overall, in the first half of the year, the central bank sold net EUR 17.5m of foreign exchange, thus withdrawing HRK 142.5m.

The nominal exchange rate of the kuna against the euro in the first five months of 2016 appreciated visibly, falling from EUR/HRK 7.64 at the end of 2015 to EUR/HRK 7.49 at the end of May. The appreciation pressures on the kuna mounted since March and were partly due to good results in tourism, increased inflows of EU funds, and the expectations of the announced issue of a government bond on the foreign market, which was later postponed. To alleviate these pressures, the CNB intervened in the foreign exchange market on 31 May, purchasing EUR 83.5m and halting the strengthening of the kuna, with the exchange rate reaching EUR/HRK 7.51 by end-June. If the average exchange rate is analysed, in the first half of the year it was 0.9% lower than in the same period of the previous year. The exchange rate of the kuna against the American dollar and the Swiss franc also appreciated in the first five months of this year, mainly due to the strengthening of the euro on the global foreign exchange markets, but June saw a small reversal in the trend, with the kuna weakening against major global currencies.

At the end of June, gross international reserves stood at EUR 12.8bn, having fallen by EUR 0.9bn (6.5%) from the end of 2015. The fall in gross reserves can mostly be attributed to the decision to repeal the requirement for the banks to allocate foreign currency reserve requirements to an account with the CNB (EUR 0.5bn). This decision makes it possible for the banks to take a more flexible approach to foreign exchange liquidity management, allowing them to meet the total foreign exchange component of reserve requirements by average daily balances of foreign currency assets. The fall in gross reserves was also due to drawings on government deposits with the CNB, which stood at EUR 411.8m at the end of 2015 and by end-June fell to EUR 241.0m. Since the stated factors have no impact on developments in net usable reserves, these fell only slightly from the end of the previous year (0.1%) and stood at EUR 11.1bn at the end of June. Gross and net international reserves continued greatly to exceed the balance of the narrowest monetary aggregates M0 and M1.

The real seasonally adjusted values of money (M1) and total liquid assets (M4) continued to rise steadily in the first half of 2016. With inflation remaining subdued, the real growth in monetary aggregates was certainly spurred by growth in private

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 2016.

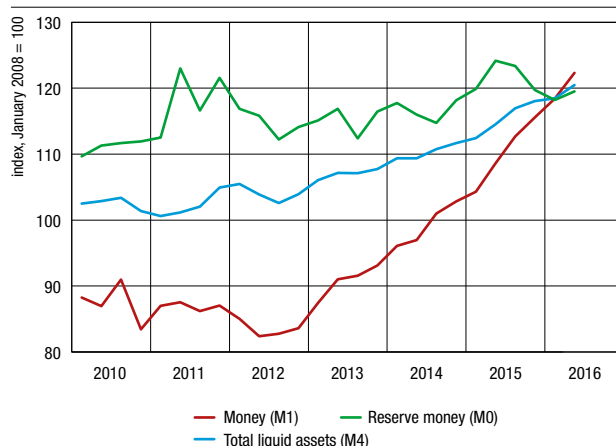
Source: CNB.

sector lending and domestic economic recovery in general. The real value of reserve money (M0) rose again in the third quarter, after falling for several quarters.

In the conditions of subdued inflation and slow recovery in lending, monetary policy in 2016 will keep its pronounced expansionary character and will work towards further maintenance of the stability of the exchange rate of the kuna against the euro. This implies further support to high liquidity in the system by means of structural and regular repo operations as well as foreign exchange transactions. The volume of foreign exchange transactions of the CNB in 2016 will depend primarily on foreign government borrowing and if this is in short supply might lead the government to domestic borrowing but also to a sharper fall in the international reserves of the Republic of Croatia. Banks' corporate and household lending activity is expected to pick up gradually in 2016 and the following year but the risks to such an outcome are slightly negatively skewed and primarily involve possible further deleveraging associated with the high level of debt of the corporate sector and a greater orientation of enterprises towards foreign, more favourable sources of financing than expected.

Figure 8.5 Monetary aggregates

index of developments in seasonally adjusted values, deflated by the consumer price index



Note: Data for the second quarter of 2016 refer to May.

Source: CNB.

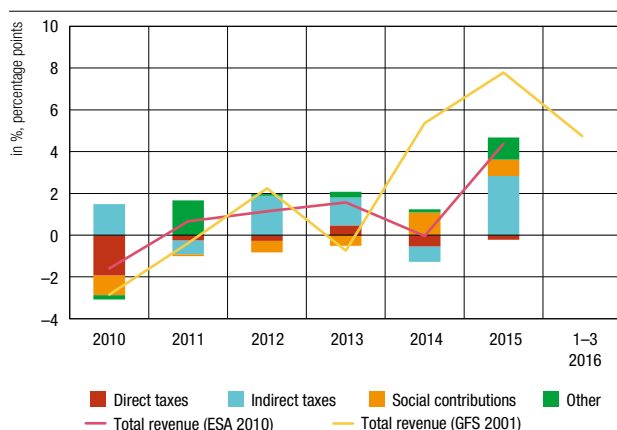
9 Public finance

MoF data indicate that favourable developments continued from 2010 to the first quarter of 2016. In addition to ongoing economic growth, which made a positive impact on revenue dynamics, these trends were supported by expenditure cuts. As the general government balance is expected to show further improvement under such conditions, the deficit could, for the first time in a number of years, fall below 3% of GDP in 2016. The nominal general government deficit for 2016, planned in the Convergence Programme of the Republic of Croatia for the Period 2016 – 2019, is 2.6% of GDP, which is 0.6 percentage point less than in 2015. The deficit target is in line with the requirements for 2016 under the excessive deficit procedure (2.7% of GDP). However, according to the assessment of the European Commission, the debt criterion is not going to be met.

Revenues and expenditures

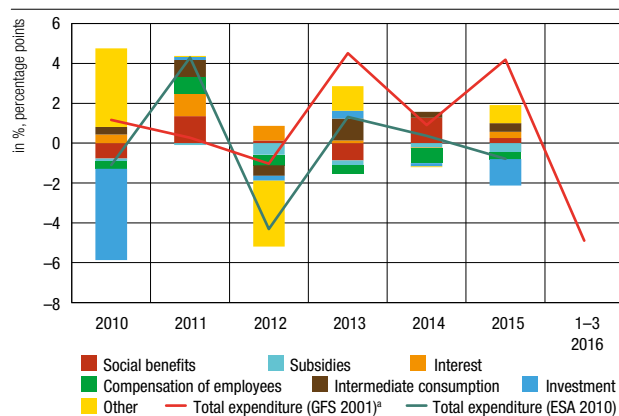
As shown by cash MoF data for the consolidated central government, favourable developments continued in the first three months of this year. Tax revenues continued to increase annually, with the increase mainly driven by excise revenue growth, attributable to favourable personal consumption developments and the whole-year effect of increases in excise duties on tobacco and refined petroleum products from 2015. In contrast, VAT revenues dropped despite favourable household consumption trends in consequence of the rise in tax return refunds, as shown by available data. Furthermore, revenues from social contributions increased sharply, reflecting favourable labour market developments, most importantly, wage growth. MoF data also point to a sharp increase in revenues from international organisations, which may be related to growing transfers from the EU budget. However, under ESA 2010 these transfers have no influence on the deficit as the same amount of funds is recorded in parallel on the expenditure side of the budget. The so-called other revenues were down considerably, partly due to the base effect related to the deferred allocation of the CNB profit to the government budget. However, the decrease also appears to have resulted from the fact that the 2016 data still do not include a part of own and earmarked revenues and corresponding expenditures of some budgetary users.

Figure 9.1 Consolidated general (ESA 2010) and central government revenue (GFS 2001)
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: Eurostat and MoF (CNB calculations).

Figure 9.2 Consolidated general (ESA 2010) and central government expenditure (GFS 2001)
year-on-year rate of change and contributions



^a Includes net acquisition of non-financial assets.

Note: Structural columns show the contributions of individual expenditure categories to the change in total expenditure presented according to the ESA 2010 methodology.

Sources: Eurostat and MoF (CNB calculations).

The analysis of expenditure trends based on MoF data is made considerably more difficult due to the already mentioned fact that the data for the first quarter of 2016 still exclude part of the expenditures of some budgetary users. In addition, the reporting methodology for wages and some forms of compensation paid to primary and secondary school employees has also been changed as these items are no longer classified as employee compensation, but as grants to the local government because primary and secondary schools are budgetary users of local and regional self-government units.

Given the above, MoF cash data seem to point to a decrease in revenues in the first quarter of this year, probably to some extent due to temporary financing in force at the time. Interest expenditures dipped from the previous year thanks to favourable financial market conditions and a decrease in yields on new issues of public debt instruments.

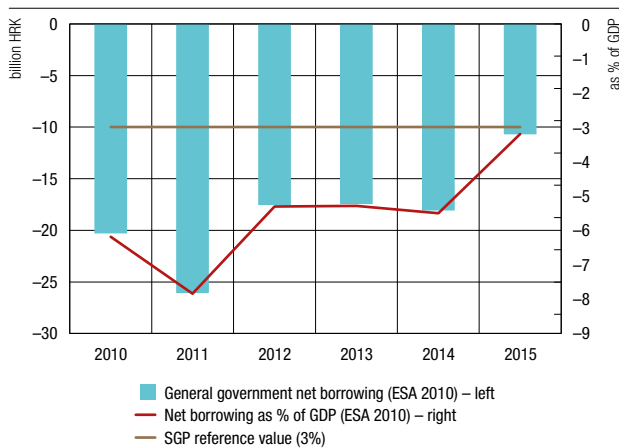
Deficit and debt

Consolidated central government net borrowing (GFS 2001) amounted to HRK 2.6bn in the first quarter of 2016, with the result that the deficit decreased by HRK 3.2bn on an annual basis. Available fiscal data indicate that the general government deficit under ESA 2010 could amount to approximately HRK 2.0bn in the first quarter of 2016.

The funds required for the financing of the deficit and liabilities falling due in the first quarter of 2016 were mainly raised by a HRK 4bn worth ten-year government bond issue in the domestic capital market, with a yield at issue of 3.99%, and by borrowing through T-bills. However, total general government debt declined in absolute terms in the first three months of 2016 from the end of 2015 due to the appreciation of the kuna/euro exchange rate; the decrease in the relative debt indicator was also caused by GDP growth.

General government will have to refinance about 16% of GDP worth of liabilities at the 2016 level, with about half of this amount falling due in the second half of 2016. The bulk of refinancing needs in the second half of the year includes liabilities on long-term securities, including T-bills in the amount of EUR 1.2bn, maturing in August, and a domestic bond (HRK

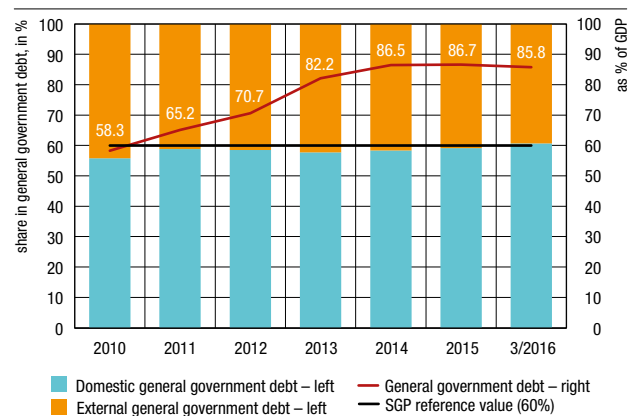
Figure 9.3 Consolidated general government balance (ESA 2010)



Note: SGP – Stability and Growth Pact.

Source: Eurostat (CNB calculations).

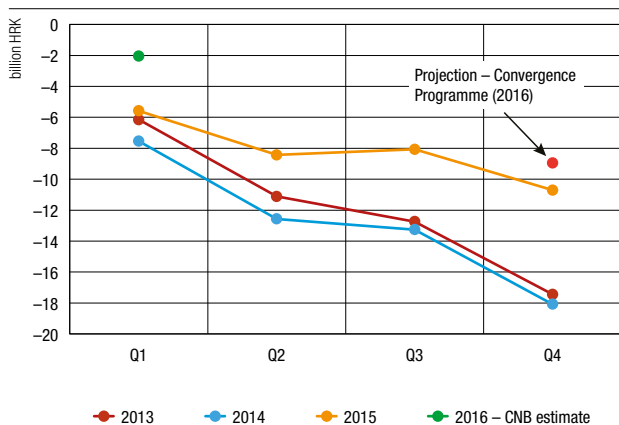
Figure 9.5 General government debt end-period stock



Note: Nominal GDP calculated as the sum of GDP for the first quarter of 2016 and the last three available quarterly data was used for the calculation of the relative indicator in 2016.

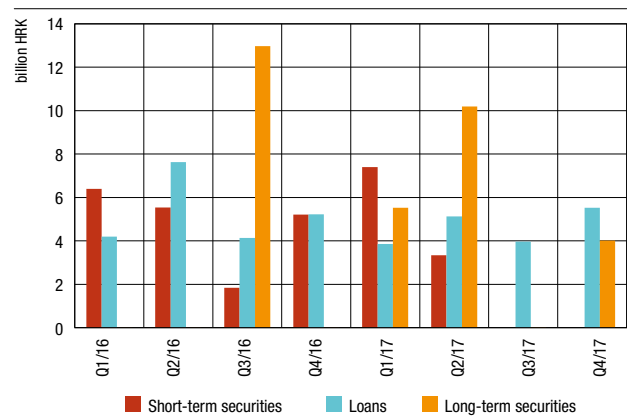
Source: CNB.

Figure 9.4 General government cumulative balance by quarters (ESA 2010)



Sources: Eurostat and MoF (CNB calculations).

Figure 9.5 Projection of general government debt maturity



Note: Projection of the repayment of short-term and long-term securities is based on the balances as at 30 June 2016 and projection of the repayment of loans on the balance as at 31 March 2016.

Source: CNB.

3.5bn) maturing in July. A fiscal sustainability analysis shows that short-term and long-term risks to public finances are low, but medium-term risks appear to be high (for more details see

Box 5 Assessment of risks to fiscal sustainability in the Republic of Croatia).

10 Deviations from the previous projection

Real GDP could grow by 2.3% in 2016, which is a significant upward revision from the previous official projection of a 1.8% growth. The revision mainly resulted from much better than expected results achieved in the first quarter of 2016. As regards domestic demand components, personal consumption was revised the most due to a sharp annual increase (3.1%) in the first quarter of this year and expectations of further quarterly growth amid trends in the labour market that were better than projected in December. Gross fixed capital formation could also increase slightly faster than expected due to improved results in the first quarter of 2016, both in relation to the previous three months and on an annual basis. Government consumption growth was also revised upwards, although the expected contribution to overall economic developments in 2016 remained almost neutral. Given a higher than expected increase in goods and services exports, foreign demand could this year again make

the largest positive contribution to economic growth. Finally, taking into account import dependency, a higher increase in exports and strong growth in domestic demand, imports could grow at a rate higher than expected. Accordingly, in contrast with the previous projection, the contribution of net exports to overall economic growth under this projection could be slightly negative.

Real GDP growth for 2017 was also revised slightly upwards. The changes made from the previous projection mostly reflected revisions of real GDP growth in 2016. The largest revision was for gross fixed capital formation, which could make a positive contribution to economic growth close to that made by personal consumption. The expected acceleration in investment activity is to a large extent related to government investment growth. Personal consumption was also revised upwards due to the high growth rate in early 2016 and favourable expectations in the labour market related to the growth of employment and real net wages. As a result of these revisions, an upward revision was made to total imports of goods and services. The dynamics of other aggregate demand components remained almost the same as in the December projection.

The average annual inflation rate could hover around –0.9% in 2016, which is 1.8 percentage points lower than in the projection from December 2015. 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 addition, the average annual rate of change in food prices was reduced from the previous projection, primarily due to a stronger spillover effect of the reduction of raw material prices on the consumer prices of food products and surpluses in the EU market. The new inflation projection is also lower due to a slower than expected increase in the CPI excluding food and energy.

The 2016 current and capital account surplus, estimated at 3.6% of GDP, could be only slightly higher than projected in December 2015. On the one hand, the current and capital account balance was higher than expected in 2015. The estimate of the positive balance of net transactions with the EU budget was revised upwards, taking into account the improved results of last year, indicating a higher net inflow to the secondary income and capital transactions accounts. On the other hand, the primary account income deficit could be somewhat lower than projected in December, primarily due to lower interest expenses on the foreign liabilities of domestic sectors. Net exports of services are expected to increase on the back of growing revenues from tourism and other services. The favourable influence of the mentioned factors is to a large extent offset by a poorer outlook for foreign trade; while the assumed slight decrease in global crude oil prices contributes to a drop in net imports of oil and refined petroleum products, a much stronger effect is produced by the growth of the trade deficit in other goods resulting from a faster recovery of imports, under conditions of a higher economic growth, improved labour market conditions and better utilisation of the EU Funds.

The relative indicator of gross external debt is currently projected to improve more than expected and drop below 100% of GDP. The main cause of the decrease is a projected significant drop in total debt liabilities of domestic sectors, which were expected to stagnate in December. Government foreign liabilities could increase much less than previously estimated and other domestic sectors could additionally deleverage. In contrast with

Table 10.1 Deviations from the previous projection

	2016		
	Previous projection (12/2015)	Current projection	Deviation
National accounts (real rate of change, in %)			
GDP	1.8	2.3	0.5
Personal consumption	1.5	2.9	1.4
Government consumption	0.2	0.4	0.2
Gross fixed capital formation	2.4	2.9	0.5
Exports of goods and services	4.8	5.7	0.9
Imports of goods and services	4.4	6.6	2.2
Labour market			
Number of employed persons (average rate of change, in %)	0.7	1.5	0.8
Prices			
Consumer price index (average rate of change, in %)	0.9	–0.9	–1.8
External sector			
Current account balance (as % of GDP)	2.7	2.7	–0.1
Goods	–14.6	–15.5	–0.9
Services	17.9	18.0	0.1
Primary income	–3.1	–2.8	0.4
Secondary income	2.6	2.9	0.3
Current and capital account balance (as % of GDP)	3.5	3.6	0.1
Gross external debt (as % of GDP)	102.8	96.9	–5.8
Monetary developments (rate of change, in %)			
Total liquid assets – M4	3.3	3.4	0.1
Total liquid assets – M4 ^a	3.4	3.4	0.0
Credit institution placements	–0.2	–2.5	–2.3
Credit institution placements ^b	0.0	0.8	0.7

^a Exchange rate effects excluded. ^b Rates of change are calculated on the basis of data on transactions.

Source: CNB.

the previous projection, cross-currency changes could also cause a small decrease in debt, due to the assumption of the weakening of the US dollar versus the euro from the previous year. Although in a smaller measure, stronger nominal GDP growth also contributes to the decrease in the relative indicator of gross external debt.

Bank lending to the private sector is expected to recover in 2016. Excluding the effects of write-offs and exchange rate changes, placements could rise by 0.8% in 2016, which is an upward revision from the previously projected stagnation. This is primarily due to the expected recovery of corporate lending and a drop in household deleveraging in line with positive results in the first five months of the current year. On the other hand, placements decreased by 2.5% in nominal terms in 2016,

primarily due to the write-off of household placements related to the conversion of Swiss franc indexed loans and write-offs relating to the sale of non-performing placements, which is a considerable upward revision from the previous projection (–0.2%) due to the fact that most of the effect of conversion-induced write-offs was expected to be recorded in 2015.

The growth in net foreign assets and total liquid assets (M4) remained unchanged from the previous projection at 3.4% (excluding the exchange rate effect). It should be taken into account that the slowdown in the broadest monetary aggregate from 2015 resulted from its sharp increase in the previous year, caused by a one-off inflow of funds from the sale of TDR to a foreign investor, nominal net wage growth arising from changes in taxation and a good tourist season.

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	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Croatian National Bank (July 2016)	1.6	2.3	2.5	1.2	2.9	2.5	1.6	2.9	6.1	9.2	5.7	5.5	8.6	6.6	6.7	-	-	-	-0.5	-0.9	1.2
World Bank (June 2016)	1.6	1.9	2.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
European Commission (May 2016)	1.6	1.8	2.1	1.2	1.7	2.0	1.6	2.6	3.4	9.2	5.7	4.2	8.6	5.8	4.7	-	-	-	-0.3	-0.6	0.7
Eastern Europe Consensus Forecasts (May 2016)	1.6	1.6	1.8	1.2	1.4	1.5	1.6	2.1	3.0	-	-	-	-	-	-	2.7	3.5	3.0	-0.5	-0.5	1.1
Raiffeisen Research (May 2016)	1.6	1.5	1.5	-	-	-	-	-	-	10.1	6.5	5.2	8.6	4.5	4.5	2.6	3.0	3.4	-0.5	-0.6	1.5
European Bank for Reconstruction and Development (May 2016)	1.6	1.5	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ministry of Finance ^a (April 2016)	1.6	2.0	2.1	1.2	1.8	1.8	1.6	2.5	3.2	9.2	5.2	5.5	8.6	4.7	5.3	-	-	-	-0.5	0.1	1.4
International Monetary Fund (April 2016)	1.6	1.9	2.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.5	0.4	1.3
The Institute of Economics, Zagreb (March 2016)	1.6	1.5	1.8	1.2	1.4	1.5	1.6	1.9	3.0	9.2	3.6	3.7	8.6	3.2	3.4	2.7	-	-	-0.5	0.1	1.9
HAAB Economic Research (March 2016)	1.6	1.0	1.5	1.2	0.9	1.0	1.6	2.5	3.8	8.8	3.5	3.5	7.0	4.2	4.0	2.7	2.7	3.0	-0.5	-0.5	1.4

^a Convergence Programme of the Republic of Croatia for the period 2016–2019.

Sources: Publications of the respective institutions.

12 Boxes

Box 1 Household savings rate

The household savings rate in Croatia had been falling steadily in the period leading up to the crisis, influenced by a relatively fast growth in disposable income, a fall in the unemployment rate and generally favourable household expectations regarding the future, as well as relatively easy access to bank loans. With the onset of the crisis, the savings rate more than doubled and has held steady at the high level of approximately 12% until this day. The growth in the savings rate in Croatia was one of the fastest in the EU.

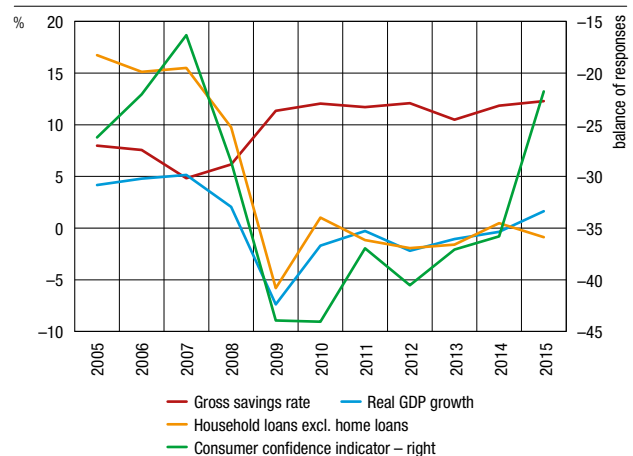
The household savings rate is the share of disposable household income which has not been used for personal consumption. The Eurostat national accounts data for Croatia which enable the calculation of this rate have become available only recently.

Before the outbreak of the crisis, the household savings rate in Croatia was marked by considerable decline (Figure 1), having fallen from 8% in 2005 to 4.8% in 2007. The same period saw a relatively fast growth in disposable household income (primarily income from labour), optimistic household expectations regarding the future while fast household borrowing paved the way for faster growth in personal consumption than in household disposable income. However, the trend reversed with the onset of the economic crisis and soon, in 2008, as a result of a sharp fall in the prices of shares on the capital market which had an impact on the financial assets of households, the savings rate started to rise. By 2010, the savings rate had more than doubled from 2007 and stood at 12%, holding steady at this high level until 2015 (12.3%). The growth in the savings rate was achieved in the conditions of slow growth in the disposable income of households (with compensations of employees falling slightly while the fall in the disposable income was fended off as a result of an increase in mixed income distributed to a relatively small number of employees), fall in household optimism due to unfavourable developments in the labour market and general

insecurity regarding economic outlooks and household deleveraging, which led to a fall in personal consumption. The savings rate might pick up slightly in the current year too, though at a slower pace than in the previous years. Provided favourable cyclic developments continue, the upward trend in the savings rate might possibly reverse, however, over a medium term, the savings rate is not expected to return to its pre-crisis period.

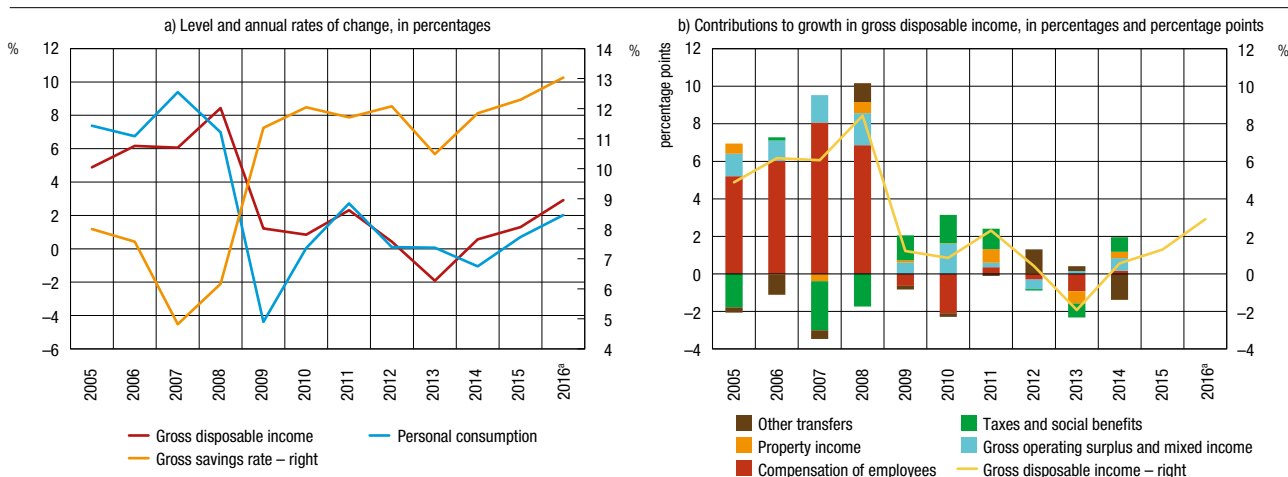
At the level of the whole of the European Union, Croatia stands out as the country with the fastest growing savings rate compared to the pre-crisis period. Despite differences in the levels between countries¹, in the past ten years, similar changes were observed in the savings rates at the EU level as a whole

Figure 2 Determinants of the savings rate in Croatia



Sources: Eurostat, CNB and Ipsos.

Figure 1 Savings rate, personal consumption and disposable household income

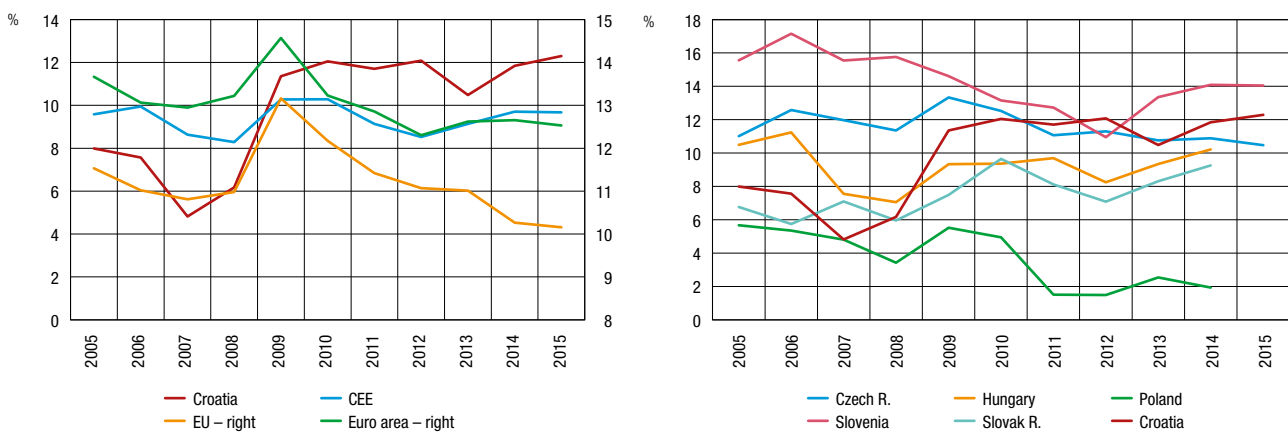


^a CNB projection.

Sources: Eurostat and CNB.

1 The level of the national savings rates is also influenced by numerous country-specific factors such as level of social security provided by the state, demographic developments, income distribution, length of working years, access to borrowing, etc.

Figure 3 Gross savings rate in Croatia and selected EU countries



Notes: CEE countries include the Czech Republic, the Slovak Republic, Hungary, Poland, Slovenia and Croatia. For CEE countries for which no data on the savings rate in 2015 are available, the 2014 data have been used to calculate the average.

Sources: Eurostat and CNB.

and in Croatia's peer countries (Figure 3). In the peer Central and Eastern European countries, the period leading up to the crisis was marked by a fall or stagnation (the Czech Republic and the Slovak Republic) in the savings rate, with Croatia recording the lowest savings rate, alongside Poland. However, the savings rate increased with the onset of the crisis in 2009 in all the countries except Slovenia where the share of savings in disposable income decreased until mid-2012 when, after problems emerged in the Slovene banking sector, the economy went into recession and consumer confidence plummeted, the savings

rate started growing. However, Croatia, together with the Slovak Republic is the only country in which, after a sharp increase in 2009, the savings rate, with slight annual variations, held steady at a much higher level than in the period up to 2007. By contrast, in the Czech Republic and in Poland, which had the lowest savings rate of all peer countries, the savings rate, after a one-off increase in 2009, continued to fall, having fallen by 2015 below the pre-crisis period level. The level of the savings rate in Croatia in 2015 was similar to that in the countries such as Germany and the Netherlands.

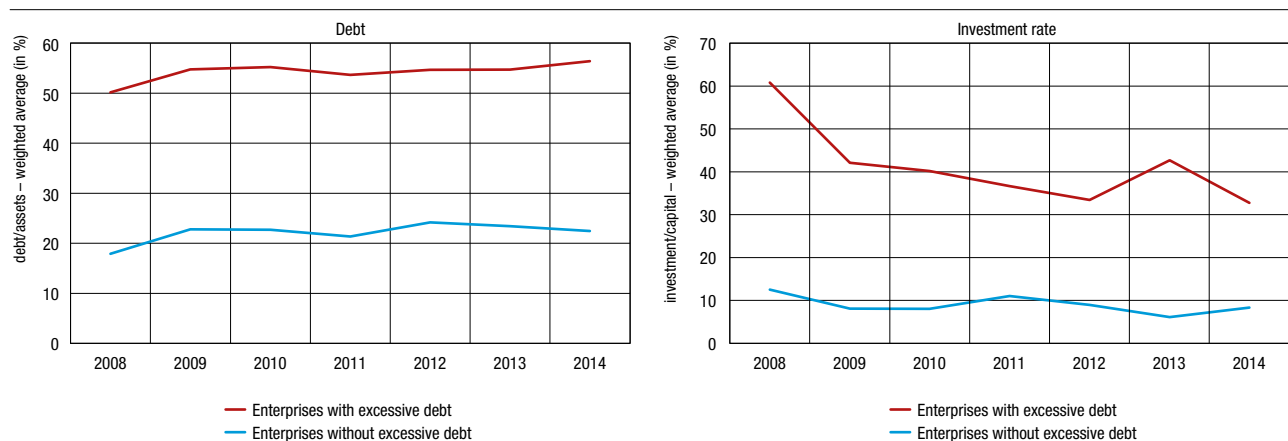
Box 2 Effect of excessive corporate debt on investment activity in Croatia¹

In the period from 2008 to 2014, over-indebted enterprises reduced their investment activities more sharply than enterprises that did not carry a burden of excessive debt. The unfavourable effect of excessive debt on investments was particularly seen by

exporters, private enterprises and enterprises in domestic ownership. Further deleveraging efforts of enterprises might limit the investment activity of enterprises in the future as well.

The total unconsolidated debt of non-financial corporations

Figure 1 Debt and investment activity of non-financial corporations in Croatia



Note: The weighted averages for an individual year were calculated as the sum of debt (investment) of all enterprises in the group divided by the sum of assets (capital) of all enterprises in the group.

Source: Amadeus.

¹ This Box is based on the results of survey conducted by Martinis, A., and I. Ljubaj (2016): *Corporate Debt Overhang in Croatia: Micro Assessment and Macro Implications*, presented at the 22nd Dubrovnik Economic Conference organised by the CNB.

Table 1 Results of the panel model of the estimated investment equation

Determinants	Basic (linear) model	Extended model for testing asymmetric effects of debt
Investment rate ($INV_{i,t-1}$)	-0.001	-0.001
Change in sales income ($\Delta \log S_{i,t-1}$)	0.177**	0.170**
Total assets ($\log(A_{i,t-1})$)	-1.668***	-1.634***
Debt/assets ($D_{i,t-1}$)	-1.906***	
Debt/assets – enterprises with excessive debt		-2.369***
Debt/assets – enterprises with excessive debt		-1.077***

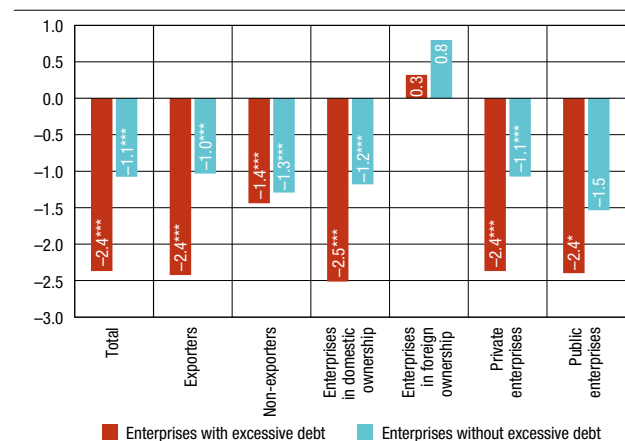
Notes: The models were estimated using the generalised method of moments or GMM method) in accordance with Arellano and Bond (1991). The instruments are dependent variables with two and three time lags. All regressions pass the Hansen test for overidentifying restrictions, and there is no evidence of second-order autocorrelation in residuals (based on the Arellano-Bond test). The models include fixed effects for enterprises and years.

Source: Author's calculation.

in Croatia at the end of 2014 stood at 100% of GDP. Although almost one third of this debt was estimated as excessive², there was no expected deleveraging during the crisis. Looking at the 2008 to 2014 period, the corporate sector debt to GDP ratio rose by almost 19 percentage points, and if measured by the share of debt in corporate assets, the debt increased in both over-indebted enterprises and even those without excessive debt witnessed increased debt (Figure 1, left) At the same time, over-indebted enterprises rolled back their investments more strongly than those without excessive debt (Figure 1, right). The rate of investments in over-indebted enterprises fell by almost one half (-46%) and those in other enterprises by one third (-33%).

An econometric analysis of the effects of enterprises' over-indebtedness on their investment activity was conducted by means of an estimation of the investment equation using panel data by enterprises for the 2009 to 2014 period.³ Given key theoretical determinants of investments, such as income from sales (which represent an enterprise's growth potential) and total assets of enterprises (which represents the size of an enterprise), the investment equation also includes corporate debt indicators. To test the asymmetry of the impact of over-indebtedness on investments, or whether over-indebted enterprises have indeed rolled back their investments more strongly than enterprises without excessive debt, the investment equation is additionally extended for dummy variables interacting with the debt variable and showing whether a corporation is over-indebted or not⁴.

Table 1 shows the results of the estimate of the basic and the extended investment model. The results indicate that corporate debt had a statistically significant negative effect on the investment rate during the crisis. The results of the extended model support the assumption that over-indebted enterprises rolled back their investment activity during the crisis much faster than those that were not over-indebted. The statistically significant negative value of the coefficient associated with debt is twice as high for over-indebted enterprises (-2.4) than for those that are

Figure 2 Estimated coefficients of the effect of debt on the investment rate depending on the type of ownership and participation in exports of enterprises

Note: The marks *** and * represent the statistical significance of the estimated coefficients at the level of 1% and 10%.

Source: Author's calculation.

not over-indebted (-1.1). The confirmed negative effect of over-indebtedness on investments is in line with other findings using a similar approach to estimate this effect in other groups of countries⁵.

To find out if corporate investment activity was falling at different rates depending on the characteristics of an enterprise, estimates of the investment equation were made, classifying enterprises based on their share in exports (exporters and non-exporters) and type of ownership (domestic and foreign enterprises and private and public enterprises). The results have shown that investments of exporters, private enterprises and enterprises in domestic ownership are more sensitive to over-indebtedness than other enterprises (Figure 2). The much more detrimental effect of debt on investments in these groups can partly explain why exporters and domestic private enterprises carry a smaller excessive debt burden. For instance, over-indebted exporters have a twice as high negative coefficient associated with debt than exporters who are not over-indebted (-2.4 and -1.0, respectively), while in the case of non-exporters, there is no statistically significant difference between the estimated coefficients of over-indebted and other non-exporters. Such results are in line with the assumption that exporters are exposed to tougher competition and faced with growing debt are not able to finance the growing burden of repayment through increased prices but are forced to roll back their investments.

As regards ownership types, the results indicate that foreign-controlled enterprises were the only enterprises in which the level of debt did not have a significant effect on investments and this holds true equally for over-indebted enterprises and those which are not over-indebted. This is due to the fact that foreign-owned enterprises are largely directly financed by their foreign owners and such financing usually does not depend exclusively on the performance of the debtors but also on the business strategy of the owners and investment decisions at group level.

In conclusion, the results of the econometric panel model

² For more details, see CNB Bulletin, No. 220, Box 5 Debt sustainability of non-financial corporations, December 2015.

³ The annual data from the financial reports of 21 339 enterprises were used.

⁴ The extended investment equation model is as follows:

$INV_{i,t} = \alpha_i + \beta INV_{i,t-1} + \gamma \Delta \log S_{i,t-1} + \delta \log(A_{i,t-1}) + \bar{\sigma} D_{i,t-1} \times 1\{\text{enterprises with excessive debt}\} + \sigma D_{i,t-1} \times 1\{\text{enterprises without excessive debt}\} + \varepsilon_{i,t}$, where INV is an investment to capital ratio, S is annual sales income, A is the value of the total assets and D is the total debt to total assets of an enterprise ratio.

⁵ Jaeger, A. (2003): *Corporate Balance Sheet Restructuring and Investment in the Euro Area*, IMF Working Paper No. 03/117; Rodríguez-Palenzuela, D., and S. Dees (2016): *Savings and Investment Behaviour in the Euro Area*, ECB Occasional Paper No. 167; Goretti, M., and M. Souto (2013): *Macro-Financial Implications of Corporate (De)Leveraging in the Euro Area Periphery*, IMF Working Paper No. 13/154.

have confirmed that the problem of high debt level of non-financial corporations in Croatia hinders investment growth, and that this negative effect is greater with rising levels of corporate debt, i. e. more unsustainable corporate debt. Given the magnitude of the issue of over-indebtedness in Croatia and the absence of

corporate deleveraging in the previous years, these results signal that the problem of over-indebtedness could have negative effects on the recovery dynamics of the Croatian economy over a medium term.

Box 3 Assessment of the effects of changes in indirect taxes on inflation

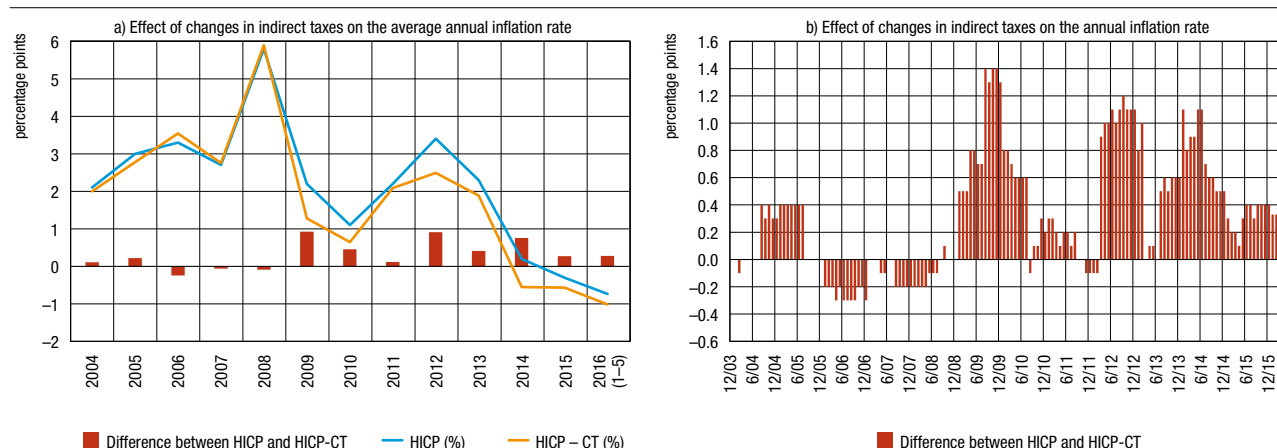
Changes in indirect taxes are commonly regarded as a significant source of one-off changes in consumer prices which result in a temporary change in the annual rate of inflation. In the period from 2009 to May 2016, the effect of changes in indirect taxes on inflation was on average higher in Croatia than in the European Union (0.5 and 0.2 percentage points, respectively). The mentioned effect was most pronounced in Croatia in 2009 and 2012, fuelled, among other things, by a higher basic VAT rate and in both years stood at 0.9 percentage points.

Changes in indirect taxes are, alongside changes in raw material prices, one of the most significant sources of one-off changes in the consumer price index, leading to a temporary change in the annual rate of inflation. It follows therefore, that changes in indirect taxes lead to “noise” in inflation developments data. It is important that monetary policy makers determine the extent to which developments in inflation over a certain period are greatly influenced by temporary factors that cannot be controlled. To enable an estimate of the effect of this “noise” on inflation in EU member states, Eurostat, in cooperation with the ECB, developed its *HICP at constant tax rates* or short, *HICP-CT*.¹ The difference between the rate of change of the total HICP and HICP-CT points to a potential effect of changes in indirect taxes on price changes. In the calculation of HICP-CT in a given year, tax rates are kept constant at the previous year's December level and the same methodology is used (range of products, weights, aggregation, etc.) as in the calculation of HICP. Indirect taxes comprise value added tax, excises on alcohol, tobacco and refined

petroleum products and special taxes on certain goods and services, such as cars, insurance, games of chance, etc. The calculation of the harmonised index of consumer prices at constant tax rates is based on the assumption that changes in indirect tax rates are immediately and fully transferred to the prices, to enable regular monthly publication of the index. In reality, the transfer of changes in indirect taxes on prices is, in general, somewhat slower and depends on the factors associated with the phase of the business cycle, the degree of market competition, demand elasticity, etc. So, for instance, producers or retail traders may partly mitigate price growth fuelled by increased taxes by cutting their profit margins. Therefore, one should bear in mind the fact that the difference between the rate of change in total HICP and HICP-CT points to the upper limit of the effect of changes in indirect taxes on total consumer price inflation.

As shown in Figure 1, the effect of changes in indirect taxes on inflation in Croatia in the 2004 to 2008 period, calculated according to the difference between the average annual rate of change in the total HICP and HICP-CT, was relatively small and fluctuated within a range of ± 0.2 percentage points. The average annual rate of growth in the total HICP from 2006 to 2008 was even slightly slower than the growth in the HICP-CT, due to a reduction in indirect taxes on certain products², a not so frequent development. By contrast, fiscal consolidation measures taken during the recession period in Croatia, and particularly during 2009 and 2012 when, among others, the basic VAT rate³ was raised, made a significant positive contribution to the average

Figure 1 Effect of changes in indirect taxes on inflation in Croatia measured by the harmonised index of consumer prices



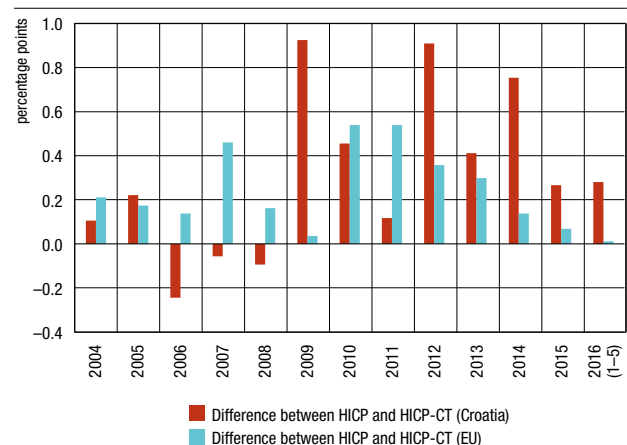
Sources: Eurostat and CNB calculations.

- 1 Eurostat started publishing HICP-CT in October 2009, with the series for most EU member states being calculated as from December 2002. The series for Croatia started being published in early 2016. For more details on the calculation of HICP-CT, see: http://ec.europa.eu/eurostat/documents/272892/272986/HICP-CT_manual_2009.pdf/cc914f3f-ac65-43c8-85ec-f76ed5819122.
- 2 So, for instance, in 2006, a lower VAT rate of 10% was introduced on accommodation and food services in tourism and on agency commission on these services. In 2007, the use of the lower 10% VAT rate was extended to apply to newspapers and magazines.
- 3 The basic VAT rate was raised from 22% to 23% in August 2009. Excises on duties on tobacco products were also raised considerably in 2009. In March 2012, the basic VAT rate was raised by 2 percentage points to 25%.

annual rate of overall consumer price inflation. The effect of changes in indirect taxes on inflation in both years is estimated to stand at 0.9 percentage points. In 2013, administrative decisions effecting compliance with EU regulations (repealing the zero VAT rate and increasing excise taxes on tobacco) fuelled overall inflation. In addition, the increase in indirect taxes in 2014, when the lower VAT rate was raised from 10% to 13% and an increase in excise duties on refined petroleum products and tobacco, made a very strong contribution to the average annual consumer price inflation (0.8 percentage points). The effect of changes in indirect taxes on inflation in Croatia started to lessen from mid-2014 and disappeared in May 2016, when the annual rate of change in the total HICP and HICP-CT became equal (Figure 1.b).

During the last recession, many European Union countries were, faced with the problem of rising fiscal deficits, forced to raise VAT and other indirect taxes to increase budget revenues. To improve competitiveness, some countries also attempted to cut direct and raise indirect taxes, with a neutral effect on tax revenues⁴. This fuelled inflation, particularly between 2010 and 2013, when the maximum effect of changes in indirect taxes on the average annual rate of inflation in European Union ranged between 0.3 and 0.5 percentage points (Figure 2). In the past two and a half years, the contribution of indirect taxes to total consumer price inflation in the European Union fell considerably. If the entire period following the outbreak of the crisis is observed, it is evident that the effect of indirect taxes on total

Figure 2 Comparison of the effects of changes in indirect taxes on the average annual rate of inflation in Croatia and the European Union



Sources: Eurostat and CNB calculations.

inflation was on average greater in Croatia than in the European Union (0.5 and 0.2 percentage points, respectively).

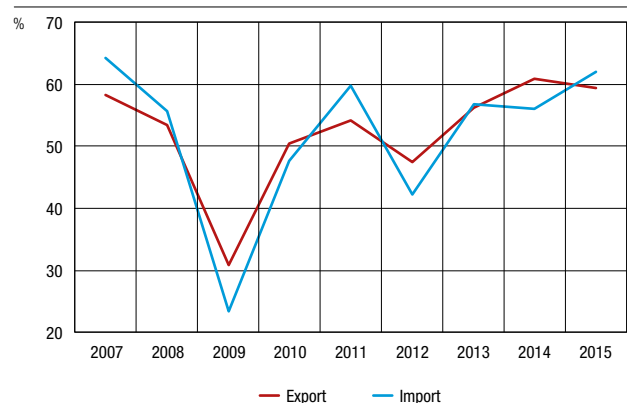
Box 4 Changes in the dynamics and structure of Croatian goods exports since entry into the EU

Croatia's goods exports since accession to the EU have been very dynamic, widely diffused across a large number of products and mostly focussed on the European Union market. The importance of medium-sized and small enterprises in total export results is growing. There are also changes in the production structure of goods exports, with a growing, though still small, share in higher value-added products which also witness a pronounced growth in intra-industry trade.

The Croatian economy has undergone positive changes in the past three years, as seen in an ever increasing orientation of domestic producers to foreign markets. This is also confirmed by data on the sale of industrial products on the domestic and foreign markets showing that the growth in industrial production, present since end-2013, was determined primarily by foreign sales as well as by data on the average increase in goods exports of approximately 10% in the past two years. The diffusion index of exports growth also shows an increase in the number of products or sectors with rising exports. Namely, the share of products in the total number of approximately 3 000 production categories at 5-digit level of the Standard International Trade Classification (SITC 5) which has been rising steadily since the accession to the EU stood at almost 60% in 2015, a slight increase from the year prior to the crisis. Imports also saw a widely diffused growth (Figure 1).

The recovery in exports was driven by a considerable acceleration in demand growth for imports in some of the major Croatian trading partners, such as Italy, Slovenia or Austria, but even more by changes in trading terms with EU countries following Croatia's accession to the European Union, which facilitated

Figure 1 Developments in the diffusion index of the Croatian goods exports/imports growth



Note: Diffusion in exports (imports) growth is defined as the ratio between the number of products with a positive annual rate of change in exports (imports) and the total number of export (import) products (on 5-digit SITC level of aggregation).

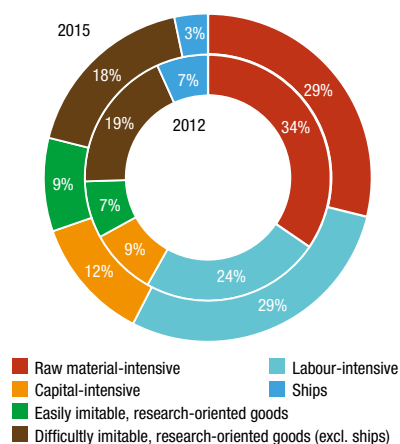
Sources: CBS and CNB calculations.

trading procedures with other member states for Croatia, and in turn helped and accelerated exports. For example, the average number of days to expedite exports¹ fell to 16 days in 2014, from 20 days needed in 2012 and as many as 26 days in 2005. However, this is still below the EU average of 12 days, with poorer performance than that in Croatia being observed only in Hungary, the Czech Republic, Bulgaria and Italy. EU membership also

⁴ In the wake of the outbreak of the financial crisis, the standard VAT rate rose the most (4 percentage points and more) in Greece, Spain, Cyprus, Hungary and Great Britain. Fiscal devaluation was made in France and Spain.

¹ Source: World Bank, <http://data.worldbank.org/indicator/IC.EXP.DURS>.

Figure 2 Goods exports by production categories
as % of total exports



Raw material-intensive goods: food products, raw materials, mineral fuels, animal and vegetable oils, etc.

Labour-intensive goods: textile, clothing and footwear, furniture, cork and wood, fabricated metal and non-metal products, etc.

Capital-intensive goods: electricity, road vehicles, iron and steel, beverages and tobacco, etc.

Easily imitable, research-oriented goods: medical and pharmaceutical products, organic and chemical products, plastics in non-primary forms, office machinery, telecommunication apparatus, etc.

Difficultly imitable, research-oriented goods: ships, electrical appliances, office machinery, scientific instruments, plastics in primary forms, etc.

Sources: CBS and CNB calculations.

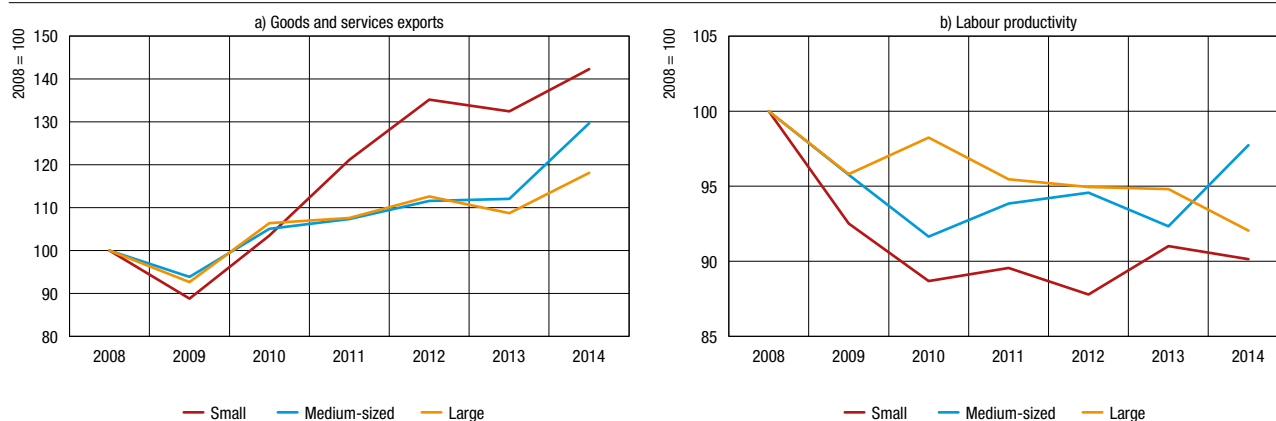
meant the application of the common EU customs tariff policy, which led to the termination of all the existing free trade agreements that Croatia was a party to, the most significant being the Central European Free Trade Agreement (CEFTA). As a result, in contrast with the fast growth in trade with EU member states, the loss of a preferential status in trade with CEFTA countries had an unfavourable impact on exports to these countries, and a shift in trade directions was also witnessed in trade with third countries (see Figure 6.3 of chapter Foreign trade and competitiveness).

The analysis of changes in the market share of Croatian goods exports made by the European Commission² shows that exports growth was widely diffused in the past two years across smaller and more dynamic sectors, spurred by exports of a larger number of newer products, particularly to EU member states. This also led to changes in the structure of goods exports (Figure 2), with a rising share of easily imitable research-oriented goods (particularly medical and pharmaceutical products, plastics in non-primary forms and telecommunication apparatus)

and capital-intensive goods (most notably electricity and road vehicles). By contrast, the share of difficultly imitable, research-oriented goods fell considerably, driven particularly by a fall in the exports of ships. In its analysis, the European Commission concluded that it was “positive that a rising share of goods exports involves less price-sensitive production and probably higher added value, although the share of raw material-intensive and labour-intensive goods remains considerable”. The share of labour-intensive goods in the structure of exports increased partly due to growing repairs and processing activities.

There are also visible changes in the structure of export enterprises, with medium-sized and small enterprises growing in importance. Namely, in most countries, and particularly in small and open economies, exports are concentrated in a small number of enterprises. This is confirmed by the results of the *CompNet* research network of the ECB, according to which the average share of the 10 largest exporters in total Croatian goods and services exports between 2002 and 2014 stood at 30% on average and did not differ greatly from that of Central and Eastern

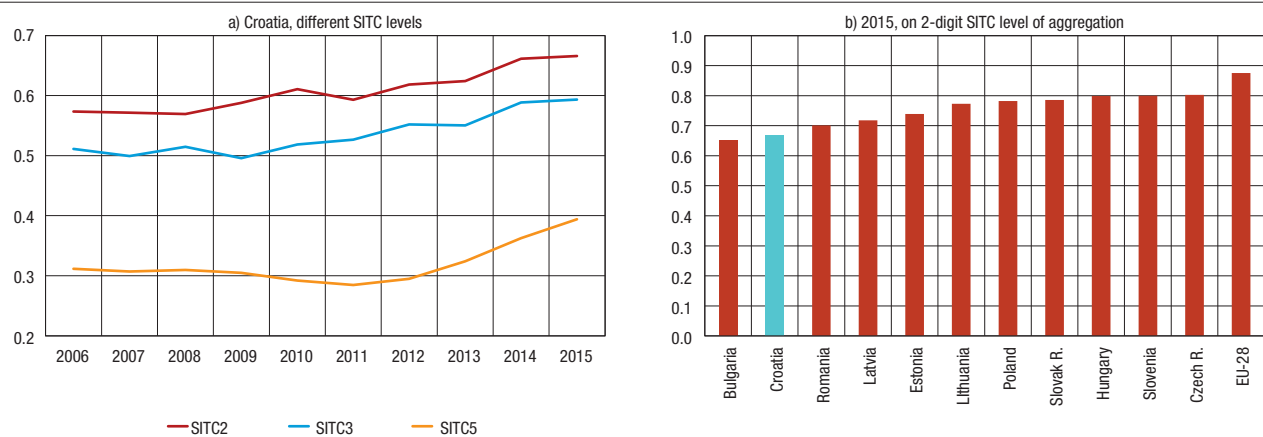
Figure 3 Exports and labour productivity by size of enterprise



Note: Labour productivity is based on value added per employee. On average, small enterprises have up to 50 employees, medium-sized between 50 and 250 and large enterprises over 250 employees.

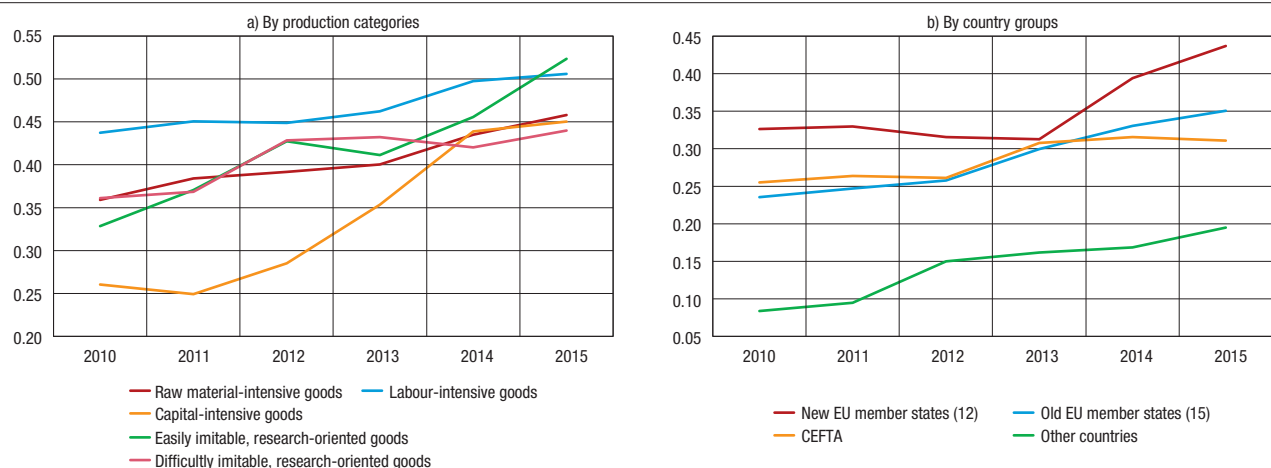
Sources: CompNet, ECB and CNB.

Figure 4 Intra-industry trade Gruber-Lloyd index



Sources: CBS and CNB calculations.

Figure 5 Disaggregated intra-industry trade Gruber-Lloyd index



Note: Gruber-Lloyd indices have been calculated for individual production categories/country groups, disaggregated on 5-digit SITC level of aggregation.
Sources: CBS and CNB calculations.

European countries³. However, the last years of the observed period saw a fall in the share of the largest exporters and a small growth in the importance of medium-sized and small enterprises in total export results. It was exactly these enterprises that witnessed a faster and stronger recovery in exports than large enterprises (Figure 3.a). In addition, these enterprises, particularly medium-sized enterprises, had a more powerful impact on the developments in total labour productivity in Croatia, in the wake of its entry into the EU (Figure 3.b).

Following Croatia's entry into the EU, the links between changes in exports and imports grew stronger. Among goods that contributed the most to growth in exports those that also contributed the most to growth in imports are often found, such as trade in electricity, clothing, road vehicles and miscellaneous

manufactured articles. The usual positive correlation between developments in imports and exports may be explained by various factors such as dependence of exports on imports, transit trade (transit of goods through Croatia or import of goods for future re-export, generating profit on price differences) and processing activities; the increase in this correlation in the past few years was fuelled by liberalisation in the electricity trade, in addition to faster dynamics of the existing factors.

Stronger links between developments in exports and imports may point to a rising intra-industry trade⁴, i. e. the trade in goods from the same industry, which is as a rule more significant in the trade in more sophisticated goods and more to be found in the foreign trade of more open and developed countries. The Grubel-Lloyd index⁵, the most frequently used measure of intra-industry

³ The results of the CompNet research network (ECB) are available at: <https://www.ecb.europa.eu/pub/pdf/scpwps/ecbwp1788.en.pdf>.

⁴ Intra-industry trade may be vertical, i. e. exports and imports of goods at different stages of production (for instance, export of quality clothing and import of poorer quality clothing) and horizontal which comprises trade in the same goods of different characteristics (e. g. different car types).

⁵ The value of the Grubel-Lloyd index ranges between 0 (inter-industry trade exclusively) and 1 (intra-industry trade exclusively) and is calculated as:

$$GL_i = \sum_j \left(1 - \frac{|Ex_i - Im_j|}{Ex_i + Im_j} \right) \times \frac{f_i}{F}$$

where Ex_i is exports, Im_j imports, and f_i volume of trade in goods (exports + imports) in an individual sector i , and F volume (exports + imports) of the total goods trade, or its subaggregate for which the index is being calculated. The level of data disaggregation has a big impact

trade, shows that the degree of intra-industry trade in Croatia started growing strongly following the country's accession to the EU (Figure 4.a). However, it is still not as significant as in peer countries and is among the lowest of all EU member states (Figure 4.b), similar to that in Bulgaria and Romania.

Although intra-industry trade is usually the strongest in the trade in more sophisticated goods, in Croatia it is relatively high in the trade of labour-intensive goods (clothing, fabricated metal products, furniture and miscellaneous manufactured articles). However, in addition to these products, the share of intra-industry trade in easily imitable, research-oriented goods (medical and pharmaceutical products, plastics in non-primary forms and telecommunication apparatus) and capital-intensive goods

(electricity, road vehicles and essential oils and perfumes and toilet preparations) has been rising sharply since 2013 (Figure 5. a). Observed by partner countries, the strongest intra-industry trade during the observed period was seen in the trade with EU member states, particularly new member states and it has strengthened additionally since Croatia's entry into the EU, while that with non-EU member states and the countries of the region was the slowest (Figure 5.b). However, a detailed analysis shows that a relatively high significance and a sharp increase in the trade with new member states relates mostly to trade with Slovenia, which has seen a considerable increase in the past few years, particularly in the trade of electricity, electrical machinery, apparatus and appliances.

Box 5 Assessment of risks to fiscal sustainability in the Republic of Croatia

The results of the Fiscal Sustainability Report 2015, published by the European Commission earlier this year, show that the risks for fiscal sustainability in Croatia over a short and a long term are low but high over a medium term. The risks to fiscal sustainability remain high over a medium term even if much more favourable recent fiscal developments are taken into account, while the low risk assessed over a longer term is probably underestimated, since it is based on an optimistic assumption of a significant cut in expenditures for pensions.

The Fiscal Sustainability Report¹ is a document produced by the European Commission which provides assessments of short-term, medium-term and long-term risks to public finance sustainability in EU member states. These assessments take into account the fiscal impacts of population ageing, the results of which are shown in the Ageing Report – 2015. Both reports are made every three years.

The assessment of risks to fiscal sustainability is based on the calculation of three synthetic indicators (S0, S1 and S2) and the projected level and dynamics of general government debt under the baseline and different alternative and shock scenarios. The indicator S0 is a composite indicator pointing to short-term risks (within one year) to public finances. The indicators S1 and S2 point to risks to fiscal sustainability over a medium and long term. The S1 indicator shows additional fiscal adjustment compared to the baseline projection scenario² which would ensure a level of public debt of 60% of GDP by 2030, as envisaged by

the Stability and Growth Pact, while S2 shows the adjustment necessary to stabilise public debt over an indefinite time period.

The results of the Fiscal Sustainability Report show that all EU countries are characterised by low risk to public finances over a short term. The risks to public finances over a medium term are high in Croatia and another ten EU member states. Only five countries face high risks over a long term, while this risk is estimated to be low in Croatia (Table 1).

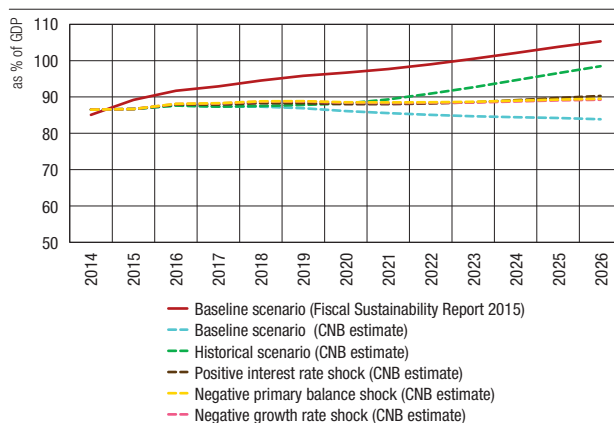
As regards medium-term developments, the high risks to public finances in Croatia are suggested by the projected dynamics and level of general government debt and high S1 indicator, which is the result of unfavourable initial fiscal position and a much higher level of debt compared to the benchmark value of 60% of GDP. The projected dynamics and level of debt over a medium term would be much more favourable if the latest available fiscal projections of the EC for Croatia were taken into account (Spring 2016) but the assessment of risk would not change (Figure 1). The value of the S1 indicator under the baseline scenario would fall below the benchmark level for high risk, but historical and shock scenarios would show that general

Table 1 Level of risk to fiscal sustainability over a short, a medium and a long term in EU member states

	Short term	Medium term	Long term
High risk		BE, IE, ES, FR, HR, IT, PT, RO, SK, FI, UK	SI, SK, FI, SE, UK
Medium risk		LT, HU, NL, AT, PL	BE, BG, CZ, LT, LU, MT, NL, AT, PL, RO
Low risk	BE, BG, CZ, DK, DE, EE, IE, ES, FR, HR, IT, LV, LT, LU, HU, MT, NL, AT, PL, PT, RO, SI, SK, FI, SE, UK	BG, CZ, DK, DE, EE, LV, LU, MT, SK, SE	DK, DE, EE, IE, ES, FR, HR, IT, LV, HU, PT

Source: EC.

Figure 1 Projection of general government debt



Note: To calculate the historical scenario and different shocks to macro variables, the assessment made by the CNB takes into account the new Spring 2016 projections of the EC and the EC methodology used in the Fiscal Sustainability Report 2015.

Sources: EC and CNB estimate.

on the final value of the index, given that a smaller share of trade is classified as intra-trade with industry narrowing on higher levels of disaggregation (e.g. SITC 5).

1 http://ec.europa.eu/economy_finance/publications/eeip/pdf/ip018_en.pdf

2 The adjustment is distributed over a period of five years following the last year covered by detailed projections (in this case 2017).

government debt might remain high.³

Over a long term, low risk to fiscal sustainability is based on the low level of the S2 indicator, which is the result of favourable developments in expenditures associated with population ageing, particularly expenditures for pensions. Public expenditures for pensions are expected to shrink visibly in the future, primarily

due to the currently applicable mixed pension system. However, Croatia might face serious difficulties associated with pension sufficiency and the ensuing possible underestimation of risks to fiscal sustainability over a long term (for more details see Box 7 of Bulletin 220).

³ It should be noted that, under EC methodology, it is sufficient that one of the indicators points to high risk to assess total risks to fiscal sustainability as high.



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	
Non-financial corporations	
Public non-financial corporations	
National private non-financial corporations	
Foreign controlled non-financial corporations	
Financial corporations	
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	
General government	
Central government	
State government	
Local government	
Social security funds	
Households	
Non-profit institutions serving households	
Rest of the world	

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^a
end of period, in million HRK and %

Year	Month	Reserve money	Money M1	Broadest money M4	Monetary aggregates according to the ECB's definition			Net domestic assets	Domestic credit	Monthly rates of growth						
					Monetary aggregates according to the ECB's definition					Broadest money M4	Money M1	Monetary aggregates according to the ECB's definition				
					M1	M2	M3					M1	M2	M3		
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	74,800.4	204,448.4	204,469.4	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	78,088.6	207,753.7	214,659.6	214,784.1	257,362.6	3.81	3.48	2.81	1.47	-0.10	5.77	1.02
2012	December ^b	61,264.7	51,938.5	254,741.5	79,047.1	212,108.1	221,041.9	207,290.5	242,086.5	3.19	4.10	0.11	3.52	-0.32	0.40	-2.17
2013	December	62,693.1	57,897.8	264,927.0	87,040.7	218,213.6	227,576.3	202,603.4	240,772.8	2.31	2.85	0.30	1.04	0.02	0.38	-0.68
2014	December	63,318.0	63,437.3	273,305.2	95,985.9	220,482.2	229,608.3	198,183.5	237,004.6	1.10	4.56	-0.24	3.29	-0.15	0.38	-0.54
2015	June	67,054.9	67,108.9	275,553.7	101,468.6	221,265.5	231,146.3	200,488.5	236,609.7	4.48	6.19	1.76	5.25	1.86	2.13	-0.68
	July	64,426.2	68,410.2	277,728.7	103,345.7	222,864.5	232,747.8	196,449.2	236,163.2	-3.92	1.94	0.79	1.85	0.72	0.69	-0.19
	August	62,967.2	69,922.4	280,959.2	106,551.4	226,301.8	236,143.5	193,101.4	233,636.4	-2.26	2.21	1.16	3.10	1.54	1.46	-1.07
	September	66,236.2	69,378.6	287,380.7	111,187.3	232,825.1	241,817.8	194,805.2	233,733.2	5.19	-0.78	2.29	4.35	2.88	2.40	0.04
	October	63,762.0	68,934.1	287,782.1	107,576.7	232,736.4	241,834.9	192,756.9	231,656.6	-3.74	-0.64	0.14	-3.25	-0.04	0.01	-0.89
	November	62,221.4	69,197.7	288,419.0	108,010.6	232,398.5	241,626.7	192,681.6	231,876.0	-2.42	0.38	0.22	0.40	-0.15	-0.09	0.09
	December	63,748.5	70,662.7	287,375.6	109,631.9	231,506.6	240,426.3	194,463.1	230,044.4	2.45	2.12	-0.36	1.50	-0.38	0.92	-0.79
2016	January	65,007.5	68,411.3	285,773.6	107,864.8	229,320.6	236,281.0	193,496.4	227,630.6	1.97	-3.19	-0.56	-1.61	-0.94	-0.89	-1.05
	February	65,855.4	68,202.9	284,012.5	107,799.9	227,523.4	236,690.2	194,172.2	226,498.7	1.30	-0.30	-0.62	-0.06	-0.78	-0.67	-0.50
	March	62,698.0	67,604.8	280,439.9	108,115.7	224,046.6	233,119.7	194,847.9	224,760.1	-4.79	-0.88	-1.26	0.29	-1.53	-1.51	-0.77
	April	63,347.8	68,266.6	281,229.8	109,592.3	223,608.4	233,477.4	197,217.6	224,953.6	1.04	1.01	0.28	1.37	-0.20	0.15	0.09
	May	63,587.2	71,459.2	283,219.5	112,313.8	225,570.2	234,948.6	197,958.7	225,141.0	0.38	4.65	0.71	2.48	0.88	0.63	0.08
From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CRD is reclassified from the sector other financial intermediaries to the sector central government. Up to May 2006, kuna positions also include claims on other domestic sectors 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. ^b Within Domestic credit, claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of partly recoverable and fully irrecoverable placements, transferred a total of HRK 5.6bn in its claims to a company indirectly owned by a parent bank.																

^a From December 2010 onwards, data are harmonised with the ESA 2010 methodology. As from July 1999, the CBPD 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. ^b Within Domestic credit, claims on other domestic sectors fell by HRK 5.6bn in December 2012. This fall was fully attributable to a transaction of one credit institution which, in an effort to reduce the amount of party 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.

From November 2015 on, the Croatian National Bank presents the monetary aggregates as defined by the European Central Bank.

Monetary aggregates comprise monetary liabilities of monetary financial institutions to non-MFI Croatian residents excluding central government.

Monetary aggregate M1 (a "narrow" monetary aggregate) comprises currency in circulation and overnight deposits in kuna and foreign currency. Overnight deposits comprise transaction accounts (including restricted deposits), savings deposits and overnight loans.

Monetary aggregate M2 (an "intermediate" monetary aggregate) comprises monetary aggregate M1, time deposits in kuna and foreign currency with original maturity of up to and including two years (including loans received, except overnight loans and repurchase agreements) and deposits redeemable at a period of notice of up to and including three months.

Monetary aggregate M3 (a "broad" monetary aggregate) comprises monetary aggregate M2, repurchase agreements, money market fund shares and units as well as debt securities with original maturity of up to and including two years.

B Monetary financial institutions

Table B1 Consolidated balance sheet of monetary financial institutions^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec. ^b	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
ASSETS									
1 Foreign assets (net)	41,868.6	31,171.3	47,451.0	62,323.7	75,121.6	92,912.5	85,592.1	84,012.3	85,260.8
2 Domestic credit	276,273.5	303,669.9	300,540.9	295,940.9	295,996.1	295,295.1	290,484.8	292,484.0	293,750.6
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	65,250.7	65,724.7	67,530.4	68,609.6
2.2 Claims on other domestic sectors	241,270.0	251,964.1	236,414.5	234,117.8	229,571.6	222,534.4	217,162.8	217,552.1	217,676.2
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	396.4	574.3	526.1	534.2
2.6 Claims on other financial intermediaries	2,292.0	3,869.5	4,017.4	4,322.3	5,016.2	4,710.7	4,648.6	4,694.0	4,636.1
2.7 Claims on financial auxiliaries	963.7	1,033.1	1,068.4	1,247.7	1,335.7	1,126.9	1,044.5	1,110.0	1,383.0
2.8 Claims on insurance corporations and pension funds	654.3	137.8	261.8	762.4	744.9	1,276.0	1,330.0	1,071.5	911.5
Total (1+2)	318,142.1	334,841.2	347,991.9	358,264.5	371,117.7	388,207.6	376,076.9	376,496.3	379,011.4
LIABILITIES									
1 Money	47,974.1	51,489.3	51,938.5	57,897.8	63,437.3	70,662.7	67,604.8	68,286.6	71,459.2
2 Savings and time deposits	29,142.0	33,676.8	31,689.8	33,407.1	34,471.8	35,207.0	35,411.4	35,545.1	35,662.0
3 Foreign currency deposits	154,697.9	152,197.1	160,443.7	162,656.3	164,866.6	171,323.9	167,106.3	166,318.0	165,521.5
4 Bonds and money market instruments	988.6	1,728.7	2,412.0	1,995.3	2,161.3	2,177.8	2,299.9	2,333.3	1,844.2
5 MMFs shares/units	....	6,863.4	8,257.6	8,970.5	8,368.1	8,004.2	8,017.5	8,746.9	8,732.6
6 Restricted and blocked deposits	3,580.9	3,399.7	5,274.1	4,718.4	3,216.1	4,009.7	3,710.5	3,901.7	3,888.8
7 Other items (net)	81,758.6	85,486.2	87,976.2	88,619.1	94,596.5	96,822.3	91,926.5	91,364.8	91,903.0
Total (1+2+3+4+5+6+7)	318,142.1	334,841.2	347,991.9	358,264.5	371,117.7	388,207.6	376,076.8	376,496.3	379,011.4

^a 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. ^b 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 ^a	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	December	53	33	27	1	5	0	20	5	13	4	13	9	9
2015	June	53	33	27	1	5	0	20	4	13	5	13	9	9
	July	52	33	27	1	5	0	19	4	12	5	13	9	9
	August	52	33	27	1	5	0	19	4	12	4	14	9	9
	September	52	33	27	1	5	0	19	4	12	5	14	8	9
	October	52	33	27	1	5	0	19	4	12	5	14	8	9
	November	52	33	27	1	5	0	19	4	12	4	15	8	9
	December	52	33	27	1	5	0	19	4	12	5	14	8	9
2016	January	52	33	27	1	5	0	19	4	12	5	13	9	9
	February	52	33	27	1	5	0	19	4	11	6	11	11	9
	March	52	33	27	1	5	0	19	4	11	6	14	8	9
	April*	52	33	27	1	5	0	19	4	12	4	14	9	9
	May	52	33	27	1	5	0	19	4	12	4	13	10	9

^a 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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
ASSETS									
1 Foreign assets	78,728.2	84,302.0	84,782.1	98,583.0	97,206.1	104,650.6	100,003.4	99,579.4	97,055.7
1.1 Gold	–	–	–	–	–	–	–	–	–
1.2 Holdings of SDRs	2,634.5	2,716.3	2,662.3	2,601.4	2,789.1	2,959.3	2,860.7	2,851.2	2,882.1
1.3 Reserve position in the IMF	1.4	1.4	1.4	1.4	1.6	2.0	1.9	1.9	2.0
1.4 Currency and demand deposits with foreign banks	1,483.0	1,887.2	10,647.4	7,576.9	3,878.5	3,504.4	3,238.2	3,487.6	3,420.3
1.5 Time deposits with foreign banks	22,702.9	18,676.4	6,298.8	20,819.1	22,153.9	33,510.0	21,698.9	26,354.2	21,246.0
1.6 Securities in f/c	51,906.5	61,020.7	65,172.2	67,584.3	68,383.0	64,674.9	71,504.5	66,159.5	68,499.9
1.7 Non-convertible foreign exchange	0.0	0.0	0.0	–	–	–	–	–	–
1.8 Other claims	–	–	–	–	–	–	699.3	725.0	1,005.4
2 Claims on central government	0.3	251.8	–	–	0.6	–	–	–	–
2.1 Claims in kuna	0.3	251.8	–	–	0.6	–	–	–	–
2.2 Claims in f/c	–	–	–	–	–	–	–	–	–
3 Claims on other domestic sectors	3.1	2.8	2.5	2.3	2.0	1.7	1.7	1.7	1.6
4 Claims on credit institutions	12.9	139.2	11.8	11.3	11.0	168.5	625.3	655.0	801.5
4.1 Loans to credit institutions	12.9	139.2	11.8	11.3	11.0	168.5	625.3	655.0	801.5
Lombard loans	–	–	–	–	–	–	–	–	–
Short-term liquidity loans	–	126.8	–	–	–	–	–	–	–
Other loans	12.9	12.4	11.8	11.3	11.0	10.5	10.3	10.0	10.0
Reverse repo loans (regular operations)	–	–	–	–	–	158.0	50.0	80.0	80.0
Reverse repo loans (structural operations)	–	–	–	–	–	–	565.0	565.0	711.5
4.2 Overdue claims	–	–	–	–	–	–	–	–	–
5 Claims on other financial institutions	0.7	0.7	–	–	–	–	–	–	–
Total (1+2+3+4+5)	78,745.2	84,696.5	84,796.4	98,596.6	97,219.6	104,820.8	100,630.3	100,236.0	97,858.9
LIABILITIES									
1 Reserve money	56,249.1	62,379.2	61,264.7	62,693.1	63,318.0	63,748.5	62,698.0	63,347.8	63,587.2
1.1 Currency outside credit institutions	15,262.7	16,689.1	16,947.0	17,420.6	18,520.2	20,148.6	19,795.8	20,259.6	20,814.8
1.2 Credit institutions' cash in vaults	4,048.7	4,253.9	4,681.0	4,564.7	4,635.8	5,169.3	5,175.3	5,056.4	5,411.1
1.3 Credit institutions' deposits	36,937.6	41,436.0	39,636.7	40,707.7	40,162.0	38,430.6	37,726.9	38,031.8	37,361.1
Settlement accounts	10,246.1	12,705.0	11,509.2	15,080.9	15,084.7	16,089.3	16,093.7	16,671.1	16,423.2
Statutory reserve in kuna	22,705.1	25,755.0	24,555.7	22,024.6	21,899.8	22,341.3	21,633.2	21,360.7	20,938.0
CNB bills on obligatory basis	–	–	–	3,602.2	3,177.4	–	–	–	–
Overnight deposits	3,986.4	2,976.0	3,571.9	–	–	–	–	–	–
1.4 Deposits of other financial institutions	–	0.2	–	–	0.0	–	0.0	–	0.2
2 Restricted and blocked deposits	5,979.3	5,754.0	7,954.8	6,401.2	3,884.9	3,881.8	72.5	71.5	70.2
2.1 Statutory reserve in f/c	4,773.2	5,538.3	5,094.5	4,418.8	3,744.8	3,802.2	–	–	–
2.2 Restricted deposits	1,206.0	215.8	2,860.2	1,982.5	140.1	79.6	72.5	71.5	70.2
2.3 Blocked f/c deposits	–	–	–	–	–	–	–	–	–
3 Foreign liabilities	2,638.5	2,711.5	2,648.4	3,219.1	3,699.5	12,918.4	14,036.8	15,595.1	13,059.4
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	3,325.4	3,219.2	3,010.5	3,189.2
3.3 Liabilities to foreign banks	–	0.0	0.0	0.0	291.2	9,593.0	10,817.6	12,584.7	9,870.2
4 Deposits of central government and social security funds	4,211.0	1,619.6	738.1	13,797.6	11,553.0	8,119.0	8,339.3	6,437.3	5,906.4
4.1 Demand deposits	1,484.5	1,030.1	659.7	3,139.7	2,991.2	4,974.8	6,400.6	5,672.4	5,857.3
Central government demand deposits	1,484.5	1,030.1	659.7	3,139.7	2,991.2	4,667.5	5,938.2	5,391.6	5,563.7
Demand deposits of social security funds	–	–	–	–	–	307.3	462.4	280.8	293.6
4.2 Central government f/c deposits	2,726.4	589.5	78.5	10,657.9	8,561.8	3,144.2	1,938.7	764.9	49.1
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	17,192.3	15,843.3	15,120.6	15,327.4
7 Other items (net)	–792.9	–844.6	–878.1	–922.0	–934.9	–1,039.2	–359.6	–336.3	–91.7
Total (1+2+3+4+5+6+7)	78,745.2	84,696.5	84,796.4	98,596.6	97,219.6	104,820.8	100,630.3	100,236.0	97,858.9

^a 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^a

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

	2010 Dec.	2011 Dec.	2012 Dec. ^b	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
ASSETS									
1 Reserves with the CNB	45,745.5	51,114.0	49,411.3	49,707.5	48,560.4	47,416.0	43,621.6	43,833.3	43,801.6
1.1 In kuna	40,169.1	45,590.6	44,316.8	45,288.8	44,815.6	43,613.8	42,922.3	43,108.2	42,796.1
1.2 In f/c	5,576.4	5,523.5	5,094.5	4,418.8	3,744.8	3,802.2	699.3	725.0	1,005.4
2 Foreign assets	47,878.2	40,069.6	39,144.3	36,681.3	43,943.2	47,836.4	42,736.0	41,030.1	43,842.8
3 Claims on central government and social security funds	57,113.6	68,207.5	79,807.2	87,857.7	89,724.0	90,904.7	91,037.3	90,762.1	90,776.5
4 Claims on other domestic sectors	241,266.9	251,961.3	236,412.0	234,115.5	229,569.6	222,532.7	217,161.1	217,550.4	217,674.6
4.1 Claims on local government	3,375.2	3,559.1	3,485.2	4,231.8	4,714.0	4,446.2	4,207.4	4,125.3	3,999.0
4.2 Claims on non-financial corporations	107,687.2	116,840.4	103,157.0	102,452.6	98,401.5	93,579.5	94,637.5	95,457.3	95,562.3
4.3 Claims on households	130,204.4	131,561.8	129,769.8	127,431.1	126,454.1	124,507.0	118,316.2	117,967.8	118,113.3
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	396.4	574.3	526.1	534.2
8 Claims on other financial intermediaries	2,291.4	3,868.8	4,017.4	4,322.3	5,016.2	4,710.7	4,648.6	4,694.0	4,636.1
9 Claims on financial auxiliaries	963.7	1,033.1	1,068.4	1,247.7	1,335.7	1,126.9	1,044.5	1,110.0	1,383.0
10 Claims on insurance corporations and pension funds	654.3	137.8	261.8	762.4	744.9	1,276.0	1,330.0	1,071.5	911.5
Total (1+2+3+4+5+6+7+8+9+10)	396,297.8	416,750.2	410,446.9	415,017.1	419,230.2	416,199.8	402,153.3	400,577.5	403,560.2
LIABILITIES									
1 Demand deposits	32,711.3	34,800.0	34,991.5	40,477.2	44,917.1	50,514.1	47,809.1	48,027.0	50,644.3
2 Savings and time deposits	29,142.0	33,676.8	31,689.8	33,407.1	34,471.8	35,207.0	35,411.4	35,545.1	35,662.0
3 Foreign currency deposits	154,697.9	152,197.1	160,443.7	162,656.3	164,866.6	171,323.9	167,106.3	166,318.0	165,521.5
4 Bonds and money market instruments	988.6	1,728.7	2,412.0	1,995.3	2,161.3	2,177.8	2,299.9	2,333.3	1,844.2
5 MMFs shares/units	....	6,863.4	8,257.6	8,970.5	8,368.1	8,004.2	8,017.5	8,746.9	8,732.6
6 Foreign liabilities	82,099.3	90,488.9	73,827.0	69,721.5	62,328.2	46,656.1	43,110.5	41,002.1	42,578.4
7 Deposits of central government and social security funds	22,193.7	20,532.4	20,614.7	18,892.0	19,180.1	17,535.0	16,973.3	16,794.4	16,260.5
8 Credit from central bank	12.9	139.1	11.8	11.3	11.0	168.5	625.3	655.0	801.5
9 Restricted and blocked deposits	2,374.9	3,183.9	2,413.9	2,735.9	3,076.0	3,930.1	3,638.0	3,830.2	3,818.6
10 Capital accounts	72,555.2	77,208.3	80,700.6	83,245.1	87,151.2	83,206.0	83,743.4	83,960.8	84,313.4
11 Other items (net)	-478.1	-4,068.4	-4,915.7	-7,095.4	-7,301.1	-2,522.9	-6,581.3	-6,635.2	-6,616.7
Total (1+2+3+4+5+6+7+8+9+10+11)	396,297.8	416,750.2	410,446.9	415,017.1	419,230.2	416,199.8	402,153.3	400,577.5	403,560.2
TRANSACTIONS									
ASSETS									
1 Reserves with the CNB	....	1,926.7	1,307.3	808.5	713.1	1,256.6	-3,064.1	216.0	-32.3
1.1 In kuna	....	2,010.1	1,275.9	1,358.9	726.1	1,306.6	-3,245.9	185.9	-312.1
1.2 In f/c	....	-83.4	31.4	-550.4	-13.0	-50.0	181.8	30.1	279.8
2 Foreign assets	....	-1,669.7	-1,734.4	-660.3	252.5	-7,940.7	-2,075.8	-1,429.4	2,599.3
3 Claims on central government and social security funds	....	-1,064.1	2,641.7	1,384.5	1,278.6	-427.1	207.2	110.2	-63.4
4 Claims on other domestic sectors	....	1,163.0	-4,177.8	-1,548.2	-649.7	-362.1	628.6	1,599.3	132.8
4.1 Claims on local government	....	143.3	154.4	169.5	170.4	187.0	-47.8	-61.4	-128.8
4.2 Claims on non-financial corporations	....	1,436.2	-3,889.0	-1,460.1	-768.1	-227.2	343.7	1,217.2	32.2
4.3 Claims on households	....	-416.5	-443.1	-257.6	-52.0	-321.9	332.8	443.5	229.4
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	-4.7	91.0	-48.2	4.4
8 Claims on other financial intermediaries	....	191.1	343.0	-119.5	19.3	-211.2	121.8	54.6	-60.0
9 Claims on financial auxiliaries	....	13.4	69.8	49.4	20.3	-193.2	-36.3	68.2	270.7
10 Claims on insurance corporations and pension funds	....	-286.8	97.6	352.0	75.8	852.5	528.9	-261.8	-159.8
Total (1+2+3+4+5+6+7+8+9+10)	....	306.8	-1,461.9	260.2	1,700.2	-7,029.9	-3,598.6	308.8	2,691.7
LIABILITIES									
1 Demand deposits	....	1,442.5	1,825.6	1,546.3	2,792.7	1,244.7	-696.2	218.0	2,617.3
2 Savings and time deposits	....	-582.6	43.1	-24.1	-1,396.9	-297.3	18.9	133.7	116.9

	2010 Dec.	2011 Dec.	2012 Dec. ^b	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
3 Foreign currency deposits	-2,507.6	-1,715.8	-630.1	-1,049.8	-1,595.4	-399.2	291.7	-1,237.3
4 Bonds and money market instruments	90.3	195.6	-241.7	-113.4	113.2	106.1	38.5	-490.1
5 MMFs shares/units	28.8	-78.1	-1,214.7	-417.3	-199.4	584.6	206.9
6 Foreign liabilities	1,706.3	-1,754.3	-294.7	2,707.7	-6,089.4	-2,382.9	-1,885.1	1,519.6
7 Deposits of central government and social security funds	274.3	535.3	-104.4	-412.7	-165.1	-676.4	-128.4	-545.2
8 Credit from central bank	25.0	0.0	0.0	0.0	-20.0	-101.0	29.8	146.5
9 Restricted and blocked deposits	403.7	-55.6	-135.2	-299.3	-27.2	-48.3	201.5	-18.3
10 Capital accounts	-152.6	-1,357.4	-43.2	-131.2	-255.0	-333.8	217.4	352.6
11 Other items (net)	-392.6	792.9	265.4	817.8	478.9	1,113.7	607.1	22.9
Total (1+2+3+4+5+6+7+8+9+10+11)	306.8	-1,461.9	260.2	1,700.2	-7,029.9	-3,598.6	308.8	2,691.7

^a 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. ^b 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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Foreign assets in f/c	47,120.0	39,267.7	37,526.2	35,544.1	42,387.1	44,472.3	40,225.7	38,359.9	41,614.3
1.1 Claims on foreign financial institutions	32,056.3	29,655.0	28,730.5	26,954.4	31,191.6	33,843.1	30,835.8	29,274.1	32,482.2
Foreign currencies	1,623.1	1,940.5	1,758.0	1,804.9	1,826.9	2,120.4	2,048.4	2,148.0	2,383.5
Demand deposits	1,175.2	2,377.1	5,457.7	4,414.0	7,246.4	10,915.3	9,102.6	8,218.9	9,569.5
Time and notice deposits	27,129.2	22,372.8	15,915.9	15,751.5	17,815.8	14,348.5	13,238.5	14,732.1	15,473.4
Securities	1,896.5	2,847.4	5,360.6	4,821.8	3,758.7	4,021.9	4,594.8	2,737.2	2,839.0
Loans and advances	170.1	8.7	187.7	53.2	448.9	1,579.3	768.5	347.4	1,127.0
Shares and participations	62.1	108.5	50.6	109.0	94.9	857.6	1,082.9	1,090.4	1,089.7
1.2 Claims on foreign non-financial institutions	15,063.7	9,612.6	8,795.7	8,589.8	11,195.5	10,629.1	9,389.9	9,085.8	9,132.1
Claims on foreign governments	12,906.2	7,569.0	6,969.8	6,333.0	8,924.8	7,890.6	6,901.6	6,480.2	6,514.0
Claims on other non-residents	2,140.4	2,036.7	1,799.9	2,220.2	2,227.8	2,611.1	2,262.5	2,381.4	2,393.6
Securities	271.7	55.1	0.1	14.4	32.1	17.9	17.5	17.8	18.0
Loans and advances	1,868.7	1,981.6	1,799.9	2,205.7	2,195.7	2,593.2	2,244.9	2,363.6	2,375.6
Shares and participations	17.1	6.9	26.0	36.6	43.0	127.4	225.9	224.2	224.5
2 Foreign assets in kuna	758.3	802.0	1,618.1	1,137.2	1,556.2	3,364.2	2,510.4	2,670.2	2,228.5
2.1 Claims on foreign financial institutions	713.7	764.4	1,583.4	1,105.3	1,509.1	3,324.8	2,456.0	2,611.3	2,168.9
2.2 Claims on foreign non-banks	44.5	37.6	34.8	31.9	47.0	39.4	54.3	58.9	59.6
o/w: Loans and advances	44.2	37.2	34.5	31.6	46.7	39.1	54.0	58.6	59.3
Total (1+2)	47,878.2	40,069.6	39,144.3	36,681.3	43,943.2	47,836.4	42,736.0	41,030.1	43,842.8

^a 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 Dec.	2016		
							Mar.	Apr.	May
1 In kuna	18,538.8	21,967.5	25,125.3	29,638.7	30,666.8	27,776.0	28,863.6	28,672.2	28,328.4
1.1 Claims on central government	18,537.8	21,965.2	25,123.8	29,637.8	30,663.6	27,774.3	28,862.0	28,670.6	28,327.0
Securities	12,633.4	15,926.5	14,474.8	19,428.9	24,987.5	21,263.3	22,867.1	22,668.9	22,345.1
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	6,511.0	5,994.9	6,001.6	5,981.9
1.2 Claims on social security funds	1.0	2.2	1.6	0.9	3.2	1.7	1.6	1.7	1.4
Securities	–	–	–	–	–	–	0.2	0.4	0.2
Loans and advances	1.0	2.2	1.6	0.9	3.2	1.7	1.4	1.3	1.2
2 In f/c	38,574.8	46,240.0	54,681.9	58,219.0	59,057.2	63,128.8	62,173.7	62,089.9	62,448.1
2.1 Claims on central government	38,574.8	46,240.0	54,681.9	58,219.0	59,057.2	63,128.8	62,173.7	62,089.9	62,448.1
Securities	9,591.2	10,858.6	14,208.1	13,210.5	12,837.4	16,301.8	16,960.0	17,405.8	17,578.1
Loans and advances	28,983.5	35,381.4	40,473.8	45,008.5	46,219.9	46,827.0	45,213.7	44,684.1	44,870.0
2.2 Claims on social security funds	–	–	–	–	–	–	–	–	–
Securities	–	–	–	–	–	–	–	–	–
Loans and advances	–	–	–	–	–	–	–	–	–
Total (1+2)	57,113.6	68,207.5	79,807.2	87,857.7	89,724.0	90,904.7	91,037.3	90,762.1	90,776.5

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 In f/c	23,275.0	29,208.8	36,639.0	38,823.6	40,830.1	46,000.5	45,696.2	45,784.7	46,344.2
1.1 Claims on central government	23,275.0	29,208.8	36,639.0	38,823.6	40,830.1	46,000.5	45,696.2	45,784.7	46,344.2
Securities	292.4	1,367.1	6,934.9	5,571.3	7,285.6	10,965.3	11,555.1	12,017.9	12,290.1
Loans and advances	22,982.6	27,841.7	29,704.1	33,252.4	33,544.5	35,035.3	34,141.1	33,766.8	34,054.1
1.2 Claims on social security funds	–	–	–	–	–	–	–	–	–
Securities	–	–	–	–	–	–	–	–	–
Loans and advances	–	–	–	–	–	–	–	–	–
2 Kuna claims indexed to foreign currency	15,299.8	17,031.2	18,042.9	19,395.4	18,227.1	17,128.2	16,477.5	16,305.2	16,103.9
2.1 Claims on central government	15,299.8	17,031.2	18,042.9	19,395.4	18,227.1	17,128.2	16,477.5	16,305.2	16,103.9
Securities	9,298.8	9,491.5	7,273.1	7,639.3	5,551.7	5,336.5	5,404.9	5,387.8	5,287.9
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	11,791.7	11,072.6	10,917.3	10,816.0
2.2 Claims on social security funds	–	–	–	–	–	–	–	–	–
Securities	–	–	–	–	–	–	–	–	–
Loans and advances	–	–	–	–	–	–	–	–	–
Total (1+2)	38,574.8	46,240.0	54,681.9	58,219.0	59,057.2	63,128.8	62,173.7	62,089.9	62,448.1

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec. ^b	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Claims in kuna	66,135.9	66,472.7	65,057.6	67,002.6	70,885.7	74,981.6	78,976.8	81,143.0	82,713.1
1.1 Money market instruments	1,720.7	2,031.5	3,203.5	3,708.3	3,987.6	4,166.7	4,317.9	4,359.1	4,278.3
1.2 Bonds	1,381.8	1,228.9	1,270.1	979.2	962.7	794.6	692.6	690.0	685.7
1.3 Loans and advances	61,952.5	62,147.3	59,552.3	61,113.9	65,384.1	69,466.2	73,279.6	75,370.4	77,024.8
1.4 Shares and participations	1,080.9	1,065.0	1,031.7	1,201.2	551.4	554.1	686.7	723.5	724.2
2 Claims in f/c	175,131.0	185,488.6	171,354.4	167,112.9	158,683.9	147,551.0	138,184.3	136,407.4	134,961.5
2.1 Securities	624.2	1,108.9	1,279.1	1,103.5	955.3	851.2	1,023.4	1,021.9	978.6
2.2 Loans and advances	174,506.7	184,379.7	170,075.3	166,009.4	157,728.6	146,699.9	137,160.9	135,385.5	133,982.9
Total (1+2)	241,266.9	251,961.3	236,412.0	234,115.5	229,569.6	222,532.7	217,161.1	217,550.4	217,674.6

^a 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. ^b 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							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	15,388.5	16,151.7	16,388.7	16,008.9
1.1 Money market instruments	46.0	41.7	7.5	1.0	68.4	52.6	51.3	56.4	58.2
1.2 Bonds	35.0	112.5	143.4	226.9	243.0	245.1	395.1	399.7	400.0
1.3 Loans and advances	20,478.0	22,387.2	15,676.2	17,261.9	16,003.2	15,090.8	15,705.4	15,932.5	15,550.7
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	132,162.5	122,032.5	120,018.8	118,952.5
2.1 Securities	518.2	930.6	1,120.9	869.4	643.9	553.4	577.0	565.8	520.3
2.2 Loans and advances	154,028.8	161,992.5	154,399.1	148,747.5	141,725.5	131,609.1	121,455.5	119,453.0	118,432.2
Total (1+2)	175,131.0	185,488.6	171,354.4	167,112.9	158,683.9	147,551.0	138,184.3	136,407.4	134,961.5

^a 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^a

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

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
LOANS IN KUNA									
1 Loans to central government and social security funds	5,905.4	6,041.0	10,650.5	10,209.8	5,679.3	6,512.7	5,996.3	6,002.9	5,983.1
1.1 Loans to central government	5,904.4	6,038.7	10,649.0	10,208.8	5,676.1	6,511.0	5,994.9	6,001.6	5,981.9
1.2 Loans to social security funds	1.0	2.2	1.6	0.9	3.2	1.7	1.4	1.3	1.2
2 Loans to local government	884.7	916.3	933.3	796.4	856.3	880.3	866.2	837.5	722.4
3 Loans to non-financial corporations	28,249.8	30,211.6	27,945.2	28,447.7	29,219.4	29,190.3	30,745.1	31,573.6	32,162.4
4 Loans to households	32,818.0	31,019.4	30,673.9	31,869.7	35,308.5	39,395.5	41,668.4	42,959.3	44,140.1
o/w: Housing loans	4,747.7	4,607.0	4,544.4	4,415.9	4,551.7	5,603.7	6,457.4	7,011.8	7,636.0
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	76.4	121.8	88.6	92.0
8 Loans to other financial intermediaries	758.3	981.6	1,392.2	1,543.1	1,677.6	1,517.5	1,520.6	1,474.1	1,430.2
9 Loans to financial auxiliaries	445.1	367.6	478.9	636.3	684.0	416.7	292.0	251.1	281.7
10 Loans to insurance corporations and pension funds	483.7	22.0	130.7	470.5	560.9	1,092.0	1,139.5	881.1	541.7
A Total (1+2+3+4+5+6+7+8+9+10)	69,560.9	69,575.8	72,212.5	73,997.0	74,020.4	79,081.4	82,349.9	84,068.1	85,353.4
LOANS IN F/C									
1 Loans to central government and social security funds	28,983.5	35,381.4	40,473.8	45,008.5	46,219.9	46,827.0	45,213.7	44,684.1	44,870.0
1.1 Loans to central government	28,983.5	35,381.4	40,473.8	45,008.5	46,219.9	46,827.0	45,213.7	44,684.1	44,870.0
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	3,501.3	3,292.4	3,242.3	3,228.0
3 Loans to non-financial corporations	74,893.5	81,430.8	68,636.5	67,129.3	62,810.7	58,090.7	57,223.2	57,137.3	56,784.2
4 Loans to households	97,373.6	100,509.1	99,040.5	95,554.9	91,140.1	85,107.9	76,645.3	75,005.9	73,970.7
o/w: Housing loans	56,220.9	58,422.2	58,129.2	57,044.2	55,675.8	53,471.6	46,699.1	45,555.1	44,812.3
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	23.6	145.7	116.3	140.2
8 Loans to other financial intermediaries	1,296.8	1,507.2	1,285.8	1,401.9	1,942.6	1,535.4	1,470.4	1,562.3	1,548.5
9 Loans to financial auxiliaries	176.5	302.6	227.9	179.7	192.6	279.4	323.2	429.7	672.0
10 Loans to insurance corporations and pension funds	3.4	6.3	22.0	118.9	2.6	3.0	6.2	2.8	182.2
B Total (1+2+3+4+5+6+7+8+9+10)	204,967.0	221,589.3	212,094.4	212,739.6	206,092.4	195,368.3	184,320.1	182,180.8	181,395.8
TOTAL (A+B)	274,527.9	291,165.1	284,306.8	286,736.6	280,112.8	274,449.7	266,670.0	266,248.9	266,749.2
TRANSACTIONS									
LOANS IN KUNA									
1 Loans to central government and social security funds	....	77.8	509.5	-119.4	-905.3	452.2	-133.8	6.6	-19.8
1.1 Loans to central government	....	77.7	509.2	-119.2	-905.2	452.3	-133.7	6.7	-19.8
1.2 Loans to social security funds	....	0.1	0.3	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1
2 Loans to local government	....	-5.8	12.2	3.7	1.7	18.4	-12.4	-28.7	-115.2
3 Loans to non-financial corporations	....	-33.6	-1,288.9	280.0	-378.1	-74.4	533.3	853.2	590.2
4 Loans to households	....	-12.6	-50.1	141.0	257.6	506.8	1,236.5	1,298.5	1,213.6
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	-2.7	15.0	-33.2	3.4
8 Loans to other financial intermediaries	....	142.8	351.2	27.7	-31.4	-153.1	130.8	-46.5	-43.9
9 Loans to financial auxiliaries	....	15.8	119.4	75.4	-7.9	-165.0	-37.2	-40.9	30.6
10 Loans to insurance corporations and pension funds	....	-268.8	98.4	264.7	75.9	893.1	782.0	-258.5	-339.4
A Total (1+2+3+4+5+6+7+8+9+10)	....	-91.9	-262.1	673.2	-989.5	1,475.2	2,514.3	1,750.5	1,319.5

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
LOANS IN F/C									
1 Loans to central government and social security funds	-735.0	2,093.7	809.0	1,130.5	4.8	-677.5	-253.6	118.1
1.1 Loans to central government	-735.0	2,093.7	809.0	1,130.5	4.8	-677.5	-253.6	118.1
1.2 Loans to social security funds	-	-	-	-	-	-	-	-
2 Loans to local government	155.9	144.0	160.8	171.3	164.8	-36.9	-29.5	-16.7
3 Loans to non-financial corporations	1,296.3	-3,653.9	-1,936.9	-137.4	-374.7	-421.7	286.6	-424.4
4 Loans to households	-424.3	-416.7	-397.9	-309.4	-829.4	-904.0	-855.1	-984.2
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	-2.0	60.8	-28.0	21.2
8 Loans to other financial intermediaries	47.2	-9.2	-67.7	50.6	-61.4	-8.9	101.1	-16.0
9 Loans to financial auxiliaries	-2.5	-49.6	-16.3	-0.5	-11.4	0.8	109.1	240.2
10 Loans to insurance corporations and pension funds	0.0	0.0	106.8	0.0	-40.6	-256.4	-3.3	179.5
B Total (1+2+3+4+5+6+7+8+9+10)	331.0	-1,891.8	-1,348.2	897.8	-1,149.8	-2,243.9	-672.6	-882.4
TOTAL (A+B)	239.1	-2,153.9	-675.0	-91.7	325.4	270.3	1,077.9	437.1

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
LOANS IN FOREIGN CURRENCY									
1 Loans to central government and social security funds	22,982.6	27,841.7	29,704.1	33,252.4	33,544.5	35,035.3	34,141.1	33,766.8	34,054.1
1.1 Loans to central government	22,982.6	27,841.7	29,704.1	33,252.4	33,544.5	35,035.3	34,141.1	33,766.8	34,054.1
1.2 Loans to social security funds	–	–	–	–	–	–	–	–	–
2 Loans to local government	13.6	12.4	10.3	8.6	6.8	5.1	5.0	4.6	4.6
3 Loans to non-financial corporations	20,132.5	22,059.0	15,413.7	16,999.2	15,737.9	14,860.4	15,451.0	15,681.7	15,281.1
4 Loans to households	331.9	315.8	252.2	254.1	258.4	225.3	249.4	246.3	265.0
5 Loans to other banking institutions	....	....	....	....	....	....	....	....	....
6 Loans to non-banking financial institutions	....	....	....	....	....	....	....	....	....
7 Loans to non-MMF investment funds	–	1.0	–	14.9	–	19.4	145.7	116.3	133.7
8 Loans to other financial intermediaries	388.0	544.0	355.8	619.3	579.5	562.3	529.0	478.9	467.0
9 Loans to financial auxiliaries	17.5	48.8	39.0	42.0	42.4	152.5	189.5	296.0	535.2
10 Loans to insurance corporations and pension funds	0.0	0.0	17.5	106.9	–	0.8	4.1	0.7	180.1
A Total (1+2+3+4+5+6+7+8+9+10)	43,866.1	50,822.7	45,792.6	51,297.5	50,169.6	50,861.0	50,714.7	50,591.4	50,920.7
KUNA LOANS INDEXED TO FOREIGN CURRENCY									
1 Loans to central government and social security funds	6,001.0	7,539.7	10,769.7	11,756.1	12,675.4	11,791.7	11,072.6	10,917.3	10,816.0
1.1 Loans to central government	6,001.0	7,539.7	10,769.7	11,756.1	12,675.4	11,791.7	11,072.6	10,917.3	10,816.0
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	3,496.2	3,287.4	3,237.7	3,223.5
3 Loans to non-financial corporations	54,761.0	59,371.8	53,222.8	50,130.1	47,072.8	43,230.3	41,772.2	41,455.6	41,503.1
4 Loans to households	97,041.7	100,193.3	98,788.3	95,300.7	90,881.7	84,882.6	76,395.9	74,759.6	73,705.7
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	4.1	–	–	6.5
8 Loans to other financial intermediaries	908.8	963.2	930.0	782.6	1,363.1	973.1	941.4	1,083.4	1,081.5
9 Loans to financial auxiliaries	159.0	253.8	189.0	137.7	150.1	126.9	133.7	133.6	136.8
10 Loans to insurance corporations and pension funds	3.4	6.3	4.5	11.9	2.6	2.3	2.1	2.1	2.1
B Total (1+2+3+4+5+6+7+8+9+10)	161,100.9	170,766.6	166,301.8	161,442.1	155,922.8	144,507.2	133,605.4	131,589.4	130,475.1
TOTAL (A+B)	204,967.0	221,589.3	212,094.4	212,739.6	206,092.4	195,368.3	184,320.1	182,180.8	181,395.8

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							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	53,339.7	51,210.0	50,687.1	50,853.1
1.1 Loans to central government	34,887.9	41,420.1	51,122.8	55,217.3	51,895.9	53,338.0	51,208.6	50,685.8	50,851.9
Up to 1 year	1,884.5	1,368.3	2,932.7	904.2	923.1	322.5	136.6	165.3	219.7
Over 1 and up to 5 years	10,305.2	11,398.2	16,379.1	22,137.7	24,038.6	26,033.5	24,774.7	24,584.9	24,744.7
Over 5 years	22,698.3	28,653.7	31,811.0	32,175.4	26,934.2	26,982.0	26,297.4	25,935.6	25,887.6
1.2 Loans to social security funds	1.0	2.2	1.6	0.9	3.2	1.7	1.4	1.3	1.2
Up to 1 year	1.0	2.2	1.6	0.9	0.4	–	–	–	–
Over 1 and up to 5 years	–	–	–	–	2.8	1.7	1.4	1.3	1.2
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	4,381.6	4,158.6	4,079.8	3,950.4
Up to 1 year	195.0	322.0	258.0	150.4	197.8	232.2	255.7	243.5	136.5
Over 1 and up to 5 years	543.3	459.3	781.6	714.6	591.9	545.2	630.1	621.6	622.3
Over 5 years	2,386.0	2,574.9	2,291.8	3,256.7	3,844.5	3,604.3	3,272.8	3,214.7	3,191.5
3 Loans to non-financial corporations	103,143.3	111,642.4	96,581.7	95,577.0	92,030.0	87,281.0	87,968.3	88,710.9	88,946.5
Up to 1 year	26,920.1	28,492.4	23,379.8	22,783.6	22,422.8	20,378.2	22,970.8	23,360.2	23,316.1
Over 1 and up to 5 years	33,807.6	35,173.9	26,647.0	24,862.6	21,631.5	19,656.8	18,781.7	19,147.8	19,284.7
Over 5 years	42,415.6	47,976.1	46,554.9	47,930.8	47,975.8	47,246.0	46,215.8	46,202.9	46,345.8
4 Loans to households	130,191.6	131,528.5	129,714.4	127,424.6	126,448.6	124,503.4	118,313.6	117,965.2	118,110.8
Up to 1 year	12,092.6	12,138.1	12,484.0	12,007.9	12,144.2	11,544.8	11,545.1	11,633.1	11,651.6
Over 1 and up to 5 years	10,979.3	10,276.4	9,471.9	9,599.3	9,859.3	9,606.4	9,692.9	9,791.4	9,922.2
Over 5 years	107,119.7	109,114.0	107,758.5	105,817.4	104,445.1	103,352.3	97,075.6	96,540.8	96,537.0
5 Loans to non-MMF investment funds	16.0	28.3	17.3	44.7	40.7	99.9	267.5	204.9	232.2
Up to 1 year	16.0	28.3	17.3	44.7	40.7	99.9	267.5	204.9	232.2
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	3,052.9	2,991.0	3,036.4	2,978.7
Up to 1 year	1,073.0	1,466.8	1,527.5	1,624.4	1,715.6	1,307.8	1,378.4	1,219.7	1,165.5
Over 1 and up to 5 years	362.4	422.0	598.1	402.0	1,014.3	976.0	880.7	1,096.3	1,104.2
Over 5 years	619.8	600.0	552.3	918.6	890.3	769.0	731.9	720.4	709.0
7 Loans to financial auxiliaries	621.6	670.2	706.8	816.0	876.5	696.1	615.2	680.8	953.7
Up to 1 year	474.3	468.7	533.9	699.8	735.8	579.6	487.1	478.0	469.7
Over 1 and up to 5 years	123.2	111.2	98.4	48.4	39.7	16.6	28.2	27.9	28.9
Over 5 years	24.1	90.3	74.5	67.8	101.1	100.0	99.9	174.9	455.2
8 Loans to insurance corporations and pension funds	487.1	28.3	152.7	589.4	563.5	1,095.0	1,145.7	883.9	723.8
Up to 1 year	483.7	24.1	149.2	586.6	560.9	1,092.0	1,072.9	811.1	651.0
Over 1 and up to 5 years	0.0	0.0	0.0	–	0.1	0.8	70.8	70.8	70.8
Over 5 years	3.4	4.2	3.5	2.7	2.6	2.2	2.1	2.0	2.0
Total (1+2+3+4+5+6+7+8)	274,527.9	291,165.1	284,306.8	286,736.6	280,112.8	274,449.7	266,670.0	266,248.9	266,749.2
Up to 1 year	43,140.3	44,310.9	41,284.0	38,802.6	38,741.3	35,557.0	38,114.1	38,115.8	37,842.3
Over 1 and up to 5 years	56,120.9	57,841.0	53,976.2	57,764.5	57,178.1	56,837.0	54,860.3	55,341.9	55,778.9
Over 5 years	175,266.7	189,013.2	189,046.6	190,169.4	184,193.5	182,055.7	173,695.6	172,791.2	173,128.0

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Consumer loans	159.9	121.3	102.3	74.2	44.3	19.9	19.1	19.2	19.0
1.1 Kuna loans not indexed to f/c	128.2	101.3	91.3	68.5	41.4	17.4	16.9	17.1	17.0
1.2 Kuna loans indexed to f/c	31.7	20.0	11.0	5.7	2.9	2.4	2.1	2.1	2.0
o/w: Indexed to EUR	28.5	18.7	10.6	5.5	2.9	2.4	2.1	2.1	2.0
o/w: Indexed to CHF	3.1	1.3	0.3	0.2	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	59,075.3	53,156.5	52,566.9	52,448.3
2.1 Kuna loans not indexed to f/c	4,747.7	4,607.0	4,544.4	4,415.9	4,551.7	5,603.7	6,457.4	7,011.8	7,636.0
2.2 Kuna loans indexed to f/c	56,207.7	58,409.7	58,117.9	57,034.1	55,666.4	53,467.9	46,697.2	45,553.2	44,810.5
o/w: Indexed to EUR	30,730.6	33,763.7	34,989.3	35,536.5	35,378.6	35,795.4	43,553.9	43,124.6	42,684.1
o/w: Indexed to CHF	25,441.7	24,604.9	23,086.0	21,459.8	20,244.8	17,625.2	3,101.9	2,386.7	2,082.9
2.3 Foreign currency loans	13.2	12.5	11.3	10.1	9.3	3.7	1.8	1.8	1.8
3 Mortgage loans	3,513.0	3,261.3	3,073.7	3,007.4	2,844.3	2,599.9	2,431.1	2,402.3	2,392.3
3.1 Kuna loans not indexed to f/c	234.8	131.3	117.3	179.9	178.0	179.6	176.0	174.4	177.7
3.2 Kuna loans indexed to f/c	3,263.0	3,129.0	2,953.8	2,821.7	2,663.8	2,417.2	2,252.3	2,225.3	2,210.1
o/w: Indexed to EUR	2,649.0	2,524.9	2,422.3	2,340.1	2,231.6	2,080.2	2,183.2	2,166.4	2,151.7
3.3 Foreign currency loans	15.2	1.1	2.5	5.8	2.5	3.0	2.8	2.6	4.5
4 Car loans	6,236.8	4,539.5	3,175.0	2,162.6	1,439.3	1,076.1	1,107.3	1,089.8	1,078.1
4.1 Kuna loans not indexed to f/c	1,458.6	1,385.0	1,200.7	982.8	803.7	736.7	738.7	741.5	746.8
4.2 Kuna loans indexed to f/c	4,772.2	3,150.7	1,972.5	1,179.1	635.1	339.4	368.5	348.3	331.3
o/w: Indexed to EUR	1,600.2	1,402.3	1,169.6	897.3	571.4	323.6	358.7	338.9	322.3
o/w: Indexed to CHF	3,171.7	1,748.3	802.8	281.7	63.7	15.8	9.8	9.3	8.9
4.3 Foreign currency loans	6.1	3.7	1.8	0.7	0.5	0.1	0.1	0.1	0.1
5 Credit card loans	4,386.8	4,109.3	3,941.2	3,834.6	3,831.0	3,716.2	3,597.0	3,604.2	3,601.0
5.1 Kuna loans not indexed to f/c	4,382.9	4,105.4	3,937.8	3,832.3	3,829.3	3,714.7	3,595.5	3,602.9	3,599.6
5.2 Kuna loans indexed to f/c	1.8	1.7	1.4	0.5	0.1	0.0	0.0	0.0	0.0
o/w: Indexed to EUR	1.8	1.7	1.4	0.5	0.1	0.0	0.0	0.0	0.0
5.3 Foreign currency loans	2.2	2.3	2.0	1.8	1.6	1.5	1.4	1.3	1.3
6 Overdrafts on transaction accounts	8,069.0	8,196.0	8,613.1	8,353.5	8,157.4	7,856.8	7,885.8	7,900.6	7,945.3
6.1 Kuna loans not indexed to f/c	8,068.8	8,195.5	8,612.6	8,352.9	8,156.9	7,855.8	7,884.9	7,899.8	7,944.5
6.2 Kuna loans indexed to f/c	–	0.0	–	–	–	0.7	0.6	0.5	0.5
o/w: Indexed to EUR	–	0.0	–	–	–	0.7	0.6	0.5	0.5
6.3 Foreign currency loans	0.3	0.4	0.4	0.5	0.5	0.3	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	39,793.4	39,777.9	39,978.1	40,218.8
7.1 Kuna loans not indexed to f/c	10,485.2	10,350.8	9,931.9	11,674.6	14,976.4	18,614.3	20,004.9	20,608.1	21,133.3
7.2 Kuna loans indexed to f/c	23,133.2	25,930.9	26,504.4	25,553.7	24,087.9	21,178.9	19,773.0	19,370.0	19,085.5
o/w: Indexed to EUR	22,371.5	25,408.7	26,148.2	25,304.8	23,875.0	21,015.4	19,689.8	19,291.3	19,012.4
7.3 Foreign currency loans	67.7	2.7	–	0.9	0.5	0.2	0.0	0.0	0.0
8 Other loans	13,171.3	11,987.4	11,699.2	11,303.2	10,839.9	10,365.9	10,339.0	10,404.1	10,408.0
8.1 Kuna loans not indexed to f/c	3,311.9	2,143.0	2,237.8	2,362.8	2,771.0	2,673.3	2,794.0	2,903.8	2,885.2
8.2 Kuna loans indexed to f/c	9,632.2	9,551.4	9,227.3	8,706.1	7,825.4	7,476.1	7,302.1	7,260.2	7,265.7
o/w: Indexed to EUR	8,830.4	8,755.0	8,463.5	8,046.3	7,185.5	7,052.1	7,111.3	7,095.9	7,104.8
8.3 Foreign currency loans	227.2	293.1	234.1	234.3	243.5	216.6	242.9	240.2	257.1
Total (1+2+3+4+5+6+7+8)	130,191.6	131,528.5	129,714.4	127,424.6	126,448.6	124,503.4	118,313.6	117,965.2	118,110.8

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Working capital loans	39,267.6	45,557.6	39,633.8	39,483.2	37,400.0	35,287.7	36,825.5	37,609.4	37,611.7
1.1 Kuna loans not indexed to f/c	13,279.2	15,504.5	14,790.7	15,327.0	15,411.1	15,192.0	16,693.6	17,565.0	17,924.1
1.2 Kuna loans indexed to f/c	18,858.1	21,233.8	18,117.8	16,955.6	16,085.2	14,292.7	13,786.9	13,580.3	13,450.6
o/w: Indexed to EUR	18,246.7	20,739.3	17,820.2	16,674.1	15,801.4	14,051.2	13,583.4	13,380.0	13,252.0
o/w: Indexed to CHF	509.5	383.8	270.6	263.2	241.2	206.2	170.9	168.2	167.0
1.3 Foreign currency loans	7,130.3	8,819.2	6,725.3	7,200.6	5,903.7	5,803.0	6,345.0	6,464.1	6,237.1
o/w: In EUR	6,035.8	7,485.4	6,243.2	6,677.0	5,395.5	5,264.2	5,533.9	5,698.1	5,579.7
o/w: In USD	986.4	1,175.3	365.4	407.2	426.5	485.0	762.7	718.0	609.8
2 Investment loans	38,026.1	41,013.5	36,578.9	34,781.9	33,746.9	31,951.8	31,051.5	31,242.7	31,664.3
2.1 Kuna loans not indexed to f/c	6,581.0	6,287.2	5,604.2	5,974.9	6,474.3	6,668.3	6,612.2	6,654.1	6,888.9
2.2 Kuna loans indexed to f/c	26,246.2	28,548.5	26,391.1	24,382.2	22,988.2	21,420.2	20,883.7	20,839.2	21,063.9
o/w: Indexed to EUR	23,819.7	26,716.2	24,983.1	23,266.6	22,006.3	20,660.1	20,194.1	20,165.4	20,414.7
o/w: Indexed to CHF	2,378.6	1,789.2	1,372.9	1,089.7	955.1	740.1	677.3	661.6	637.3
2.3 Foreign currency loans	5,199.0	6,177.8	4,583.6	4,424.8	4,284.5	3,863.4	3,555.6	3,749.5	3,711.5
o/w: In EUR	4,807.0	5,402.9	4,354.7	4,294.6	4,129.6	3,708.8	3,410.3	3,606.0	3,569.4
o/w: In USD	31.3	406.2	12.4	11.9	56.3	49.5	44.6	43.8	44.7
Total (1+2)	77,293.7	86,571.1	76,212.7	74,265.2	71,146.9	67,239.5	67,877.0	68,852.1	69,276.0

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Local government	2,210.7	2,152.1	2,202.0	2,326.2	2,951.5	2,964.5	2,688.0	2,899.1	2,907.2
2 Non-financial corporations	14,026.4	15,562.3	15,117.7	18,471.8	20,206.7	22,633.3	20,583.2	20,122.2	21,565.1
3 Households	15,285.2	15,874.4	15,994.5	17,681.9	19,520.8	22,845.7	22,768.2	23,082.9	23,733.3
4 Other banking institutions	....	....	....	....	....	....	....	....	....
5 Non-banking financial institutions	....	....	....	....	....	....	....	....	....
6 Non-MMF investment funds	127.7	136.5	121.4	130.0	109.6	118.1	74.7	136.4	191.3
7 Other financial intermediaries	521.4	495.5	713.1	646.8	762.0	710.9	567.0	796.3	839.7
8 Financial auxiliaries	350.3	262.0	480.1	427.6	1,106.8	814.6	646.7	610.6	812.8
9 Insurance corporations and pension funds	189.6	317.2	362.7	792.9	259.7	427.1	481.2	379.6	594.9
10 Less: Checks of other banks and checks in collection	-0.1	0.0	0.0	0.0	0.0	-	-	-	-
Total (1+2+3+4+5+6+7+8+9+10)	32,711.3	34,800.0	34,991.5	40,477.2	44,917.1	50,514.1	47,809.1	48,027.0	50,644.3

^a 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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Savings deposits	2,461.5	2,466.4	2,322.3	2,559.5	2,253.0	2,347.4	2,325.6	2,324.6	2,368.2
1.1 Local government	0.1	21.2	18.8	2.4	0.1	0.0	14.0	14.3	16.8
1.2 Non-financial corporations	272.6	396.6	365.4	655.9	455.9	478.8	477.1	490.2	530.5
1.3 Households	2,156.1	2,007.8	1,894.2	1,852.5	1,756.3	1,814.7	1,787.4	1,785.3	1,790.1
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	53.6	46.9	34.6	30.7
1.8 Financial auxiliaries	12.3	7.7	8.3	1.3	1.0	0.3	0.2	0.2	0.2
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	32,859.6	33,085.8	33,220.5	33,293.8
2.1 Local government	264.9	268.6	228.2	197.5	217.8	271.5	656.8	746.6	766.7
2.2 Non-financial corporations	7,387.8	9,626.2	6,152.8	5,804.4	6,139.4	6,730.5	6,533.9	6,873.7	7,121.1
2.3 Households	15,657.1	17,881.0	19,962.5	21,959.2	22,386.7	22,718.3	22,969.3	22,800.0	22,655.9
2.4 Other banking institutions	....	....	....	....	....	....	....	....	....
2.5 Non-banking financial institutions	....	....	....	....	....	....	....	....	....
2.6 OtNon-MMF investment funds	172.2	69.6	62.2	51.1	37.5	28.4	35.8	28.0	30.6
2.7 Other financial intermediaries	250.5	400.0	455.7	525.9	470.4	518.2	496.8	501.9	505.3
2.8 Financial auxiliaries	993.8	768.1	544.4	710.0	519.7	521.3	517.2	489.1	493.5
2.9 Insurance corporations and pension funds	1,954.3	2,197.0	1,961.8	1,599.5	2,447.3	2,071.4	1,875.9	1,781.2	1,720.6
Total (1+2)	29,142.0	33,676.8	31,689.8	33,407.1	34,471.8	35,207.0	35,411.4	35,545.1	35,662.0

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Savings deposits	22,869.5	22,828.2	23,652.9	25,284.0	28,967.8	34,668.5	36,200.9	37,024.5	36,566.1
1.1 Local government	20.6	11.0	22.4	30.6	29.2	36.0	28.7	31.6	31.7
1.2 Non-financial corporations	5,640.5	5,399.1	5,962.7	6,780.6	8,002.4	10,029.1	10,761.8	11,173.0	9,826.4
1.3 Households	16,480.3	16,949.9	16,574.0	17,787.2	19,370.5	23,361.1	23,517.9	23,889.4	24,500.8
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	202.0	448.1	308.9	347.1
1.7 Other financial intermediaries	382.1	159.9	402.4	269.4	616.5	637.5	420.1	575.1	594.2
1.8 Financial auxiliaries	176.4	23.7	34.4	71.7	469.3	234.8	417.2	521.1	305.2
1.9 Insurance corporations and pension funds	37.5	207.1	495.1	160.1	213.4	168.2	607.2	525.4	960.7
2 Time deposits	131,828.4	129,368.9	136,790.9	137,372.3	135,898.8	136,655.4	130,905.4	129,293.5	128,955.4
2.1 Local government	163.7	106.4	92.7	69.7	59.8	49.3	50.8	49.9	50.0
o/w: Indexed to f/c	152.0	96.3	84.0	62.3	55.5	45.6	45.4	44.5	44.5
2.2 Non-financial corporations	14,582.7	10,159.5	11,134.9	10,707.0	8,954.8	13,409.2	11,749.9	11,672.2	11,907.1
o/w: Indexed to f/c	1,030.9	895.1	815.1	556.3	523.4	541.9	489.2	450.6	410.9
2.3 Households	111,484.7	115,711.4	121,241.8	123,242.8	123,393.1	120,807.6	116,736.7	115,280.4	114,736.9
o/w: Indexed to f/c	7,007.3	7,037.1	6,995.4	6,799.1	7,145.9	6,907.5	6,655.3	6,585.4	6,539.2
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	117.2	74.1	85.3	83.2
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	738.1	955.9	871.5	865.6
o/w: Indexed to f/c	131.0	163.9	144.0	163.0	199.9	162.5	164.2	154.3	162.5
2.8 Financial auxiliaries	396.3	40.6	482.6	251.1	106.3	94.4	107.7	115.6	115.8
o/w: Indexed to f/c	8.9	–	5.0	10.7	4.4	0.1	0.1	0.0	0.0
2.9 Insurance corporations and pension funds	1,637.3	1,139.6	2,115.6	1,085.3	1,613.6	1,439.7	1,230.2	1,218.6	1,196.7
o/w: Indexed to f/c	395.4	239.4	270.1	128.4	80.0	63.5	57.2	56.9	50.0
Total (1+2)	154,697.9	152,197.1	160,443.7	162,656.3	164,866.6	171,323.9	167,106.3	166,318.0	165,521.5

^a 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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							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	29,448.9	29,503.2	29,673.7	29,777.0
1.1 Deposits of households	15,657.1	17,881.0	19,962.5	21,959.2	22,386.7	22,718.3	22,969.3	22,800.0	22,655.9
1.2 Deposits of non-financial corporations	7,387.8	9,626.2	6,152.8	5,804.4	6,139.4	6,730.5	6,533.9	6,873.7	7,121.1
2 Kuna deposits indexed to foreign currency	8,038.2	7,932.1	7,810.5	7,355.3	7,669.3	7,449.4	7,144.6	7,036.0	6,950.2
2.1 Deposits of households	7,007.3	7,037.1	6,995.4	6,799.1	7,145.9	6,907.5	6,655.3	6,585.4	6,539.2
2.1.1 Indexed to EUR	6,807.8	6,852.9	6,829.8	6,654.1	7,002.2	6,775.0	6,538.9	6,474.6	6,432.7
2.1.2 Indexed to USD	64.4	61.3	55.4	42.7	47.0	32.6	29.5	28.9	29.2
2.1.3 Indexed to other currencies	135.1	122.9	110.1	102.3	96.6	99.9	86.9	81.9	77.4
2.2 Deposits of non-financial corporations	1,030.9	895.1	815.1	556.3	523.4	541.9	489.2	450.6	410.9
2.2.1 Indexed to EUR	1,020.2	888.2	812.7	555.0	520.7	540.7	488.7	450.1	410.4
2.2.2 Indexed to USD	9.9	6.2	1.8	0.7	2.3	0.8	0.2	0.2	0.2
2.2.3 Indexed to other currencies	0.8	0.7	0.6	0.5	0.4	0.4	0.3	0.3	0.3
3 Foreign currency deposits	118,029.2	117,938.7	124,566.3	126,594.5	124,678.5	126,767.3	121,342.1	119,916.6	119,693.8
3.1 Deposits of households	104,477.4	108,674.3	114,246.5	116,443.8	116,247.2	113,900.1	110,081.4	108,695.0	108,197.7
3.1.1 In EUR	97,163.6	98,753.6	103,102.6	105,813.6	105,015.8	101,825.5	98,724.5	97,551.9	97,039.5
3.1.2 In USD	5,316.9	6,447.6	6,967.3	6,943.6	7,728.7	8,636.7	8,104.2	7,961.4	8,085.2
3.1.3 In other currencies	1,996.9	3,473.1	4,176.6	3,686.5	3,502.7	3,437.9	3,252.7	3,181.8	3,073.0
3.2 Deposits of non-financial corporations	13,551.8	9,264.4	10,319.8	10,150.7	8,431.3	12,867.2	11,260.7	11,221.6	11,496.2
3.2.1 In EUR	12,528.8	8,065.1	9,063.1	9,116.7	7,417.8	11,789.8	10,322.1	10,294.4	10,413.0
3.2.2 In USD	901.8	1,042.3	1,071.2	962.5	879.3	1,049.9	907.8	896.7	1,054.7
3.2.3 In other currencies	121.3	157.0	185.5	71.5	134.2	27.5	30.7	30.4	28.5
Total (1+2+3)	149,112.4	153,378.0	158,492.0	161,713.4	160,873.9	163,665.6	157,989.9	156,626.2	156,421.0

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Local government	428.6	375.1	320.9	267.2	277.6	320.9	707.7	796.5	816.7
Up to 1 year	276.5	237.8	226.6	190.4	178.0	229.7	517.9	592.8	615.5
Over 1 and up to 2 years	28.9	35.3	16.5	12.9	36.8	33.3	128.3	143.3	140.9
Over 2 years	123.2	101.9	77.9	63.9	62.8	57.8	61.5	60.5	60.4
2 Non-financial corporations	21,970.6	19,785.6	17,287.7	16,511.3	15,094.1	20,139.7	18,283.8	18,545.9	19,028.1
Up to 1 year	17,158.1	14,265.1	12,657.2	13,242.0	11,075.3	13,087.0	11,040.5	11,209.5	11,068.4
Over 1 and up to 2 years	3,460.7	3,991.6	3,280.7	1,989.8	1,987.2	5,375.7	5,345.5	5,264.5	5,560.9
Over 2 years	1,351.8	1,528.9	1,349.8	1,279.6	2,031.6	1,677.0	1,897.8	2,071.8	2,398.8
3 Households	127,141.8	133,592.4	141,204.3	145,202.1	145,779.8	143,525.9	139,706.1	138,080.4	137,392.8
Up to 1 year	77,919.0	77,231.8	81,914.7	73,552.9	65,616.2	61,082.1	58,577.2	57,361.9	56,713.2
Over 1 and up to 2 years	23,228.2	27,752.7	28,108.2	36,602.4	39,749.4	37,829.7	36,309.7	35,664.8	35,449.1
Over 2 years	25,994.6	28,607.9	31,181.4	35,046.8	40,414.2	44,614.1	44,819.1	45,053.7	45,230.6
4 Non-MMF investment funds	552.7	292.0	134.6	124.9	99.3	145.6	110.0	113.3	113.9
Up to 1 year	552.7	276.6	131.1	118.0	69.3	133.6	82.7	94.1	94.5
Over 1 and up to 2 years	–	–	0.8	0.8	20.0	5.5	12.0	3.1	6.0
Over 2 years	–	15.4	2.7	6.1	9.9	6.4	15.2	16.2	13.3
5 Other financial intermediaries	3,433.7	2,389.0	2,106.4	2,468.6	2,179.8	1,256.2	1,452.7	1,373.5	1,371.0
Up to 1 year	2,571.2	2,243.1	1,964.0	2,094.6	1,775.9	942.3	1,059.8	1,018.6	1,015.1
Over 1 and up to 2 years	853.2	139.4	142.3	374.0	402.8	313.1	392.2	354.2	355.2
Over 2 years	9.3	6.5	0.0	–	1.1	0.9	0.7	0.7	0.7
6 Financial auxiliaries	1,390.0	808.7	1,027.0	961.1	626.1	615.7	624.9	604.7	609.3
Up to 1 year	1,341.7	759.0	830.7	704.6	505.8	443.6	509.2	484.6	490.1
Over 1 and up to 2 years	3.6	5.5	152.2	145.3	7.5	60.6	4.5	1.9	0.9
Over 2 years	44.7	44.1	44.1	111.3	112.7	111.4	111.2	118.2	118.3
7 Insurance corporations and pension funds	3,591.6	3,336.6	4,077.4	2,684.8	4,060.8	3,511.1	3,106.1	2,999.8	2,917.4
Up to 1 year	2,189.8	2,082.3	2,840.9	1,423.3	2,105.1	1,293.4	934.2	840.2	790.0
Over 1 and up to 2 years	676.1	528.0	644.2	717.0	966.7	983.6	964.1	954.7	928.6
Over 2 years	725.7	726.4	592.4	544.4	989.0	1,234.2	1,207.8	1,204.9	1,198.8
Total time deposits (1+2+3+4+5+6+7)	158,509.0	160,579.3	166,158.4	168,220.0	168,117.6	169,515.0	163,991.2	162,514.0	162,249.2
Up to 1 year	102,009.0	97,095.7	100,565.2	91,325.8	81,325.5	77,211.7	72,721.6	71,601.6	70,786.8
Over 1 and up to 2 years	28,250.6	32,452.5	32,344.9	39,842.2	43,170.5	44,601.5	43,156.3	42,386.5	42,441.6
Over 2 years	28,249.3	31,031.1	33,248.3	37,052.0	43,621.5	47,701.9	48,113.4	48,525.9	49,020.9

^a 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^a

end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Money market instruments (net)	–	–	–	–	–	0.8	0.8	–	–
2 Bonds (net)	940.1	1,684.5	1,584.2	1,597.7	1,402.2	1,200.0	1,190.6	1,182.6	1,169.8
3 Other domestic borrowing	48.5	44.2	827.8	397.6	759.2	977.0	1,108.5	1,150.7	674.3
3.1 Local government	–	–	–	–	–	–	–	–	–
3.2 Non-financial corporations	0.0	0.0	786.5	317.0	723.1	896.9	1,037.2	1,104.4	628.1
3.3 Other banking institutions	....	....	....	....	....	....	....	....	....
3.4 Non-banking financial institutions	....	....	....	....	....	....	....	....	....
3.5 Non-MMF investment funds	–	–	–	–	–	2.8	2.8	2.8	2.8
3.6 Other financial intermediaries	48.5	1.6	2.1	1.7	1.2	0.8	0.6	0.6	0.5
3.7 Financial auxiliaries	–	16.4	39.2	78.9	34.9	76.4	67.9	42.9	42.9
3.8 Insurance corporations and pension funds	–	26.1	–	–	–	–	–	–	–
Total (1+2+3)	988.6	1,728.7	2,412.0	1,995.3	2,161.3	2,177.8	2,299.9	2,333.3	1,844.2

^a 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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Foreign liabilities in f/c	61,020.4	69,975.1	58,942.6	54,860.9	52,084.3	39,919.5	36,589.7	35,550.4	37,331.1
1.1 Liabilities to foreign financial institutions	51,070.5	60,081.6	48,548.7	44,696.0	41,942.7	29,316.4	26,066.7	23,949.4	24,346.9
o/w: Indexed to f/c	2,234.8	2,069.6	1,097.3	1,259.7	1,346.9	1,480.5	1,379.8	1,371.6	1,373.4
Subordinated and hybrid instruments	3,029.2	3,271.9	3,239.8	3,045.0	3,119.9	3,864.4	3,808.0	3,785.0	3,789.6
Demand deposits	203.4	180.4	179.1	276.2	457.6	440.5	600.1	933.3	1,566.9
Time and notice deposits	21,525.3	28,430.5	17,377.5	18,771.8	16,925.3	14,329.5	11,330.8	11,027.7	10,666.0
Loans and advances	26,312.6	28,198.8	27,752.2	22,447.4	21,203.5	10,443.1	10,171.6	8,047.9	8,168.6
Bonds	–	–	–	–	–	–	–	–	–
MMFs shares/units	....	–	–	155.6	236.3	238.9	156.3	155.5	155.8
1.2 Liabilities to foreign non-financial institutions	9,949.9	9,893.6	10,393.9	10,164.8	10,141.6	10,603.2	10,523.1	11,601.0	12,984.2
o/w: Indexed to f/c	29.8	33.8	39.2	40.8	44.4	66.5	66.9	64.7	68.8
Subordinated and hybrid instruments	11.1	14.8	13.9	10.4	5.7	10.2	11.0	11.0	11.0
Savings and time deposits	9,934.8	9,866.5	10,211.8	9,829.4	10,113.8	10,550.9	10,470.1	11,550.0	12,929.3
Savings deposits	1,421.3	1,398.5	1,606.5	1,725.8	2,072.4	2,652.0	2,625.3	2,666.3	2,710.1
Time and notice deposits	8,513.5	8,468.0	8,605.3	8,103.6	8,041.4	7,898.9	7,844.8	8,883.7	10,219.2
Loans and advances	4.1	2.5	152.1	305.5	–	–	–	–	–
Bonds	–	–	–	–	–	–	–	–	–
MMFs shares/units	....	9.8	16.1	19.5	22.1	42.1	41.9	40.0	43.9
2 Foreign liabilities in kuna	21,078.9	20,513.8	14,884.5	14,860.7	10,243.9	6,736.6	6,520.7	5,451.7	5,247.3
2.1 Liabilities to foreign financial institutions	20,731.1	20,024.2	14,317.8	14,320.9	9,577.9	5,841.3	5,573.5	4,559.4	4,289.8
Subordinated and hybrid instruments	36.3	48.5	41.3	36.3	–	5.0	12.8	12.8	32.8
Demand deposits	696.5	655.3	724.4	924.6	1,650.3	1,078.1	771.4	1,066.1	822.2
Time and notice deposits	14,664.0	15,463.5	11,398.4	9,806.1	7,728.7	4,586.4	4,576.2	3,268.0	3,269.5
Loans and advances	5,257.8	3,736.6	1,996.7	3,362.7	113.5	87.3	87.3	87.3	40.0
Bonds	76.5	–	30.9	0.0	0.0	11.9	11.9	11.9	11.9
MMFs shares/units	....	120.3	126.1	191.3	85.4	72.7	114.0	113.3	113.3
2.2 Liabilities to foreign non-financial institutions	347.8	489.6	566.7	539.8	666.0	895.3	947.2	892.3	957.5
Subordinated and hybrid instruments	8.5	10.2	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Demand deposits	221.7	327.7	364.8	326.1	437.8	578.2	616.2	557.9	626.0
Time and notice deposits	117.2	141.2	181.9	191.1	203.5	294.9	302.6	308.1	304.8
Loans and advances	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	–	–	–	–	–	–	–	–	–
MMFs shares/units	....	10.5	9.8	12.3	14.4	11.9	18.1	16.0	16.5
Total (1+2)	82,099.3	90,488.9	73,827.0	69,721.5	62,328.2	46,656.1	43,110.5	41,002.1	42,578.4

^a 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. Due to the reclassification of the position of MMFs shares/units from foreign liabilities in kuna to foreign liabilities in f/c, data have been revised as from December 2011.

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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 In kuna	8,329.8	8,095.5	9,128.0	8,759.0	9,003.5	8,797.9	8,571.5	8,689.0	8,128.7
1.1 Central government deposits	8,329.5	8,094.9	9,128.0	8,722.1	9,002.3	8,797.9	8,571.5	8,689.0	8,128.6
Demand deposits	1,592.5	1,997.0	2,040.7	2,258.0	2,385.2	2,580.5	2,266.5	2,070.3	2,020.3
Savings deposits	0.1	0.1	19.8	31.6	30.9	24.8	30.7	30.7	27.7
Time and notice deposits	1,228.2	984.0	833.5	942.6	740.4	989.7	912.3	1,043.5	807.6
Loans and advances	5,508.8	5,113.8	6,233.9	5,490.0	5,845.9	5,203.0	5,362.0	5,544.5	5,273.0
1.2 Deposits of social security funds	0.3	0.6	0.0	36.9	1.1	0.0	0.0	0.0	0.0
Demand deposits	0.3	0.6	0.0	36.9	1.1	0.0	0.0	0.0	0.0
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	8,737.1	8,401.8	8,105.4	8,131.8
2.1 Central government deposits	13,828.3	12,394.0	11,442.0	10,099.4	10,162.2	8,732.9	8,398.2	8,101.9	8,128.2
Savings deposits	1,169.6	811.0	1,826.2	864.6	1,258.6	1,109.1	1,062.2	938.9	1,011.0
Time and notice deposits	1,909.6	1,671.6	495.0	505.9	773.5	404.9	453.0	282.7	144.1
Refinanced loans and advances	10,749.2	9,911.4	9,120.7	8,728.8	8,130.1	7,218.9	6,883.0	6,880.3	6,973.1
2.2 Deposits of social security funds	35.6	42.9	44.7	33.6	14.4	4.2	3.6	3.6	3.6
Savings deposits	24.3	31.3	33.0	23.8	5.2	0.1	0.0	0.0	0.1
Time and notice deposits	11.2	11.6	11.8	9.9	9.2	4.1	3.6	3.5	3.5
Loans and advances	-	-	-	-	-	-	-	-	-
Total (1+2)	22,193.7	20,532.4	20,614.7	18,892.0	19,180.1	17,535.0	16,973.3	16,794.4	16,260.5

^a 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^a
end of period, in million HRK

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
1 Restricted deposits	2,374.9	3,183.9	2,413.9	2,735.9	3,076.0	3,930.1	3,638.0	3,830.2	3,818.6
1.1 In kuna	1,257.5	1,571.4	1,428.7	1,707.1	2,032.1	2,428.9	2,431.0	2,548.7	2,611.7
1.2 In f/c	1,117.4	1,612.5	985.2	1,028.9	1,043.9	1,501.1	1,207.0	1,281.4	1,206.9
2 Blocked f/c deposits of households	-	-	-	-	-	-	-	-	-
Total (1+2)	2,374.9	3,183.9	2,413.9	2,735.9	3,076.0	3,930.1	3,638.0	3,830.2	3,818.6

^a 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 E1a Aggregated balance sheet of investment funds (end-of-period balance)
in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016	
						Mar.	Apr.
ASSETS							
1 Deposits and loans given	552.3	478.3	486.9	742.8	673.8	838.2	765.0
1.1 Domestic sectors	551.5	478.0	485.2	742.4	665.4	827.9	752.7
o/w: MMFs	522.8	448.4	460.4	552.8	559.6	740.5	646.8
1.2 Rest of the world	0.8	0.3	1.7	0.4	8.4	10.3	12.3
2 Investment in debt securities	1,526.4	979.4	841.1	1,511.2	2,283.1	2,742.3	2,789.2
2.1 Domestic sectors	970.0	574.1	635.9	1,321.2	2,133.2	2,615.4	2,672.4
o/w: Non-financial corporations	564.7	267.8	141.9	123.6	130.8	137.1	141.2
o/w: Financial corporations	27.3	16.1	4.6	6.2	13.0	13.4	13.5
o/w: General government	378.1	290.2	489.3	1,191.4	1,989.4	2,464.9	2,517.7
2 Rest of the world	556.4	405.3	205.3	190.0	150.0	126.9	116.8
o/w: Non-financial corporations	88.0	110.2	127.0	62.0	51.1	37.9	38.1
o/w: Financial corporations	19.5	56.4	32.0	5.3	7.2	10.8	11.0
o/w: General government	448.9	238.6	46.3	122.7	91.8	78.2	67.7
3 Investment in equities and other share capital	4,357.4	4,208.7	4,028.9	4,347.8	4,765.1	4,527.9	4,512.6
3.1 Domestic sectors	2,260.9	2,388.4	2,285.1	2,696.7	3,008.8	2,930.1	2,949.5
o/w: Non-financial corporations	1,898.2	2,079.8	2,005.8	2,450.7	2,650.1	2,539.7	2,554.1
o/w: Financial corporations	362.7	308.7	279.3	246.0	358.7	390.4	395.5
3.2 Rest of the world	2,096.5	1,820.2	1,743.8	1,651.1	1,756.3	1,597.8	1,563.1
o/w: Non-financial corporations	1,548.4	1,332.2	1,342.4	1,250.5	1,269.0	1,150.3	1,124.5
o/w: Financial corporations	548.1	488.0	401.4	400.6	487.3	447.5	438.6
4 Non-financial assets	289.0	206.0	121.3	115.0	69.2	68.9	72.2
5 Other assets (including financial derivatives)	160.2	205.1	128.3	131.9	143.4	348.0	504.9
Total (1+2+3+4+5)	6,885.2	6,077.5	5,606.5	6,848.7	7,934.6	8,525.3	8,643.9
LIABILITIES							
1 Deposits and liabilities received	36.4	22.3	44.7	182.2	123.2	304.1	261.5
2 Investment funds' shares/units issued	6,708.6	5,943.2	5,321.9	6,392.8	7,547.3	7,721.4	7,869.4
2.1 Domestic sectors	6,498.9	5,721.8	5,132.9	6,204.1	7,264.1	7,338.1	7,487.1
o/w: Non-financial corporations	425.7	381.7	319.0	492.5	486.2	509.7	509.1
o/w: Financial corporations	2,000.2	1,608.4	1,311.9	1,407.4	1,448.6	1,542.4	1,563.1
o/w: Households	2,901.1	2,424.2	2,176.3	2,699.3	3,591.4	3,535.8	3,654.1
2.2 Rest of the world	209.7	221.4	189.0	188.7	283.2	383.3	382.3
o/w: Non-financial corporations	47.8	37.2	7.1	8.2	6.9	6.9	6.9
o/w: Financial corporations	80.6	117.2	110.9	89.6	167.7	263.7	262.8
o/w: Households	77.1	66.9	67.3	90.9	108.7	112.8	112.6
3 Other liabilities (including financial derivatives)	140.2	112.0	239.9	273.6	264.1	499.9	513.0
Total (1+ 2+ 3)	6,885.2	6,077.5	5,606.5	6,848.7	7,934.6	8,525.3	8,643.9

Tables E1 • The tables show 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 E1b Aggregated balance sheet of investment funds (transactions during the period)

in million HRK

	2011	2012	2013	2014	2015	2016	
						Q1	Apr.
ASSETS							
1 Deposits and loans given	–	–80.6	56.6	250.6	–75.8	170.0	–69.8
1.1 Domestic sectors	–	–83.3	54.4	251.8	–83.7	168.1	–71.9
o/w: MMFs	–	–84.4	59.5	85.7	0.1	186.4	–90.5
1.2 Rest of the world	–	2.7	2.1	–1.2	7.9	1.9	2.1
2 Investment in debt securities	–	–542.9	–44.7	592.6	750.3	483.0	57.4
2.1 Domestic sectors	–	–366.4	124.5	617.2	797.7	504.0	67.7
o/w: Non-financial corporations	–	–223.3	–64.1	–38.6	4.6	7.4	4.2
o/w: Financial corporations	–	–18.0	–11.8	1.6	7.0	0.5	0.1
o/w: General government	–	–125.0	200.4	654.1	786.2	496.1	63.4
2 Rest of the world	–	–176.6	–169.1	–24.6	–47.4	–21.0	–10.3
o/w: Non-financial corporations	–	13.9	27.2	–61.3	–15.9	–12.7	0.2
o/w: Financial corporations	–	32.2	–20.2	–24.7	1.5	4.3	0.0
o/w: General government	–	–222.7	–176.2	61.5	–33.0	–12.6	–10.5
3 Investment in equities and other share capital	–	–253.5	–334.6	90.2	256.4	–124.5	–40.5
3.1 Domestic sectors	–	118.4	–118.3	275.7	180.3	–39.7	2.5
o/w: Non-financial corporations	–	167.2	–117.2	325.3	69.5	–71.1	–0.1
o/w: Financial corporations	–	–48.8	–1.0	–49.6	110.8	31.4	2.7
3.2 Rest of the world	–	–371.9	–216.4	–185.6	76.2	–84.8	–43.0
o/w: Non-financial corporations	–	–341.1	–126.3	–138.4	–12.2	–71.5	–31.8
o/w: Financial corporations	–	–30.9	–90.1	–47.2	88.3	–13.3	–11.2
4 Non-financial assets	–	–81.5	–5.2	0.0	–45.8	–0.3	3.3
5 Other assets (including financial derivatives)	–	–46.5	–122.8	–6.5	–58.3	175.2	151.6
Total (1+2+3+4+5)	–	–1,005.0	–450.7	926.8	826.9	703.4	102.0
LIABILITIES							
1 Deposits and loans received	–	–13.4	23.3	136.2	–59.5	185.2	–41.2
2 Investment funds' shares/units issued	–	–923.5	–600.5	769.3	934.7	289.6	137.2
2.1 Domestic sectors	–	–927.5	–562.3	783.1	837.7	189.7	137.8
o/w: Non-financial corporations	–	–23.1	–11.2	154.4	–19.3	27.3	0.2
o/w: Financial corporations	–	–386.2	–194.6	21.7	–10.2	114.6	18.9
o/w: General government	–	–587.2	–296.6	363.4	783.3	1.5	117.4
2.2 Rest of the world	–	4.0	–38.2	–13.8	97.0	99.9	–0.5
o/w: Non-financial corporations	–	–10.5	–29.7	–0.8	–1.2	0.0	0.0
o/w: Financial corporations	–	30.9	–10.0	–31.4	79.2	95.5	–0.2
o/w: Households	–	–12.0	–3.2	16.9	18.9	4.4	–0.4
3 Other liabilities (including financial derivatives)	–	–68.0	126.5	21.4	–48.4	228.6	5.9
Total (1+ 2+ 3)	–	–1,005.0	–450.7	926.8	826.9	703.4	102.0

Table E2a Investment funds' shares/units issued by type of investment and type of fund (end-of-period balance)

in million HRK

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016	
						Mar.	Apr.
Investment funds' shares/units issued by type of investment							
1 Bonds	814.4	542.3	394.0	911.1	1,379.9	1,766.2	1,881.5
2 Equities	3,634.2	3,406.3	3,274.5	3,209.4	3,155.5	3,045.2	3,053.1
3 Mixed	1,454.2	1,170.7	866.9	931.6	1,425.1	1,335.6	1,361.1
4 Real estate	404.0	295.7	128.1	118.8	76.4	75.8	75.6
5 Others	401.8	528.2	658.4	1,222.0	1,510.4	1,498.5	1,498.0
Total (1+2+3+4+5)	6,708.6	5,943.2	5,321.9	6,392.8	7,547.3	7,721.4	7,869.4
Investment funds' shares/units issued by type of fund							
1 Open-ended	5,090.8	4,365.9	3,939.0	4,930.6	6,087.7	6,242.4	6,386.6
2 Closed-ended	1,617.9	1,577.3	1,382.9	1,462.2	1,459.6	1,479.0	1,482.8
Total (1+2)	6,708.6	5,943.2	5,321.9	6,392.8	7,547.3	7,721.4	7,869.4

Tables E2 • The tables report 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.

Table E2b Investment funds' shares/units issued by type of investment and type of fund (transactions during the period)

in million HRK

	2011	2012	2013	2014	2015	2016	
						Q1	Apr.
Investment funds' shares/units issued by type of investment							
1 Bonds	–	–316.7	–148.3	482.3	432.6	377.0	120.0
2 Equities	–	–380.6	–349.8	–149.5	–173.0	–10.1	–8.3
3 Mixed	–	–338.7	–140.0	–6.2	437.3	–69.0	25.2
4 Real estate	–	–71.6	–8.2	–2.1	–42.5	–0.6	–0.2
5 Others	–	184.1	45.8	444.6	280.2	–7.7	0.5
Total (1+2+3+4+5)	–	–923.5	–600.5	769.3	934.7	289.6	137.2
Investment funds' shares/units issued by type of fund							
1 Open-ended	–	–864.7	–485.6	774.4	997.8	235.1	142.2
2 Closed-ended	–	–58.8	–114.9	–5.1	–63.1	54.5	–4.9
Total (1+2)	–	–923.5	–600.5	769.3	934.7	289.6	137.2

F Monetary policy instruments and liquidity

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

Year	Month	CNB discount rate	CNB repo rate ^a	Credit rates					
				On Lombard credits ^b	On intervention credits	On intra-day refinance facility ^b	On short-term liquidity credits	On inaccurately calculated statutory reserves ^b	On arrears
1	2	3	4	5	6	7	8	9	10
2001	December	5.90	–	10.00	–	–	11.00	15.00	18.00
2002	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2003	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2004	December	4.50	–	9.50	–	–	10.50	15.00	15.00
2005	December	4.50	3.50	7.50 ^c	–	–	8.50 ^c	15.00	15.00
2006	December	4.50	3.50	7.50	–	–	8.50	15.00	15.00
2007	December	9.00 ^d	4.06	7.50	–	–	8.50	15.00	15.00
2008	December	9.00	6.00	9.00	–	–	10.00	15.00	14.00
2009	December	9.00	–	9.00	–	–	10.00	15.00	14.00
2010	December	9.00	–	9.00	–	–	10.00	15.00	14.00
2011	December	7.00	–	6.25	–	–	7.25	15.00	12.00
2012	December	7.00	–	6.25	–	–	7.25	14.50	12.00
2013	December	7.00	–	5.00 ^e	–	–	6.00 ^e	12.00 ^e	12.00
2014	December	7.00	–	5.00	–	–	6.00	12.00	12.00
2015	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	10.14 ^f
	September	7.00	0.80	5.00	–	–	6.00	12.00	10.14
	October	3.00 ^g	0.80	2.50 ^g	–	–	4.00 ^g	8.00 ^g	10.14
	November	3.00	0.55	2.50	–	–	4.00	8.00	10.14
	December	3.00	0.50	2.50	–	–	4.00	8.00	10.14
2016	January	3.00	0.50	2.50	–	–	4.00	8.00	10.05 ^h
	February	3.00	0.50	2.50	–	–	4.00	8.00	10.05
	March	3.00	0.50	2.50	–	–	4.00	8.00	10.05
	April	3.00	0.50	2.50	–	–	4.00	8.00	10.05
	May	3.00	0.50	2.50	–	–	4.00	8.00	10.05

^a Weighted averages of weighted repo rates achieved at regular reverse repo auctions of the CNB in the reporting month. ^b Breaks in the series of data are explained in notes on methodology. ^c Since 14 December 2005. ^d Since 31 December 2007. ^e Since 7 December 2013. ^f Since 1 August 2015. ^g Since 31 October 2015. ^h Since 1 January 2016.

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

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

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

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

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

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

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

Table F2 Deposit rates of the Croatian National Bank

in percentage, on annual basis

Year	Month	Interest rates on statutory reserves dep. with the CNB	Interest rates on CNB bills on an obligatory basis	Interest rates on CNB bills on a voluntary basis ^a				Interest rates on f/c CNB bills on a voluntary basis					Interest rates on overnight deposits
				Due in 7 days	Due in 35 days	Due in 70 days	Due in 105 days	Due in 35 days	Due in 63 days	Due in 91 days	Due in 182 days	Due in 364 days	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
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	December	0.00	–	–	–	–	–	–	–	–	–	–	0.00
2015	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
2016	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

^a 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,

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	December	12.00	37,589.8	31,351.3	6,238.5	3,568.0	21,945.9	3,743.1	–	–
2015	June	12.00	37,064.8	30,904.2	6,160.7	3,063.6	21,632.9	3,696.4	–	–
	July	12.00	37,342.0	31,161.1	6,180.9	2,947.2	21,812.8	3,708.5	–	–
	August	12.00	37,496.2	31,306.2	6,190.0	3,090.6	21,914.3	3,714.0	–	–
	September	12.00	37,607.6	31,422.1	6,185.6	3,203.0	21,995.5	3,711.3	–	–
	October	12.00	37,829.1	31,620.3	6,208.8	661.7	22,134.2	3,725.3	–	–
	November	12.00	38,236.2	31,921.9	6,314.3	–	22,345.3	3,788.6	–	–
	December	12.00	38,279.3	31,941.1	6,338.2	–	22,358.8	3,802.9	–	–
2016	January	12.00	38,091.8	31,812.7	6,279.1	–	22,268.9	1,470.5	–	–
	February	12.00	37,489.1	31,349.0	6,140.2	–	21,944.3	–	–	–
	March	12.00	37,030.8	30,972.9	6,057.9	–	21,681.1	–	–	–
	April	12.00	36,641.9	30,671.0	5,970.9	–	21,469.7	–	–	–
	May	12.00	35,934.1	30,106.2	5,827.9	–	21,074.3	–	–	–

while until December 1994 it comprised two instruments: statutory reserves and liquid assets requirement – LAR (except for the part in which banks were conforming to this requirement by registering CNB bills on a voluntary basis). In December 2000, reserve requirements in kuna and in foreign currency were unified, i.e. reserve requirements rate, periods for calculating, allocating and maintaining reserve requirements were unified, as 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 amounted to 60% until December 2015, while from January 2016, it amounts to 0%.

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

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	December	5,970.3	7,473.8	5.67	–	–	–	14,588.2
2015	June	7,815.4	5,984.5	7.55	–	–	–	13,169.8
	July	5,295.3	7,076.4	5.04	–	–	–	13,001.9
	August	3,975.5	8,273.6	3.75	–	–	–	12,763.2
	September	5,541.2	8,593.9	5.17	–	–	–	11,780.1
	October	7,074.5	8,919.1	6.53	0.3	–	–	11,075.1
	November	7,651.1	9,481.7	7.07	0.2	–	–	10,798.0
	December	7,283.7	9,956.2	6.76	–	–	–	11,741.9
2016	January	8,341.7	8,567.9	7.71	–	–	–	11,401.9
	February	10,040.7	7,371.4	9.32	–	–	–	11,104.9
	March	9,005.3	6,787.0	8.44	–	–	–	10,928.1
	April	8,389.0	6,751.8	7.89	0.0	–	–	10,425.6
	May	8,594.8	7,111.0	8.2	–	–	–	9,993.7

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

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

Table F4 Banks' liquidity indicators • 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	2012	2013	2014	2015	2016		2016	
	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Apr.	May	
						Interest rate		Interest rate	Volume
1 Households									
1.1 Overnight deposits	0.25	0.24	0.22	0.20	0.19	0.15	0.15	0.15	25,808.3
o/w: Transaction accounts	0.20	0.19	0.16	0.13	0.11	0.07	0.07	0.07	23,999.5
o/w: Savings deposits	0.68	0.70	0.87	1.03	1.13	1.19	1.20	1.21	1,790.1
1.2 Time deposits	3.75	3.43	2.89	2.43	2.15	1.82	1.76	1.61	1,694.4
1.2.1 Up to 3 months	3.17	2.39	2.12	1.66	1.50	1.12	1.04	0.94	388.7
1.2.2 Over 3 and up to 6 months	3.76	3.53	2.84	2.43	1.94	1.58	1.51	1.32	314.1
1.2.3 Over 6 months and up to 1 year	4.06	3.91	3.25	2.68	2.34	1.94	1.93	1.74	551.0
1.2.4 Over 1 and up to 2 years	4.42	4.43	3.64	3.13	2.74	2.39	2.34	2.24	318.7
1.2.5 Over 2 years	4.78	4.32	3.82	3.14	2.74	2.54	2.40	2.31	121.8
1.3 Deposits redeemable at notice	2.86	–	–	–	–	–	–	–	–
1.3.1 Up to 3 months	2.86	–	–	–	–	–	–	–	–
1.3.2 Over 3 months	–	–	–	–	–	–	–	–	–
2 Non-financial corporations									
2.1 Overnight deposits	0.64	0.60	0.43	0.32	0.25	0.16	0.16	0.16	22,288.6
o/w: Transaction accounts	0.59	0.56	0.39	0.31	0.23	0.14	0.14	0.14	21,757.9
o/w: Savings deposits	2.46	2.21	1.40	1.00	1.41	0.94	0.96	0.99	530.5
2.2 Time deposits	3.03	2.68	1.77	1.84	1.39	1.05	1.15	1.20	1,206.6
2.2.1 Up to 3 months	2.79	2.05	1.17	1.08	0.85	0.62	1.12	0.60	476.4
2.2.2 Over 3 and up to 6 months	4.91	3.63	2.37	1.73	1.53	1.04	0.96	1.04	229.0
2.2.3 Over 6 months and up to 1 year	4.98	3.95	3.20	2.25	1.98	1.62	1.60	1.39	106.5
2.2.4 Over 1 and up to 2 years	2.92	3.89	3.26	3.05	2.49	1.77	1.67	2.00	371.7
2.2.5 Over 2 years	3.96	4.87	2.13	2.70	1.57	1.18	0.74	1.44	23.0
3 Repos	–	0.43	–	0.13	0.65	0.05	0.19	0.07	531.5

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 renounces for a

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 Dec.	2016		2016 May	
						Mar.	Apr.	Interest rate	Volume
1 Households									
1.1 Overnight deposits	3.22	3.20	3.21	3.36	0.15	0.16	0.17	0.47	0.3
o/w: Transaction accounts	1.80	2.02	3.96	2.84	1.31	0.47	0.42	0.48	0.0
o/w: Savings deposits	3.22	3.21	3.21	3.36	0.12	0.15	0.16	0.47	0.2
1.2 Time deposits	3.19	2.87	3.48	2.52	2.62	2.21	2.21	2.00	36.5
1.2.1 Up to 3 months	2.18	1.75	1.34	0.92	1.10	0.71	0.38	0.31	1.5
1.2.2 Over 3 and up to 6 months	3.01	1.90	1.74	1.84	0.84	0.43	0.66	0.86	0.2
1.2.3 Over 6 months and up to 1 year	4.27	4.85	4.81	1.68	0.39	0.94	1.31	1.31	0.8
1.2.4 Over 1 and up to 2 years	4.43	3.74	4.03	2.58	1.59	1.97	1.53	1.59	1.6
1.2.5 Over 2 years	3.18	3.08	3.55	2.99	2.84	2.34	2.32	2.12	32.3
o/w: EUR	3.27	3.03	3.61	2.69	2.62	2.21	2.21	2.00	36.5
Short-term	2.94	2.57	3.72	1.66	0.66	0.65	0.43	0.68	2.5
Long-term	3.31	3.14	3.59	2.97	2.84	2.31	2.29	2.10	34.0
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	–	–	–	–	–	–	–	–	–
2 Non-financial corporations									
2.1 Overnight deposits	0.47	0.80	1.05	0.98	0.43	0.41	0.41	0.44	36.4
o/w: Transaction accounts	1.00	–	–	–	–	–	–	–	–
o/w: Savings deposits	0.47	0.80	1.05	0.98	0.43	0.41	0.41	0.44	36.4
2.2 Time deposits	3.54	4.76	3.23	3.65	3.41	0.57	0.65	0.48	7.4
2.2.1 Up to 3 months	2.79	3.64	2.01	1.09	4.22	0.02	1.54	0.68	0.4
2.2.2 Over 3 and up to 6 months	1.46	5.96	1.34	1.94	0.80	–	0.41	0.20	0.1
2.2.3 Over 6 months and up to 1 year	4.94	3.48	3.36	1.80	0.90	0.32	0.70	0.51	2.4
2.2.4 Over 1 and up to 2 years	2.41	4.73	2.79	1.95	1.51	1.63	0.76	0.44	2.1
2.2.5 Over 2 years	4.24	2.40	1.37	4.12	2.90	0.31	0.05	0.46	2.4
o/w: EUR	3.55	4.76	3.23	3.65	3.41	0.57	0.65	0.48	7.4
Short-term	3.18	4.79	3.26	1.85	3.93	0.30	0.66	0.53	2.9
Long-term	3.72	4.64	2.53	4.11	2.77	0.81	0.55	0.45	4.5
o/w: USD	1.15	4.00	3.80	3.00	3.00	–	–	–	–
Short-term	1.15	4.00	3.80	3.00	3.00	–	–	–	–
Long-term	–	–	–	–	–	–	–	–	–
3 Repos	–	–	–	–	–	–	–	–	–

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 Dec.	2016		2016 May	
						Mar.	Apr.*		
						Interest rate		Interest rate	Volume
1 Revolving loans, overdrafts and credit card credit	10,71	10,63	10,20	9,49	8,66	8,63	8,61	8,54	11,184.6
o/w: Revolving loans	9,51	10,55	10,46	9,98	7,76	7,60	8,80	7,35	41.5
o/w: Overdrafts	11,51	11,44	11,36	10,53	9,68	9,59	9,56	9,52	6,997.7
o/w: Credit card credit	10,42	10,08	9,67	9,08	8,33	8,26	8,22	8,19	3,468.3
o/w: Sole proprietors	10,23	10,43	10,32	9,95	9,36	9,18	9,27	9,00	278.7
2 Consumer loans	6,22	5,90	6,26	7,11	6,48	6,39	6,15	5,77	29.0
2.1 Short-term	5,08	3,08	3,17	6,97	6,60	6,72	6,62	6,75	1.1
2.1.1 Floating rate and up to 1 year initial rate fixation	5,08	3,08	3,17	6,97	6,60	6,72	6,62	6,75	1.1
2.2 Long-term	6,43	6,92	7,14	7,12	6,48	6,37	6,10	5,73	27.9
2.2.1 Floating rate and up to 1 year initial rate fixation	6,49	6,90	6,07	7,19	6,97	6,95	7,10	7,06	4.8
2.2.2 Floating rate and over 1 year initial rate fixation	6,00	7,39	7,70	7,09	6,33	6,19	5,88	5,45	23.1
3 Loans for house purchases	5,34	5,74	5,81	5,27	5,09	4,88	4,82	4,80	786.3
3.1 Floating rate and up to 1 year initial rate fixation	5,25	5,70	5,83	5,30	5,02	4,83	4,81	4,82	276.3
3.2 Over 1 and up to 5 years initial rate fixation	6,43	7,99	5,42	5,50	5,14	4,89	4,80	4,78	154.5
3.3 Over 5 and up to 10 years initial rate fixation	6,82	7,13	5,27	5,28	5,18	4,90	4,78	4,72	243.3
3.4 Over 10 years initial rate fixation	5,90	5,64	5,86	5,12	5,18	4,99	4,95	4,93	112.3
4 For other purposes	7,91	9,01	9,00	8,64	8,29	8,23	8,16	8,20	1,147.3
4.1 Short-term	6,28	7,34	7,98	7,99	7,50	7,74	6,88	7,77	79.0
4.1.1 Floating rate and up to 1 year initial rate fixation	6,28	7,34	7,98	7,99	7,50	7,74	6,88	7,77	79.0
4.2 Long-term	8,40	9,15	9,11	8,75	8,36	8,28	8,30	8,24	1,068.3
4.2.1 Floating rate and up to 1 year initial rate fixation	8,42	9,15	8,85	8,40	8,06	8,03	8,07	7,97	384.1
4.2.2 Floating rate and over 1 year initial rate fixation	7,80	9,07	9,35	9,06	8,49	8,38	8,41	8,39	684.2
o/w: Sole proprietors	6,43	7,69	7,64	6,92	6,39	6,52	6,70	6,15	69.2

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

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate		Volume
1 Revolving loans, overdrafts and credit card credit	10.91	9.39	8.30	7.48	7.12	6.89	7.15	6.89	18.3
o/w: Revolving loans	10.91	9.39	8.30	7.48	7.05	6.82	7.08	6.82	17.8
o/w: Overdrafts	11.26	–	–	–	9.31	9.33	9.34	9.33	0.5
o/w: EUR	11.26	–	–	–	9.31	9.33	9.34	9.33	0.5
Short-term	11.26	–	–	–	–	–	–	–	–
Long-term	–	–	–	–	9.31	9.33	9.34	9.33	0.5
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	7.12	6.89	7.15	6.89	18.0
2 Consumer loans	7.06	7.07	7.03	7.90	7.38	5.52	6.20	6.16	0.7
2.1 Short-term	10.99	6.19	7.01	10.29	7.73	9.49	6.24	5.93	0.2
2.1.1 Floating rate and up to 1 year initial rate fixation	10.99	6.19	7.01	10.29	7.73	9.49	6.24	5.93	0.2
2.2 Long-term	7.06	7.09	7.03	7.80	7.06	5.52	6.20	6.24	0.5
2.2.1 Floating rate and up to 1 year initial rate fixation	7.08	6.93	6.94	7.25	6.62	6.01	6.93	7.26	0.2
2.2.2 Floating rate and over 1 year initial rate fixation	7.01	9.13	7.08	8.25	7.32	5.31	5.54	5.68	0.3
o/w: EUR	7.18	7.08	7.06	7.90	7.38	5.52	6.20	6.16	0.7
Short-term	10.99	6.19	7.01	10.29	7.73	9.49	6.24	5.93	0.2
Long-term	7.17	7.10	7.06	7.80	7.06	5.52	6.20	6.24	0.5
o/w: CHF	6.83	6.89	6.75	–	–	–	–	–	–
Short-term	–	–	–	–	–	–	–	–	–
Long-term	6.83	6.89	6.75	–	–	–	–	–	–
3 Loans for house purchases	5.63	5.22	5.12	5.13	5.63	5.57	5.25	4.81	393.1
3.1 Floating rate and up to 1 year initial rate fixation	5.80	5.16	5.16	5.27	5.66	5.70	5.39	4.95	295.8
3.2 Over 1 and up to 5 years initial rate fixation	5.49	5.28	5.37	5.16	4.18	4.32	4.07	3.97	16.3
3.3 Over 5 and up to 10 years initial rate fixation	4.78	4.58	4.40	4.74	4.50	4.84	4.53	4.38	27.0
3.4 Over 10 years initial rate fixation	5.12	5.74	5.10	4.80	5.13	5.17	4.68	4.54	54.0
o/w: EUR	5.66	5.42	5.32	5.22	5.64	5.57	5.26	4.82	392.5
Short-term	5.50	5.39	5.54	5.36	4.77	4.51	4.41	4.36	27.7
Long-term	5.68	5.43	5.29	5.20	5.64	5.59	5.30	4.85	364.7
o/w: CHF	5.53	3.50	2.30	3.60	2.12	–	4.33	–	–
Short-term	–	–	–	–	–	–	–	–	–
Long-term	5.53	3.50	2.30	3.60	2.12	–	4.33	–	–
4 For other purposes	8.65	8.40	6.86	7.53	6.99	6.66	6.94	6.78	435.1
4.1 Short-term	8.50	8.03	6.42	6.44	5.29	5.90	6.18	5.96	42.9
4.1.1 Floating rate and up to 1 year initial rate fixation	8.50	8.03	6.42	6.44	5.29	5.90	6.18	5.96	42.9
4.2 Long-term	8.67	8.45	6.90	7.65	7.21	6.76	7.02	6.87	392.1
4.2.1 Floating rate and up to 1 year initial rate fixation	8.66	8.44	8.04	7.94	7.30	7.10	7.29	6.98	194.5
4.2.2 Floating rate and over 1 year initial rate fixation	8.72	8.49	6.21	7.12	7.07	6.38	6.69	6.76	197.6
o/w: EUR	8.68	8.41	6.88	7.54	7.01	6.68	6.95	6.80	430.3
Short-term	8.55	8.07	6.47	6.45	5.31	5.92	6.19	5.96	42.9
Long-term	8.69	8.46	6.92	7.67	7.23	6.78	7.02	6.90	387.4
o/w: Sole proprietors	7.32	7.36	6.58	5.98	5.77	6.15	6.02	5.52	62.65

loans extended for the purchase, construction and completion of a flat, for the purchase, construction and completion 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,

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate		Volume
1 Revolving loans, overdrafts and credit card credit	0.29	0.53	0.55	0.49	0.30	0.28	0.25	4.34	120.0
o/w: Revolving loans	8.78	7.35	7.68	7.47	7.44	7.36	7.26	6.18	83.9
o/w: Overdrafts	12.00	12.00	12.00	12.00	8.03	8.03	8.02	8.02	0.3
o/w: Credit card credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.3
o/w: Sole proprietors	3.83	5.40	5.35	5.14	4.94	5.03	3.86	4.19	1.6
2 Consumer loans	7.98	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
3 Loans for house purchases	-	-	-	-	-	-	-	6.17	1.1
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	-	-	-	-	-	-	-	6.17	1.1
4 For other purposes	6.82	-	6.64	5.42	4.82	5.96	4.16	6.17	110.3
4.1 Short-term	5.85	-	6.59	6.27	7.65	6.22	3.74	8.13	0.5
4.1.1 Floating rate and up to 1 year initial rate fixation	5.85	-	6.59	6.27	7.65	6.22	3.74	8.13	0.5
4.2 Long-term	9.95	-	6.69	5.24	4.70	4.11	4.24	6.16	109.7
4.2.1 Floating rate and up to 1 year initial rate fixation	-	-	7.43	5.24	4.75	3.89	3.80	4.85	1.6
4.2.2 Floating rate and over 1 year initial rate fixation	9.95	-	5.22	-	4.07	9.38	4.69	6.18	108.1
o/w: Sole proprietors	6.82	-	6.81	5.81	4.82	4.44	4.16	5.80	4.0

other loans for house purchases made on a personal basis or secured against other forms of assets.

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 Dec.	2016		2016 May	
						Mar.	Apr.*		
	Interest rate						Interest rate		Volume
1 Revolving loans, overdrafts and credit card credit	7.40	7.49	6.82	6.96	6.60	6.34	6.40	6.18	2,438.0
o/w: Revolving loans and overdrafts	7.39	7.47	6.78	6.93	6.56	6.30	6.37	6.14	2,345.5
o/w: Credit card credit	11.26	11.31	10.95	10.82	10.28	10.16	10.09	9.99	59.3
2 Loans up to an amount of HRK 2 million	7.83	6.95	6.40	6.27	5.67	5.66	5.53	5.23	502.2
2.1 Floating rate and up to 3 months initial rate fixation	7.94	7.04	6.27	6.29	5.76	5.78	5.59	5.20	366.8
2.2 Over 3 months and up to 1 year initial rate fixation	7.18	6.77	7.02	6.25	5.63	5.45	5.31	5.15	94.8
2.3 Over 1 and up to 3 years initial rate fixation	8.02	3.50	6.98	6.97	5.54	5.89	6.04	6.07	23.7
2.4 Over 3 and up to 5 years initial rate fixation	–	5.10	7.84	5.55	4.78	4.27	4.73	5.62	9.3
2.5 Over 5 and up to 10 years initial rate fixation	5.99	5.08	5.64	2.00	4.96	4.66	4.48	4.28	7.5
2.6 Over 10 years initial rate fixation	–	4.00	–	6.00	4.07	5.18	4.07	5.38	0.1
3 Loans from HRK 2 million to HRK 7.5 million	7.07	4.52	4.68	3.96	3.90	3.74	3.47	3.91	540.5
3.1 Floating rate and up to 3 months initial rate fixation	6.92	4.52	4.58	3.78	3.51	3.42	3.14	3.84	426.1
3.2 Over 3 months and up to 1 year initial rate fixation	8.07	5.53	6.47	5.89	5.30	4.83	4.49	4.27	82.3
3.3 Over 1 and up to 3 years initial rate fixation	3.03	3.03	–	–	5.96	4.35	4.93	3.28	14.5
3.4 Over 3 and up to 5 years initial rate fixation	–	–	4.07	4.90	4.26	4.19	4.27	4.32	4.8
3.5 Over 5 and up to 10 years initial rate fixation	6.00	1.00	3.03	4.55	3.81	5.14	3.87	4.72	12.9
3.6 Over 10 years initial rate fixation	–	–	–	–	3.90	4.07	3.97	–	–
4 Loans over HRK 7.5 million	7.55	5.68	4.32	4.12	3.84	2.98	2.87	3.01	2,456.4
4.1 Floating rate and up to 3 months initial rate fixation	7.74	5.68	4.27	3.99	3.40	2.89	2.90	2.89	2,031.6
4.2 Over 3 months and up to 1 year initial rate fixation	6.35	–	–	4.87	5.24	3.41	2.76	3.96	202.0
4.3 Over 1 and up to 3 years initial rate fixation	7.47	–	–	–	3.87	4.48	2.78	2.98	162.6
4.4 Over 3 and up to 5 years initial rate fixation	–	–	–	–	4.40	4.16	3.89	4.18	15.5
4.5 Over 5 and up to 10 years initial rate fixation	5.06	–	3.03	10.47	5.49	4.07	3.45	3.93	44.7
4.6 Over 10 years initial rate fixation	–	–	–	–	–	–	1.52	–	–

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate		Volume
1 Revolving loans, overdrafts and credit card credit	8.96	8.30	6.86	6.57	5.87	5.87	5.70	5.66	454.4
o/w: Revolving loans and overdrafts	8.96	8.30	6.86	6.57	5.87	5.87	5.70	5.66	454.4
o/w: Credit card credit	–	–	–	–	–	–	–	–	–
2 Loans up to an amount of HRK 2 million	8.19	7.52	6.94	6.22	5.93	5.92	6.10	5.93	187.6
2.1 Floating rate and up to 3 months initial rate fixation	8.19	7.56	7.02	6.27	6.10	6.13	6.23	6.11	144.5
2.2 Over 3 months and up to 1 year initial rate fixation	7.51	5.96	6.47	5.36	5.09	5.53	5.32	5.35	24.7
2.3 Over 1 and up to 3 years initial rate fixation	8.70	9.20	5.64	4.61	5.40	4.94	5.97	5.66	4.9
2.4 Over 3 and up to 5 years initial rate fixation	9.71	–	6.30	5.61	4.68	4.07	6.74	6.11	4.8
2.5 Over 5 and up to 10 years initial rate fixation	8.69	7.40	4.82	6.02	5.35	4.99	6.22	3.98	5.2
2.6 Over 10 years initial rate fixation	7.23	–	–	–	6.51	6.58	5.59	5.81	3.6
o/w: EUR	8.21	7.53	6.94	6.22	5.93	5.93	6.10	5.93	187.6
Short-term	8.37	7.66	7.11	6.62	5.81	5.80	5.90	5.86	92.0
Long-term	8.00	7.39	6.74	5.93	6.03	6.02	6.25	6.00	95.6
o/w: CHF	5.84	–	–	–	7.00	–	3.20	–	–
Short-term	–	–	–	–	7.00	–	3.20	–	–
Long-term	5.84	–	–	–	–	–	–	–	–
3 Loans from HRK 2 million to HRK 7.5 million	7.34	6.90	6.32	6.06	5.48	5.58	5.61	5.37	308.2
3.1 Floating rate and up to 3 months initial rate fixation	7.37	6.96	6.52	6.32	5.93	5.84	5.96	5.75	230.0
3.2 Over 3 months and up to 1 year initial rate fixation	6.44	5.63	5.52	5.29	4.62	4.05	4.20	4.13	37.4
3.3 Over 1 and up to 3 years initial rate fixation	–	–	–	1.71	3.50	6.70	3.90	5.45	16.1
3.4 Over 3 and up to 5 years initial rate fixation	–	–	–	–	3.83	4.07	–	–	–
3.5 Over 5 and up to 10 years initial rate fixation	–	–	–	3.65	3.75	4.72	3.85	3.96	17.0
3.6 Over 10 years initial rate fixation	–	–	3.82	2.50	5.98	6.28	6.46	2.82	7.7
o/w: EUR	7.36	6.90	6.32	6.06	5.46	5.60	5.61	5.37	308.2
Short-term	7.37	7.05	6.58	5.99	5.46	6.01	5.17	5.61	166.5
Long-term	7.35	6.79	6.17	6.09	5.47	5.33	5.82	5.08	141.7
o/w: CHF	6.27	–	–	–	–	3.73	–	–	–
Short-term	–	–	–	–	–	–	–	–	–
Long-term	6.27	–	–	–	–	3.73	–	–	–
4 Loans over HRK 7.5 million	6.98	6.46	5.39	5.87	5.82	4.70	4.44	4.40	1,103.6
4.1 Floating rate and up to 3 months initial rate fixation	7.00	6.46	5.39	6.04	6.43	4.98	4.52	4.59	849.6
4.2 Over 3 months and up to 1 year initial rate fixation	5.59	–	6.66	5.11	4.29	3.92	3.23	3.87	24.5
4.3 Over 1 and up to 3 years initial rate fixation	–	–	–	4.25	3.19	–	–	4.00	31.9
4.4 Over 3 and up to 5 years initial rate fixation	9.92	–	–	–	3.69	3.45	3.95	3.55	37.5
4.5 Over 5 and up to 10 years initial rate fixation	–	–	4.66	4.32	3.77	3.40	4.42	3.98	14.2
4.6 Over 10 years initial rate fixation	4.90	–	–	2.94	3.00	–	5.90	3.76	145.9
o/w: EUR	7.00	6.46	5.39	5.87	5.82	4.70	4.44	4.40	1,103.6
Short-term	8.04	6.90	4.98	6.02	6.42	5.23	3.77	4.23	277.5
Long-term	5.99	6.03	6.16	5.77	5.51	4.56	4.87	4.46	826.1
o/w: CHF	5.14	–	5.38	–	–	–	–	–	–
Short-term	–	–	–	–	–	–	–	–	–
Long-term	5.14	–	5.38	–	–	–	–	–	–

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate	Volume	
1 Revolving loans, overdrafts and credit card credit	6.43	6.72	5.79	5.74	5.27	5.22	5.11	5.13	207.9
o/w: Revolving loans and overdrafts	6.47	6.85	5.90	5.93	5.42	5.39	5.27	5.30	201.2
o/w: Credit card credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.1
2 Loans up to an amount of HRK 2 million	6.75	6.32	6.23	5.82	5.60	5.79	5.55	5.51	51.4
2.1 Floating rate and up to 3 months initial rate fixation	6.77	6.44	6.20	5.84	5.48	5.73	5.70	5.81	36.5
2.2 Over 3 months and up to 1 year initial rate fixation	5.56	5.11	6.44	5.77	6.21	5.80	4.53	4.73	6.0
2.3 Over 1 and up to 3 years initial rate fixation	–	–	5.90	5.87	5.39	6.82	6.43	4.82	8.1
2.4 Over 3 and up to 5 years initial rate fixation	–	–	8.00	4.49	6.50	–	4.50	4.50	0.7
2.5 Over 5 and up to 10 years initial rate fixation	–	–	5.90	–	–	–	–	–	–
2.6 Over 10 years initial rate fixation	–	–	–	–	–	–	–	–	–
o/w: EUR	6.76	6.32	6.21	5.84	5.84	5.79	5.57	5.13	44.2
Short-term	6.65	6.18	6.08	5.83	5.91	5.66	5.55	5.19	33.6
Long-term	7.22	6.85	6.59	5.86	5.56	6.40	5.76	4.94	10.5
o/w: USD	6.67	5.84	7.03	4.86	3.12	6.14	4.77	7.81	7.2
Short-term	6.67	7.61	6.86	4.54	2.96	6.14	4.77	7.81	7.2
Long-term	–	5.43	7.91	10.24	7.23	–	–	–	–
3 Loans from HRK 2 million to HRK 7.5 million	6.18	6.00	5.20	5.67	3.74	3.03	2.61	2.07	231.1
3.1 Floating rate and up to 3 months initial rate fixation	6.22	6.02	5.20	5.67	3.60	2.58	2.48	1.71	190.6
3.2 Over 3 months and up to 1 year initial rate fixation	5.22	5.38	–	–	4.41	4.12	3.74	3.63	34.5
3.3 Over 1 and up to 3 years initial rate fixation	–	–	–	–	4.61	4.09	5.75	4.50	3.0
3.4 Over 3 and up to 5 years initial rate fixation	–	–	–	–	4.61	4.27	–	4.50	3.0
3.5 Over 5 and up to 10 years initial rate fixation	–	–	–	–	–	–	–	–	–
3.6 Over 10 years initial rate fixation	–	–	–	–	–	–	–	–	–
o/w: EUR	6.18	5.97	5.19	6.38	4.56	3.88	3.32	3.39	108.8
Short-term	5.59	5.86	4.47	5.98	4.73	3.76	2.91	2.89	76.8
Long-term	7.26	6.12	6.42	6.64	4.14	4.69	4.99	4.60	31.9
o/w: USD	–	7.04	2.13	1.92	0.66	1.57	0.78	0.81	119.3
Short-term	–	7.04	2.13	1.92	0.66	1.43	0.78	0.81	119.3
Long-term	–	–	–	–	–	3.53	–	–	–
4 Loans over HRK 7.5 million	6.75	4.61	4.34	4.39	3.49	1.87	3.85	1.64	756.1
4.1 Floating rate and up to 3 months initial rate fixation	6.75	4.49	4.34	4.39	3.46	1.82	3.85	1.64	722.4
4.2 Over 3 months and up to 1 year initial rate fixation	–	–	–	4.05	5.33	3.87	–	1.50	33.7
4.3 Over 1 and up to 3 years initial rate fixation	–	–	–	5.12	4.00	–	–	–	–
4.4 Over 3 and up to 5 years initial rate fixation	–	–	–	–	–	3.56	–	–	–
4.5 Over 5 and up to 10 years initial rate fixation	–	6.66	–	–	4.00	–	3.70	–	–
4.6 Over 10 years initial rate fixation	–	–	–	–	–	–	–	–	–
o/w: EUR	6.95	4.47	4.38	4.60	4.10	2.26	4.49	1.74	603.6
Short-term	6.92	2.70	3.02	4.41	3.85	1.52	1.30	1.06	486.2
Long-term	7.00	5.89	6.76	5.64	4.14	4.54	6.31	4.53	117.3
o/w: USD	6.00	6.20	2.89	3.95	2.17	1.02	1.30	1.24	152.5
Short-term	6.00	–	2.89	3.31	1.83	1.14	1.06	1.24	152.5
Long-term	–	6.20	–	4.91	2.22	0.00	3.70	–	–

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 Dec.	2016				2016 May
						Mar.	Apr.			
						Interest rate		Interest rate	Volume	
1 Households										
1.1 Kuna loans										
1.1.1 Consumer loans	8.34	7.67	8.17	8.95	8.46	8.27	8.17	7.81	29.0	
1.1.2 Loans for house purchases	5.49	6.27	6.11	5.58	5.35	5.19	5.14	5.10	786.3	
1.2 Loans indexed to f/c										
1.2.1 Consumer loans	8.37	9.93	8.88	8.71	8.56	6.80	7.27	7.16	0.7	
o/w: EUR	9.01	10.00	9.05	8.71	8.56	6.80	7.27	7.16	0.7	
Short-term	19.28	9.33	9.22	10.90	9.60	10.03	7.87	7.15	0.2	
Long-term	9.00	10.02	9.05	8.61	7.59	6.80	7.19	7.16	0.5	
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	5.77	5.84	5.54	5.20	393.1	
o/w: EUR	6.25	6.04	5.77	5.59	5.77	5.84	5.55	5.20	392.5	
Short-term	6.26	6.11	5.85	5.55	4.91	4.64	4.53	4.45	27.7	
Long-term	6.25	6.03	5.76	5.60	5.78	5.87	5.60	5.26	364.7	
o/w: CHF	5.69	5.60	5.16	4.34	2.24	–	5.17	–	–	
Short-term	–	–	–	–	–	–	–	–	–	
Long-term	5.69	5.60	5.16	4.34	2.24	–	5.17	–	–	
1.3 F/c loans										
1.3.1 Consumer loans	7.97	–	–	–	–	–	–	–	–	
1.3.2 Loans for house purchases	–	–	–	–	–	–	–	6.56	1.1	
2 Loans to non-financial corporations										
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	5.26	5.25	5.09	5.17	1,042.7	
2.1.2 Loans over HRK 7.5 million	8.64	6.34	4.56	4.45	4.13	3.26	3.17	3.42	2,456.4	
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	6.48	6.25	6.56	6.63	495.8	
2.2.2 Loans over HRK 7.5 million	7.91	7.42	7.93	7.35	6.17	4.97	4.78	4.65	1,103.6	
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	4.56	3.80	3.41	3.04	279.5	
2.3.2 Loans over HRK 7.5 million	7.75	5.10	4.41	4.65	3.83	1.99	4.38	1.67	756.1	

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 Dec.	2016		2016 May	
						Mar.	Apr.*		
	Interest rate						Interest rate	Volume	
1 Deposits	3.82	3.79	3.21	2.70	2.39	2.21	2.15	2.12	30,482.8
1.1 Households	4.03	4.04	3.44	2.95	2.64	2.49	2.43	2.38	22,693.3
1.1.1 Time deposits	4.03	4.04	3.44	2.95	2.64	2.49	2.43	2.38	22,693.3
1.1.1.1 Short-term	3.90	3.87	3.24	2.70	2.43	2.26	2.20	2.11	12,552.7
1.1.1.1.1 Up to 3 months	3.25	2.88	2.40	1.95	1.80	1.57	1.46	1.32	1,608.5
1.1.1.1.2 Over 3 and up to 6 months	3.81	3.76	2.95	2.47	2.16	1.97	1.89	1.80	2,554.1
1.1.1.1.3 Over 6 months and up to 1 year	4.15	4.18	3.54	2.94	2.64	2.49	2.44	2.36	8,390.1
1.1.1.2 Long-term	4.35	4.41	3.81	3.33	2.94	2.78	2.73	2.70	10,140.5
1.1.1.2.1 Over 1 and up to 2 years	4.52	4.56	3.93	3.34	2.88	2.71	2.67	2.63	5,348.9
1.1.1.2.2 Over 2 years	4.17	4.26	3.65	3.31	3.00	2.86	2.81	2.79	4,791.7
1.2 Non-financial corporations	3.43	3.33	2.53	2.08	1.76	1.57	1.52	1.46	7,161.5
1.2.1 Time deposits	3.43	3.33	2.53	2.08	1.76	1.57	1.52	1.46	7,161.5
1.2.1.1 Short-term	3.68	3.34	2.37	1.97	1.58	1.40	1.40	1.35	4,097.8
1.2.1.1.1 Up to 3 months	3.33	2.39	1.53	1.34	1.17	0.85	1.01	0.80	1,194.5
1.2.1.1.2 Over 3 and up to 6 months	4.17	3.78	2.44	2.01	1.57	1.24	1.16	1.14	1,209.9
1.2.1.1.3 Over 6 months and up to 1 year	4.03	4.29	3.19	2.38	2.00	1.98	1.93	1.89	1,693.4
1.2.1.2 Long-term	3.02	3.29	2.99	2.28	2.23	1.87	1.73	1.60	3,063.7
1.2.1.2.1 Over 1 and up to 2 years	3.07	4.03	3.22	2.82	2.45	2.33	2.29	2.20	1,624.4
1.2.1.2.2 Over 2 years	2.78	2.85	2.69	1.80	1.83	1.26	1.09	0.93	1,439.2
1.3 Repos	–	0.52	0.61	0.54	0.64	0.20	0.17	0.22	628.0
2 Loans	8.60	8.17	7.78	7.49	7.07	6.92	6.85	6.78	63,469.8
2.1 Households	9.53	9.44	9.23	8.72	8.18	8.04	7.97	7.90	40,646.9
2.1.1 Loans for house purchases	6.49	6.45	6.46	5.95	5.49	5.27	5.21	5.17	7,163.5
2.1.1.1 Short-term	–	5.37	–	–	6.17	–	–	–	–
2.1.1.2 Long-term	6.49	6.45	6.46	5.95	5.49	5.27	5.21	5.17	7,163.5
2.1.1.2.1 Over 1 and up to 5 years	6.41	6.45	6.20	5.63	5.22	4.99	4.94	4.96	81.4
2.1.1.2.2 Over 5 years	6.49	6.45	6.46	5.95	5.49	5.27	5.22	5.18	7,082.2
2.1.2 Consumer loans and other loans	10.10	9.98	9.68	9.13	8.63	8.56	8.52	8.48	33,483.3
2.1.2.1 Short-term	10.47	10.46	10.10	9.38	8.54	8.52	8.47	8.41	10,288.5
2.1.2.2 Long-term	9.82	9.58	9.38	8.97	8.68	8.57	8.54	8.52	23,194.8
2.1.2.2.1 Over 1 and up to 5 years	10.07	9.70	9.35	9.04	8.58	8.49	8.47	8.44	5,355.4
2.1.2.2.2 Over 5 years	9.75	9.55	9.38	8.95	8.71	8.60	8.57	8.54	17,839.4
o/w: Sole proprietors	9.13	8.35	7.77	7.38	6.84	6.79	6.77	6.67	1,259.2
2.2 Non-financial corporations	7.42	6.48	5.69	5.49	5.04	4.91	4.85	4.80	22,822.9
2.2.1 Loans	7.42	6.48	5.69	5.49	5.04	4.91	4.85	4.80	22,822.9
2.2.1.1 Short-term	7.67	7.08	6.21	6.03	5.41	5.08	4.98	4.84	10,971.8
2.2.1.2 Long-term	7.19	5.90	5.18	5.06	4.76	4.76	4.74	4.75	11,851.1
2.2.1.2.1 Over 1 and up to 5 years	7.61	6.42	5.90	5.80	5.30	5.28	5.18	5.26	4,647.4
2.2.1.2.2 Over 5 years	6.62	5.41	4.67	4.55	4.44	4.46	4.47	4.42	7,203.7

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate	Volume	
1 Deposits	3.13	3.09	3.09	3.04	2.86	2.84	2.82	2.79	6,983.2
1.1 Households	3.12	3.06	3.09	3.04	2.91	2.88	2.87	2.85	6,561.9
1.1.1 Time deposits	3.12	3.06	3.09	3.04	2.91	2.88	2.87	2.85	6,561.9
1.1.1.1 Short-term	3.32	2.78	2.98	1.98	1.25	1.22	1.19	1.20	156.3
1.1.1.1.1 Up to 3 months	2.25	1.77	1.50	1.11	1.13	1.01	0.89	0.79	11.3
1.1.1.1.2 Over 3 and up to 6 months	2.66	2.09	1.85	1.61	0.72	0.72	0.69	0.70	28.4
1.1.1.1.3 Over 6 months and up to 1 year	3.78	3.32	3.40	2.22	1.42	1.38	1.36	1.36	116.6
o/w: EUR	3.46	2.90	3.11	2.11	1.35	1.31	1.27	1.29	142.5
o/w: USD	2.01	1.82	1.55	1.12	0.31	0.32	0.32	0.32	13.2
1.1.1.2 Long-term	3.11	3.08	3.10	3.07	2.95	2.92	2.91	2.89	6,405.6
1.1.1.2.1 Over 1 and up to 2 years	3.46	3.19	3.00	2.69	2.36	2.19	2.11	1.98	239.8
1.1.1.2.2 Over 2 years	3.09	3.07	3.10	3.09	2.97	2.95	2.94	2.93	6,165.8
o/w: EUR	3.17	3.13	3.14	3.12	3.00	2.97	2.95	2.93	6,312.8
o/w: USD	2.88	2.74	2.48	2.02	0.77	0.45	0.33	0.33	15.9
1.2 Non-financial corporations	3.16	3.30	3.05	3.04	2.30	2.23	2.16	1.79	421.3
1.2.1 Time deposits	3.16	3.30	3.05	3.04	2.30	2.23	2.16	1.79	421.3
1.2.1.1 Short-term	3.50	3.81	3.51	2.69	2.66	2.93	2.85	0.97	64.8
1.2.1.1.1 Up to 3 months	3.44	3.37	2.47	0.10	4.10	5.69	5.76	0.35	1.8
1.2.1.1.2 Over 3 and up to 6 months	2.87	4.41	3.86	1.94	1.43	1.30	0.54	0.51	4.8
1.2.1.1.3 Over 6 months and up to 1 year	3.95	3.51	3.62	3.41	1.19	1.15	1.12	1.03	58.3
o/w: EUR	3.51	3.81	3.51	2.69	2.67	2.94	2.85	0.97	64.7
o/w: USD	2.42	2.52	3.06	2.74	0.85	0.86	0.86	0.86	0.1
1.2.1.2 Long-term	3.05	2.79	2.77	3.16	2.20	2.05	1.95	1.93	356.5
1.2.1.2.1 Over 1 and up to 2 years	2.91	2.65	1.92	1.86	1.88	1.67	1.65	1.60	32.6
1.2.1.2.2 Over 2 years	3.15	2.83	2.99	3.31	2.23	2.08	1.98	1.97	323.9
o/w: EUR	3.06	2.79	2.77	3.17	2.20	2.05	1.96	1.94	356.1
o/w: USD	2.17	0.28	–	0.96	0.91	0.40	0.40	0.40	0.1
1.3 Repos	–	–	–	–	–	–	–	–	–
2 Loans	7.02	6.76	6.61	6.09	5.78	5.95	5.93	5.89	91,843.7
2.1 Households	7.20	7.10	6.96	6.30	5.99	6.31	6.31	6.29	64,697.9
2.1.1 Loans for house purchases	5.78	5.73	5.60	4.88	4.76	5.24	5.26	5.25	40,865.3
2.1.1.1 Short-term	7.04	4.89	5.78	6.53	2.25	1.51	2.97	4.09	1.5
o/w: EUR	7.55	4.89	4.76	6.54	1.89	1.51	2.97	4.09	1.5
o/w: CHF	5.05	–	5.81	0.00	3.25	–	–	–	–
2.1.1.2 Long-term	5.78	5.73	5.60	4.88	4.76	5.24	5.26	5.25	40,863.8
2.1.1.2.1 Over 1 and up to 5 years	6.27	6.09	5.86	5.00	4.76	4.72	4.72	4.69	124.2
2.1.1.2.2 Over 5 years	5.77	5.73	5.60	4.88	4.76	5.25	5.26	5.25	40,739.5
o/w: EUR	6.09	5.97	5.92	5.73	5.42	5.33	5.32	5.30	39,989.3
o/w: CHF	5.32	5.33	5.02	3.26	3.23	3.03	2.98	2.93	831.0
2.1.2 Consumer loans and other loans	9.32	9.19	9.12	8.78	8.31	8.16	8.11	8.08	23,832.6
2.1.2.1 Short-term	8.50	8.20	7.10	6.91	6.43	6.37	6.10	6.04	190.3
o/w: EUR	8.62	8.36	7.26	6.94	6.46	6.40	6.14	6.08	181.2
o/w: CHF	9.75	7.04	4.06	8.24	0.75	0.75	0.76	0.76	0.2
2.1.2.2 Long-term	9.33	9.20	9.13	8.80	8.32	8.17	8.13	8.10	23,642.3
2.1.2.2.1 Over 1 and up to 5 years	9.49	9.18	8.94	8.27	7.62	7.33	7.27	7.22	2,151.2
2.1.2.2.2 Over 5 years	9.30	9.20	9.16	8.86	8.39	8.26	8.22	8.19	21,491.2
o/w: EUR	9.50	9.31	9.22	8.84	8.36	8.19	8.14	8.11	23,541.4
o/w: CHF	7.54	7.30	7.09	7.21	6.29	4.37	4.16	4.14	43.8

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		2016 May	
						Mar.	Apr.		
							Interest rate	Interest rate	Volume
o/w: Sole proprietors	6.81	6.41	6.25	6.12	6.07	5.97	5.91	5.91	2,063.3
2.2 Non-financial corporations	6.64	5.94	5.74	5.53	5.20	5.07	5.00	4.94	27,145.8
2.2.1 Loans	6.64	5.94	5.74	5.53	5.20	5.07	5.00	4.94	27,145.8
2.2.1.1 Short-term	7.90	7.45	7.09	6.83	6.20	5.76	5.72	5.59	2,782.6
o/w: EUR	7.90	7.46	7.10	6.84	6.20	5.77	5.72	5.59	2,781.8
o/w: CHF	8.31	4.64	4.59	4.95	3.46	0.00	2.04	2.04	0.2
2.2.1.2 Long-term	6.38	5.70	5.58	5.34	5.08	4.99	4.91	4.87	24,363.2
2.2.1.2.1 Over 1 and up to 5 years	7.68	7.08	6.69	6.32	5.89	5.78	5.68	5.57	3,920.4
2.2.1.2.2 Over 5 years	5.84	5.28	5.28	5.10	4.91	4.83	4.76	4.73	20,442.8
o/w: EUR	6.44	5.73	5.60	5.35	5.09	5.00	4.92	4.88	24,142.2
o/w: CHF	4.88	4.81	4.65	4.41	3.89	3.73	3.87	3.83	187.7

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate							Interest rate	Volume
1 Deposits	3.57	3.58	2.97	2.51	1.98	1.82	1.77	1.69	119,762.9
1.1 Households	3.60	3.57	2.98	2.56	2.05	1.87	1.82	1.75	108,257.3
1.1.1 Time deposits	3.60	3.57	2.98	2.56	2.05	1.87	1.82	1.75	108,257.3
1.1.1.1 Short-term	3.31	3.30	2.60	2.09	1.55	1.35	1.29	1.23	44,004.2
1.1.1.1.1 Up to 3 months	2.31	2.20	1.58	1.20	0.73	0.59	0.54	0.48	3,283.7
1.1.1.1.2 Over 3 and up to 6 months	2.91	2.84	2.05	1.63	1.08	0.86	0.80	0.75	5,886.4
1.1.1.1.3 Over 6 months and up to 1 year	3.52	3.51	2.82	2.27	1.71	1.51	1.44	1.38	34,834.1
o/w: EUR	3.38	3.36	2.66	2.13	1.58	1.39	1.33	1.26	38,666.7
o/w: USD	2.79	2.70	2.25	1.92	1.43	1.19	1.12	1.06	3,746.5
1.1.1.2 Long-term	4.02	3.98	3.36	2.94	2.42	2.23	2.18	2.11	64,253.2
1.1.1.2.1 Over 1 and up to 2 years	3.93	3.94	3.24	2.75	2.15	1.94	1.88	1.80	29,860.4
1.1.1.2.2 Over 2 years	4.14	4.02	3.51	3.15	2.67	2.50	2.44	2.38	34,392.8
o/w: EUR	4.09	4.05	3.41	2.98	2.46	2.27	2.21	2.14	58,432.5
o/w: USD	3.35	3.42	2.98	2.59	2.15	1.99	1.95	1.88	4,338.7
1.2 Non-financial corporations	3.18	3.65	2.91	1.86	1.36	1.32	1.28	1.17	11,505.5
1.2.1 Time deposits	3.18	3.65	2.91	1.86	1.36	1.32	1.28	1.17	11,505.5
1.2.1.1 Short-term	3.13	2.69	2.94	1.80	1.07	0.98	0.93	0.79	6,905.7
1.2.1.1.1 Up to 3 months	2.66	1.77	1.38	0.99	0.45	0.32	0.28	0.20	2,732.2
1.2.1.1.2 Over 3 and up to 6 months	3.42	3.07	2.32	1.86	1.20	1.04	1.02	0.82	1,185.5
1.2.1.1.3 Over 6 months and up to 1 year	3.85	3.85	4.28	2.33	1.67	1.46	1.37	1.32	2,988.0
o/w: EUR	3.22	2.79	3.07	1.81	1.09	0.97	0.92	0.75	5,960.8
o/w: USD	2.45	2.02	1.39	1.72	0.91	1.03	1.02	1.06	920.2
1.2.1.2 Long-term	3.53	5.83	2.78	2.19	1.86	1.81	1.79	1.73	4,599.8
1.2.1.2.1 Over 1 and up to 2 years	3.74	6.32	3.08	2.58	1.91	1.84	1.83	1.79	3,903.9
1.2.1.2.2 Over 2 years	3.33	2.31	2.02	1.56	1.51	1.57	1.52	1.41	695.9
o/w: EUR	3.76	6.09	3.04	2.34	1.86	1.82	1.80	1.74	4,461.5
o/w: USD	2.13	2.57	1.88	1.44	1.82	1.53	1.48	1.48	134.5
1.3 Repos	–	–	–	–	–	–	–	–	–
2 Loans	6.30	5.30	5.13	5.10	4.62	4.22	4.27	4.32	10,998.9
2.1 Households	6.21	5.34	5.19	5.07	4.59	4.64	4.70	4.78	230.4
2.1.1 Loans for house purchases	6.02	5.97	5.95	3.55	3.79	4.33	4.33	4.34	1.3
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	3.79	4.33	4.33	4.34	1.3
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	3.79	4.33	4.33	4.34	1.3
o/w: EUR	7.35	7.77	8.04	7.80	7.07	7.08	7.08	7.09	0.4
o/w: CHF	5.84	5.77	5.80	3.30	3.30	3.28	3.28	3.28	0.9
2.1.2 Consumer loans and other loans	6.22	5.31	5.16	5.13	4.60	4.64	4.70	4.78	229.1
2.1.2.1 Short-term	1.27	1.78	1.92	4.30	3.23	4.05	4.18	0.72	40.2
o/w: EUR	1.24	1.77	1.93	4.29	3.23	4.04	4.18	0.72	40.2
o/w: CHF	12.00	12.00	12.00	12.00	8.14	8.14	8.14	8.14	0.0
2.1.2.2 Long-term	7.27	6.27	6.21	5.88	5.43	5.25	5.22	5.64	188.8
2.1.2.2.1 Over 1 and up to 5 years	7.43	7.24	6.96	5.94	5.56	5.39	5.41	6.08	92.7
2.1.2.2.2 Over 5 years	7.19	6.15	6.02	5.87	5.42	5.24	5.21	5.22	96.2
o/w: EUR	7.41	6.20	6.21	5.83	5.40	5.27	5.25	5.66	187.4
o/w: CHF	6.26	6.87	6.16	6.52	6.02	3.73	3.73	3.73	1.4

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate							Interest rate	Volume
o/w: Sole proprietors	7.27	6.79	6.68	6.40	5.59	5.38	5.31	5.33	71.2
2.2 Non-financial corporations	6.30	5.30	5.13	5.10	4.62	4.21	4.27	4.31	10,768.5
2.2.1 Loans	6.30	5.30	5.13	5.10	4.62	4.21	4.27	4.31	10,768.5
2.2.1.1 Short-term	6.87	5.78	5.08	5.82	4.77	3.14	3.05	3.15	2,111.5
o/w: EUR	7.29	5.74	5.00	5.81	4.92	3.55	3.42	3.38	1,784.8
o/w: USD	5.16	6.10	5.90	5.02	2.27	1.83	1.72	1.91	326.2
2.2.1.2 Long-term	6.18	5.19	5.15	4.96	4.60	4.52	4.60	4.59	8,657.0
2.2.1.2.1 Over 1 and up to 5 years	6.59	5.94	6.03	5.67	4.79	4.82	5.09	5.14	2,314.6
2.2.1.2.2 Over 5 years	5.87	4.82	4.83	4.81	4.54	4.42	4.43	4.39	6,342.4
o/w: EUR	6.27	5.19	5.16	4.92	4.59	4.51	4.60	4.59	8,379.8
o/w: USD	5.86	5.22	5.68	5.32	4.73	4.72	4.63	4.69	214.5

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 Dec.	2016		2016 May	
						Mar.	Apr.*		
	Interest rate						Interest rate	Volume	
1 Deposits	3.23	2.89	2.42	2.07	1.76	1.46	1.30	1.23	3,432.5
1.1 Households	3.75	3.43	2.89	2.43	2.15	1.82	1.76	1.61	1,694.4
1.1.1 Time deposits	3.75	3.43	2.89	2.43	2.15	1.82	1.76	1.61	1,694.4
1.1.1.1 Short-term	3.65	3.27	2.73	2.26	1.98	1.59	1.54	1.39	1,253.9
1.1.1.1.1 Up to 3 months	3.17	2.39	2.12	1.66	1.50	1.12	1.04	0.94	388.7
1.1.1.1.2 Over 3 and up to 6 months	3.76	3.53	2.84	2.43	1.94	1.58	1.51	1.32	314.1
1.1.1.1.3 Over 6 months and up to 1 year	4.06	3.91	3.25	2.68	2.34	1.94	1.93	1.74	551.0
1.1.1.2 Long-term	4.55	4.41	3.69	3.13	2.74	2.43	2.36	2.26	440.5
1.1.1.2.1 Over 1 and up to 2 years	4.42	4.43	3.64	3.13	2.74	2.39	2.34	2.24	318.7
1.1.1.2.2 Over 2 years	4.78	4.32	3.82	3.14	2.74	2.54	2.40	2.31	121.8
1.2 Non-financial corporations	3.03	2.68	1.77	1.84	1.39	1.05	1.15	1.20	1,206.6
1.2.1 Time deposits	3.03	2.68	1.77	1.84	1.39	1.05	1.15	1.20	1,206.6
1.2.1.1 Short-term	3.11	2.59	1.57	1.41	1.16	0.99	1.15	0.82	811.9
1.2.1.1.1 Up to 3 months	2.79	2.05	1.17	1.08	0.85	0.62	1.12	0.60	476.4
1.2.1.1.2 Over 3 and up to 6 months	4.91	3.63	2.37	1.73	1.53	1.04	0.96	1.04	229.0
1.2.1.1.3 Over 6 months and up to 1 year	4.98	3.95	3.20	2.25	1.98	1.62	1.60	1.39	106.5
1.2.1.2 Long-term	2.94	4.20	3.16	3.01	2.44	1.55	1.25	1.97	394.7
1.2.1.2.1 Over 1 and up to 2 years	2.92	3.89	3.26	3.05	2.49	1.77	1.67	2.00	371.7
1.2.1.2.2 Over 2 years	3.96	4.87	2.13	2.70	1.57	1.18	0.74	1.44	23.0
1.3 Repos	–	0.43	–	0.13	0.65	0.05	0.19	0.07	531.5
2 Loans	9.74	9.50	8.83	8.38	7.62	7.26	7.24	7.19	18,301.2
2.1 Households	10.58	10.56	10.13	9.41	8.57	8.41	8.33	8.28	13,105.7
2.1.1 Loans for house purchases	5.34	5.74	5.81	5.27	5.09	4.88	4.82	4.80	786.3
2.1.1.1 Short-term	–	5.31	5.86	5.36	5.14	4.93	4.81	4.71	104.6
2.1.1.2 Long-term	5.34	5.90	5.78	5.25	5.08	4.87	4.82	4.81	681.7
2.1.1.2.1 Over 1 and up to 5 years	5.91	6.28	5.44	5.36	5.20	4.83	4.75	4.80	15.8
2.1.1.2.2 Over 5 years	5.33	5.89	5.79	5.25	5.08	4.88	4.82	4.81	665.9
2.1.2 Consumer loans and other loans	10.61	10.56	10.14	9.43	8.63	8.59	8.55	8.51	12,319.4
2.1.2.1 Short-term	10.49	10.50	10.13	9.40	8.55	8.53	8.49	8.45	9,836.3
2.1.2.2 Long-term	11.16	10.86	10.20	9.57	8.99	8.79	8.78	8.74	2,483.1
2.1.2.2.1 Over 1 and up to 5 years	11.18	10.68	9.93	9.51	8.62	8.50	8.45	8.39	1,378.2
2.1.2.2.2 Over 5 years	11.10	11.18	10.70	9.72	9.52	9.12	9.18	9.18	1,104.8
o/w: Sole proprietors	9.72	10.13	9.87	9.36	8.87	8.62	8.78	8.59	310.3
2.2 Non-financial corporations	7.51	6.50	5.61	5.48	5.08	4.48	4.40	4.44	5,195.5
Loans	7.51	6.50	5.61	5.48	5.08	4.48	4.40	4.44	5,195.5
2.2.1 Short-term	7.51	6.62	5.50	5.42	5.12	4.44	4.40	4.46	4,391.8
2.2.1.2 Long-term	7.46	5.69	6.35	6.02	4.90	4.79	4.45	4.35	803.7
2.2.1.2.1 Over 1 and up to 5 years	7.83	6.57	6.62	6.18	5.13	4.68	4.45	4.05	585.4
2.2.1.2.2 Over 5 years	5.95	4.39	5.99	5.79	4.73	5.00	4.46	5.14	218.2

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate		Volume
1 Deposits	3.37	3.69	3.41	3.11	3.03	1.85	1.99	1.74	43.9
1.1 Households	3.19	2.87	3.48	2.52	2.62	2.21	2.21	2.00	36.5
1.1.1 Time deposits	3.19	2.87	3.48	2.52	2.62	2.21	2.21	2.00	36.5
1.1.1.1 Short-term	2.61	2.17	3.00	1.38	0.66	0.65	0.43	0.68	2.5
1.1.1.1.1 Up to 3 months	2.18	1.75	1.34	0.92	1.10	0.71	0.38	0.31	1.5
1.1.1.1.2 Over 3 and up to 6 months	3.01	1.90	1.74	1.84	0.84	0.43	0.66	0.86	0.2
1.1.1.1.3 Over 6 months and up to 1 year	4.27	4.85	4.81	1.68	0.39	0.94	1.31	1.31	0.8
o/w: EUR	2.94	2.57	3.72	1.66	0.66	0.65	0.43	0.68	2.5
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	2.84	2.31	2.29	2.10	34.0
1.1.1.2.1 Over 1 and up to 2 years	4.43	3.74	4.03	2.58	1.59	1.97	1.53	1.59	1.6
1.1.1.2.2 Over 2 years	3.18	3.08	3.55	2.99	2.84	2.34	2.32	2.12	32.3
o/w: EUR	3.31	3.14	3.59	2.97	2.84	2.31	2.29	2.10	34.0
o/w: USD	0.00	–	–	–	–	–	–	–	–
1.2 Non-financial corporations	3.54	4.76	3.23	3.65	3.41	0.57	0.65	0.48	7.4
1.2.1 Time deposits	3.54	4.76	3.23	3.65	3.41	0.57	0.65	0.48	7.4
1.2.1.1 Short-term	3.14	4.79	3.26	1.85	3.93	0.30	0.66	0.53	2.9
1.2.1.1.1 Up to 3 months	2.79	3.64	2.01	1.09	4.22	0.02	1.54	0.68	0.4
1.2.1.1.2 Over 3 and up to 6 months	1.46	5.96	1.34	1.94	0.80	–	0.41	0.20	0.1
1.2.1.1.3 Over 6 months and up to 1 year	4.94	3.48	3.36	1.80	0.90	0.32	0.70	0.51	2.4
o/w: EUR	3.18	4.79	3.26	1.85	3.93	0.30	0.66	0.53	2.9
o/w: USD	1.15	4.00	3.80	3.00	3.00	–	–	–	–
1.2.1.2 Long-term	3.72	4.64	2.53	4.11	2.77	0.81	0.55	0.45	4.5
1.2.1.2.1 Over 1 and up to 2 years	2.41	4.73	2.79	1.95	1.51	1.63	0.76	0.44	2.1
1.2.1.2.2 Over 2 years	4.24	2.40	1.37	4.12	2.90	0.31	0.05	0.46	2.4
o/w: EUR	3.72	4.64	2.53	4.11	2.77	0.81	0.55	0.45	4.5
o/w: USD	–	–	–	–	–	–	–	–	–
1.3 Repos	–	–	–	–	–	–	–	–	–
2 Loans	7.27	6.80	5.91	6.14	5.85	5.56	5.44	5.14	2,430.1
2.1 Households	7.60	7.05	6.39	6.68	5.89	5.84	5.98	5.85	829.4
2.1.1 Loans for house purchases	5.63	5.22	5.12	5.13	5.63	5.57	5.25	4.81	393.1
2.1.1.1 Short-term	5.50	5.39	5.54	5.36	4.77	4.51	4.41	4.36	27.7
o/w: EUR	5.50	5.39	5.54	5.36	4.77	4.51	4.41	4.36	27.7
o/w: CHF	–	–	–	–	–	–	–	–	–
2.1.1.2 Long-term	5.64	5.20	5.06	5.11	5.64	5.59	5.29	4.85	365.4
2.1.1.2.1 Over 1 and up to 5 years	5.85	5.11	5.39	5.10	4.34	4.37	4.13	4.26	4.6
2.1.1.2.2 Over 5 years	5.64	5.20	5.05	5.11	5.64	5.61	5.30	4.86	360.8
o/w: EUR	5.68	5.43	5.29	5.20	5.64	5.59	5.30	4.85	364.7
o/w: CHF	5.53	3.50	2.30	3.60	2.12	–	4.33	–	–
2.1.2 Consumer loans and other loans	8.63	8.38	6.86	7.53	7.00	6.66	6.94	6.78	436.3
2.1.2.1 Short-term	8.50	8.03	6.42	6.44	5.33	5.90	6.18	5.96	43.1
o/w: EUR	8.55	8.06	6.47	6.46	5.35	5.92	6.19	5.96	43.1
o/w: CHF	6.77	5.35	–	–	2.84	–	–	–	–
2.1.2.2 Long-term	8.65	8.43	6.90	7.65	7.22	6.76	7.02	6.87	393.2
2.1.2.2.1 Over 1 and up to 5 years	8.66	8.00	5.97	7.17	6.77	6.14	6.56	6.18	96.5
2.1.2.2.2 Over 5 years	8.64	8.57	7.43	7.78	7.31	6.95	7.14	7.10	296.7
o/w: EUR	8.68	8.44	6.92	7.67	7.23	6.78	7.03	6.90	388.4
o/w: CHF	6.87	6.72	5.52	7.24	2.58	3.61	–	5.61	1.1

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		2016 May	
						Mar.	Apr.		
		Interest rate						Interest rate	Volume
o/w: Sole proprietors	7.32	7.36	6.58	5.98	5.79	6.18	6.05	5.55	63.2
2.2 Non-financial corporations	7.16	6.70	5.70	5.94	5.79	5.12	4.92	4.77	1,600.7
2.2.1 Loans	7.16	6.70	5.70	5.94	5.79	5.12	4.92	4.77	1,600.7
2.2.1.1 Short-term	8.02	7.05	5.33	6.08	6.15	5.64	4.35	4.94	535.9
o/w: EUR	8.01	7.05	5.33	6.08	6.14	5.64	4.35	4.94	535.9
o/w: CHF	–	–	–	–	7.00	–	3.20	–	–
2.2.1.2 Long-term	6.36	6.37	6.22	5.84	5.57	4.91	5.27	4.68	1,064.8
2.2.1.2.1 Over 1 and up to 5 years	6.91	6.95	6.13	6.06	4.94	4.84	6.18	4.55	403.5
2.2.1.2.2 Over 5 years	5.88	5.89	6.26	5.52	5.81	4.94	4.90	4.76	661.2
o/w: EUR	6.39	6.37	6.23	5.84	5.57	4.91	5.27	4.68	1,064.8
o/w: CHF	5.28	–	5.38	–	–	3.73	–	–	–

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 Dec.	2016		2016 May	
						Mar.	Apr.		
	Interest rate						Interest rate		Volume
1 Deposits	2.90	2.67	2.20	1.93	1.20	0.93	1.20	0.84	8,866.8
1.1 Households	3.25	3.16	2.52	2.10	1.52	1.12	1.18	1.04	6,028.7
1.1.1 Time deposits	3.25	3.16	2.52	2.10	1.52	1.12	1.18	1.04	6,028.7
1.1.1.1 Short-term	3.06	2.97	2.25	1.76	1.20	0.88	0.86	0.76	3,464.1
1.1.1.1.1 Up to 3 months	2.37	2.07	1.62	1.20	0.68	0.54	0.51	0.54	811.5
1.1.1.1.2 Over 3 and up to 6 months	2.84	2.72	2.14	1.63	1.12	0.70	0.80	0.59	561.1
1.1.1.1.3 Over 6 months and up to 1 year	3.39	3.30	2.52	2.00	1.39	1.04	1.00	0.89	2,091.5
o/w: EUR	3.12	3.01	2.31	1.78	1.23	0.88	0.88	0.75	3,027.7
o/w: USD	2.75	2.52	2.02	1.73	1.12	1.01	0.80	0.96	326.1
1.1.1.2 Long-term	3.96	3.90	3.07	2.61	2.00	1.49	1.61	1.43	2,564.6
1.1.1.2.1 Over 1 and up to 2 years	3.95	3.80	2.99	2.61	1.98	1.40	1.43	1.33	1,541.0
1.1.1.2.2 Over 2 years	4.01	4.18	3.24	2.63	2.04	1.63	1.83	1.57	1,023.6
o/w: EUR	4.07	3.98	3.11	2.65	2.03	1.50	1.60	1.43	2,407.3
o/w: USD	3.56	3.47	2.93	2.39	1.80	1.45	1.82	1.41	132.0
1.2 Non-financial corporations	2.32	1.74	1.41	1.39	0.55	0.43	1.25	0.40	2,838.2
1.2.1 Time deposits	2.32	1.74	1.41	1.39	0.55	0.43	1.25	0.40	2,838.2
1.2.1.1 Short-term	2.27	1.60	1.36	1.20	0.48	0.41	0.32	0.25	2,637.2
1.2.1.1.1 Up to 3 months	2.07	1.09	0.86	0.76	0.28	0.15	0.14	0.12	2,099.7
1.2.1.1.2 Over 3 and up to 6 months	3.50	3.09	2.21	1.74	0.95	0.62	0.79	0.49	171.4
1.2.1.1.3 Over 6 months and up to 1 year	4.18	3.66	2.91	1.76	1.39	1.12	0.78	0.89	366.2
o/w: EUR	2.50	1.95	1.51	1.24	0.46	0.37	0.29	0.16	2,288.8
o/w: USD	1.37	0.60	0.58	0.56	0.63	0.72	0.44	0.79	345.5
1.2.1.2 Long-term	4.47	3.71	3.34	2.80	1.23	0.64	2.00	2.37	200.9
1.2.1.2.1 Over 1 and up to 2 years	4.56	3.52	3.39	2.84	1.22	0.38	2.00	2.82	146.3
1.2.1.2.2 Over 2 years	3.19	4.41	3.04	1.70	1.41	1.25	1.80	1.18	54.6
o/w: EUR	4.53	4.70	3.72	2.80	1.25	0.64	2.00	2.40	195.3
o/w: USD	2.82	2.51	2.39	–	0.05	–	1.37	1.54	5.7
1.3 Repos	–	–	–	–	–	–	–	–	–
2 Loans	6.41	4.74	4.48	4.49	3.51	2.28	3.65	2.26	1,195.6
2.1 Households	0.41	0.16	1.45	2.19	1.88	3.00	0.60	4.67	147.5
2.1.1 Loans for house purchases	–	–	–	–	–	–	–	6.17	1.1
2.1.1.1 Short-term	–	–	–	–	–	–	–	–	–
o/w: EUR	–	–	–	–	–	–	–	–	–
o/w: CHF	–	–	–	–	–	–	–	–	–
2.1.1.2 Long-term	–	–	–	–	–	–	–	6.17	1.1
2.1.1.2.1 Over 1 and up to 5 years	–	–	–	–	–	–	–	–	–
2.1.1.2.2 Over 5 years	–	–	–	–	–	–	–	6.17	1.1
o/w: EUR	–	–	–	–	–	–	–	6.17	1.1
o/w: CHF	–	–	–	–	–	–	–	–	–
2.1.2 Consumer loans and other loans	0.41	0.16	1.45	2.19	1.88	3.00	0.60	4.66	146.3
2.1.2.1 Short-term	0.32	0.16	0.86	0.79	0.26	2.92	0.15	0.18	36.6
o/w: EUR	0.31	0.16	0.85	0.78	0.25	2.92	0.15	0.17	36.6
o/w: CHF	12.00	12.00	12.00	12.00	8.14	8.14	8.14	8.14	0.0
2.1.2.2 Long-term	9.81	–	6.69	5.24	4.70	4.11	4.24	6.16	109.7
2.1.2.2.1 Over 1 and up to 5 years	–	–	5.43	4.80	4.15	4.29	3.58	6.15	106.6
2.1.2.2.2 Over 5 years	9.81	–	7.75	5.28	4.75	3.96	4.65	6.59	3.1
o/w: EUR	9.95	–	6.69	5.24	4.70	4.11	4.24	6.16	109.7
o/w: CHF	7.98	–	–	–	–	–	–	–	–

	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		2016 May	
						Mar.	Apr.		
							Interest rate	Interest rate	Volume
o/w: Sole proprietors	4.43	0.00	5.85	4.42	4.70	3.99	3.59	4.97	4.6
2.2 Non-financial corporations	6.59	4.88	4.60	4.62	3.55	2.23	3.72	1.92	1,048.1
2.2.1 Loans	6.59	4.88	4.60	4.62	3.55	2.23	3.72	1.92	1,048.1
2.2.1.1 Short-term	6.38	3.79	3.69	4.32	3.51	1.86	1.61	1.44	888.3
o/w: EUR	6.54	3.77	3.64	4.61	4.26	2.19	1.94	1.54	609.2
o/w: USD	6.03	7.06	2.73	3.16	1.54	1.21	1.02	1.22	279.1
2.2.1.2 Long-term	7.05	5.99	6.70	5.27	3.56	3.98	6.17	4.57	159.8
2.2.1.2.1 Over 1 and up to 5 years	7.12	5.42	6.39	5.40	3.79	5.55	6.27	4.64	53.5
2.2.1.2.2 Over 5 years	7.03	6.58	6.76	5.18	2.17	1.08	4.09	4.54	106.3
o/w: EUR	7.05	5.96	6.69	6.02	4.15	4.63	6.25	4.57	159.8
o/w: USD	–	6.19	7.91	4.92	2.22	0.57	3.70	–	–

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
2015	July	0.43	0.55	–	–	0.93	0.65	1.10	0.76	–
	August	0.65	–	–	–	0.68	1.00	1.25	0.90	1.49
	September	1.28	2.53	–	–	1.52	1.87	2.28	1.80	1.80
	October	0.42	–	–	–	0.49	0.75	0.50	0.87	–
	November	0.35	–	–	–	0.35	0.45	0.51	0.60	1.40
	December	0.49	0.50	–	–	0.52	0.52	0.32	–	–
2016	January	0.59	–	–	–	0.25	0.42	0.20	–	–
	February	0.47	–	–	–	0.21	0.33	0.90	–	–
	March	0.44	–	–	–	0.45	0.14	0.65	–	0.80
	April	0.30	–	–	–	–	0.21	0.60	–	0.70
	May	0.01	–	–	–	0.53	0.41	0.68	–	0.75
	June	0.13	–	–	–	–	0.41	0.50	–	–

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
2015		0.70	0.66	0.61	0.82	0.90	1.05	1.23	1.43	1.65	1.88
2015	July	0.78	0.79	0.78	0.90	0.94	1.02	1.09	1.24	1.47	1.71
	August	0.95	0.97	0.88	1.02	1.03	1.09	1.16	1.31	1.51	1.73
	September ^a	1.73	1.63	1.36	1.70	1.77	1.80	1.87	1.89	1.99	2.09
	October	1.02			1.10	1.21	1.49	1.75	1.89	2.04	2.28
	November	0.77			0.83	0.90	1.14	1.41	1.70	1.94	2.15
	December	0.65			0.72	0.80	0.98	1.24	1.53	1.74	1.96
2016	January	0.61			0.65	0.73	0.90	1.06	1.34	1.53	1.74
	February	0.51			0.53	0.60	0.71	0.88	1.14	1.35	1.54
	March	0.40			0.48	0.55	0.64	0.83	1.05	1.26	1.41
	April	0.40			0.48	0.54	0.63	0.82	1.01	1.22	1.36
	May	0.37			0.46	0.52	0.61	0.80	0.98	1.18	1.32
	June	0.37			0.46	0.52	0.61	0.80	0.98	1.17	1.31

^a From 21 September 2015 onwards, data are not calculated and published for T/N ("TOM/NEXT") and S/N ("SPOT/NEXT").

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
2015		0.36	0.50	1.50	0.23	0.40
2015	July	–	–	–	–	–
	August	–	0.40	1.50	0.20	0.30
	September	–	–	1.50	–	–
	October	–	–	1.50	–	0.40
	November	0.43	0.55	1.50	0.20	0.40
	December	0.43	0.55	1.48	–	0.40
2016	January	–	–	1.43	–	0.40
	February	0.40	0.50	1.17	0.20	0.30
	March	0.40	0.50	0.99	–	–
	April	–	–	0.97	–	–
	May	–	–	0.96	–	0.25
	June	–	–	0.94	–	–

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	10 years	11 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	–	4.42	–
2006		–	–	–	–	4.04	4.19	4.42	4.36	–	–	4.06	4.60	4.15	–	4.17	–
2007		–	–	–	–	4.62	–	4.83	–	–	–	4.71	4.24	–	4.98	5.04	–
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	6.37	–
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	–	–
2015		4.57	5.08	4.82	–	2.72	–	3.03	–	3.55	3.99	2.34	2.73	3.12	–	3.98	3.96
2015	July	4.78	–	5.21	–	–	–	3.31	–	–	–	2.4	2.78	–	–	4.23	–
	August	4.79	–	–	–	–	–	3.09	–	–	–	2.34	2.62	–	–	3.9	–
	September	4.69	–	–	–	–	–	2.94	–	–	–	2.79	2.85	2.91	–	3.91	–
	October	–	4.93	–	–	–	–	–	–	–	–	2.7	3.07	2.93	–	3.93	–
	November	–	5.09	–	–	–	–	–	–	–	–	2.64	2.89	3.26	–	3.86	–
	December	–	5.21	–	–	–	–	–	–	–	–	2.52	2.81	3.2	–	4.02	4.09
2016	January	–	5.04	–	–	–	–	–	3.5	3.64	–	2.26	2.57	2.89	–	3.85	4.03
	February	–	4.81	–	–	–	–	–	3.48	3.63	–	1.79	–	2.41	–	–	3.90
	March	–	4.72	–	–	–	–	–	3.3	3.57	–	1.7	–	2.13	–	–	3.86
	April	–	4.46	–	–	–	–	–	3.15	3.42	–	1.51	–	2.05	–	–	3.77
	May	–	4.52	–	–	–	–	–	3.13	3.32	–	1.38	–	1.99	–	–	3.73
	June	–	4.6	–	–	–	–	–	3.12	3.36	–	1.74	–	2.09	–	3.8	3.81

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
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	
2015		7.609601				7.133762	10.489299	6.862262	
2015	July	7.579293				7.231352	10.716827	6.879663	
	August	7.554396				7.013592	10.588957	6.784488	
	September	7.574467				6.942959	10.364283	6.745421	
	October	7.622835				7.006613	10.392797	6.780515	
	November	7.598376				7.016779	10.750593	7.063317	
	December	7.634682				7.049754	10.554799	7.034940	
2016	January	7.652777				7.004027	10.149827	7.041467	
	February	7.636668				6.925609	9.867520	6.882671	
	March	7.566498				6.930301	9.692216	6.827044	
	April	7.494619				6.858715	9.455753	6.612791	
	May	7.494223				6.783124	9.609321	6.615648	
	June	7.511915				6.888549	9.533886	6.687416	

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
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	
2015		7.635047				7.059683	10.361035	6.991801	
2015	July	7.591043				7.128409	10.816533	6.917298	
	August	7.544416				6.952097	10.300950	6.687126	
	September	7.632078				6.980772	10.317802	6.793127	
	October	7.599739				6.993410	10.600836	6.908226	
	November	7.626782				6.987432	10.835036	7.199832	
	December	7.635047				7.059683	10.361035	6.991801	
2016	January	7.657013				6.895104	10.039351	7.016414	
	February	7.620282				6.975086	9.679007	6.916839	
	March	7.523703				6.896785	9.568489	6.648143	
	April	7.478284				6.822007	9.590003	6.570272	
	May	7.487329				6.772186	9.822024	6.726556	
	June	7.512737				6.929291	9.089821	6.791482	

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	2016		
							Mar.	Apr.	May
A. Purchase of foreign exchange									
1 Legal persons	21,453.6	20,628.9	19,837.3	15,625.9	18,318.4	17,214.2	1,505.9	1,236.3	1,264.9
2 Natural persons	4,878.0	5,264.9	5,060.8	5,083.6	5,519.3	5,737.7	438.7	421.2	507.9
2.1 Residents	4,251.3	4,867.9	4,647.1	4,733.2	5,036.8	5,223.8	427.6	406.2	464.4
2.2 Non-residents	626.7	397.0	413.7	350.5	482.5	513.9	11.1	15.0	43.5
3 Domestic banks	11,171.3	10,406.6	10,237.5	11,351.5	10,132.4	12,123.7	1,472.1	1,128.5	1,060.0
4 Foreign banks	5,548.6	5,226.3	6,023.2	6,063.8	6,736.7	7,226.7	595.0	603.8	531.3
5 Croatian National Bank	350.1	596.7	724.4	214.9	240.2	767.2	0.0	0.0	0.0
Total (1+2+3+4)	43,401.6	42,123.5	41,883.2	38,339.8	40,947.0	43,069.4	4,011.7	3,389.8	3,364.0
B. Sale of foreign exchange									
1 Legal persons	21,930.5	20,809.2	20,355.7	20,189.4	23,579.1	21,157.6	1,676.8	1,618.4	1,705.5
2 Natural persons	1,815.9	1,760.2	1,461.3	1,443.8	1,444.7	1,587.8	105.3	145.2	98.3
2.1 Residents	1,800.5	1,743.3	1,450.8	1,436.1	1,435.5	1,580.1	105.0	144.8	97.7
2.2 Non-residents	15.4	16.9	10.5	7.7	9.2	7.7	0.3	0.3	0.5
3 Domestic banks	11,171.3	10,406.6	10,237.5	11,351.5	10,132.4	12,123.7	1,472.1	1,128.5	1,060.0
4 Foreign banks	5,455.0	5,730.2	7,159.4	7,082.2	7,135.4	8,221.8	774.8	799.0	513.4
5 Croatian National Bank	363.7	0.0	58.1	0.0	0.0	0.0	0	0	0
Total (1+2+3+4)	40,736.5	38,706.2	39,272.0	40,066.9	42,291.6	43,090.9	4,029.1	3,691.1	3,377.2
C. Net purchase (A-B)									
1 Legal persons	-476.9	-180.3	-518.4	-4,563.4	-5,260.7	-3,943.4	-170.9	-382.1	-440.6
2 Natural persons	3,062.1	3,504.7	3,599.5	3,639.8	4,074.7	4,149.9	333.3	276.0	409.6
2.1 Residents	2,450.8	3,124.6	3,196.3	3,297.1	3,601.3	3,643.7	322.6	261.3	366.6
2.2 Non-residents	611.2	380.1	403.2	342.7	473.4	506.1	10.7	14.7	42.9
3 Foreign banks	93.6	-503.9	-1,136.2	-1,018.4	-398.7	-995.2	-179.8	-195.2	17.9
4 Croatian National Bank	-13.6	596.7	666.3	214.9	240.2	767.2	0.0	0.0	0.0
Total (1+2+3)	2,665.2	3,417.2	2,611.2	-1,727.1	-1,344.6	-21.6	-17.3	-301.2	-13.1
Memo items: Other Croatian National Bank transactions									
Purchase of foreign exchange	238.5	968.2	1,016.3	784.6	420.6	1,364.0	0.9	1.3	1.8
o/w: MoF	238.5	968.2	1,016.3	784.6	420.6	1,364.0	0.9	1.3	1.8
Sale of foreign exchange	233.1	0.0	246.1	228.4	392.2	429.0	52.9	46.1	12.2
o/w: MoF	233.1	0.0	246.1	159.0	0.0	0.1	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.

Other Croatian National Bank transactions include foreign exchange sales and purchases on behalf of others.

H International economic relations

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

	2010	2011	2012	2013	2014 ^d	2015 ^d	2015					2016
							Q1	Q2	Q3	Q4 ^d	Q1 ^e	
A CURRENT ACCOUNT (1+6)	-488.3	-315.3	-20.3	442.9	898.0	2,259.8	-1,263.5	32.9	3,916.3	-425.9	-1,587.5	
1 Goods, services, and primary income (2+5)	-1,550.7	-1,502.0	-1,238.7	-697.5	-0.1	994.0	-1,555.5	-273.8	3,637.7	-814.4	-1,747.7	
1.1 Credit	17,918.9	19,062.9	19,280.7	19,630.8	20,797.0	22,945.3	3,689.8	5,827.7	9,038.0	4,389.9	3,796.8	
1.2 Debit	19,469.6	20,564.8	20,519.4	20,328.3	20,797.1	21,951.3	5,245.3	6,101.5	5,400.3	5,204.2	5,544.5	
2 Goods and services (3+4)	-151.1	-187.3	218.4	191.4	875.0	1,264.5	-1,345.0	138.4	3,294.5	-823.4	-1,377.8	
2.1 Credit	17,006.7	18,109.7	18,315.0	18,764.3	19,979.9	21,981.3	3,370.1	5,506.2	8,669.2	4,435.8	3,545.3	
2.2 Debit	17,157.7	18,297.0	18,096.6	18,572.9	19,104.9	20,716.8	4,715.1	5,367.8	5,374.7	5,259.2	4,923.1	
3 Goods	-5,923.6	-6,382.0	-6,295.9	-6,587.1	-6,355.4	-6,635.0	-1,678.3	-1,768.0	-1,724.1	-1,464.5	-1,695.0	
3.1 Credit	8,057.9	8,742.5	8,673.3	8,924.0	9,760.8	10,730.1	2,333.1	2,734.6	2,766.9	2,895.5	2,487.8	
3.2 Debit	13,981.5	15,124.5	14,969.1	15,511.1	16,116.3	17,365.1	4,011.4	4,502.6	4,491.0	4,360.0	4,182.8	
4 Services	5,772.5	6,194.7	6,514.2	6,778.6	7,230.4	7,899.5	333.3	1,906.4	5,018.6	641.1	317.1	
4.1 Credit	8,948.8	9,367.2	9,641.7	9,840.4	10,219.1	11,251.2	1,037.0	2,771.6	5,902.3	1,540.3	1,057.5	
4.2 Debit	3,176.3	3,172.5	3,127.5	3,061.8	2,988.6	3,351.7	703.7	865.2	883.7	899.2	740.4	
5 Primary income	-1,399.6	-1,314.7	-1,457.1	-888.9	-875.1	-270.5	-210.5	-412.3	343.2	9.0	-369.9	
5.1 Credit	912.3	953.2	965.7	866.4	817.1	964.0	319.7	321.4	368.8	-45.9	251.5	
5.2 Debit	2,311.9	2,267.9	2,422.7	1,755.4	1,692.2	1,234.5	530.2	733.7	25.6	-54.9	621.4	
6 Secondary income	1,062.4	1,186.7	1,218.4	1,140.4	898.1	1,265.8	292.0	306.8	278.6	388.5	160.2	
6.1 Credit	1,629.6	1,737.2	1,804.0	1,915.1	1,921.4	2,250.5	588.2	554.2	484.3	623.8	447.7	
6.2 Debit	567.3	550.5	585.6	774.7	1,023.3	984.6	296.2	247.4	205.7	235.3	287.4	
B CAPITAL ACCOUNT	59.6	37.6	46.8	58.6	85.4	312.4	34.6	58.6	65.7	153.4	64.6	
C FINANCIAL ACCOUNT	-1,338.7	-1,403.0	-401.0	-421.9	414.3	1,922.1	-917.4	172.4	2,638.6	28.5	-1,118.0	
1 Direct investment	-819.6	-1,112.6	-1,205.2	-821.7	-797.0	-153.5	-263.2	-20.6	64.1	66.2	-448.2	
1.1 Assets	245.2	-95.0	-62.9	-112.0	1,595.0	-24.0	132.7	94.7	239.3	-490.7	55.0	
1.2 Liabilities	1,064.8	1,017.7	1,142.2	709.7	2,391.9	129.5	395.9	115.3	175.3	-556.9	503.2	
2 Portfolio investment	-518.0	-646.7	-1,746.4	-1,925.7	718.4	-68.7	-387.3	-240.0	487.8	70.8	298.1	
2.1 Assets	288.2	-566.2	310.9	-93.6	404.9	232.3	68.3	-130.1	191.4	102.7	-70.0	
2.2 Liabilities	806.2	80.4	2,057.3	1,832.1	-313.5	301.1	455.6	109.9	-296.4	32.0	-368.2	
3 Financial derivatives	252.7	75.2	-39.4	40.9	35.8	-16.0	57.1	9.6	-30.6	-52.1	-41.5	
4 Other investment	-337.6	-119.5	2,544.2	440.6	986.9	1,415.0	-1,439.4	746.4	2,359.2	-251.2	-478.7	
4.1 Assets	-689.2	-242.0	-599.7	-153.5	986.2	-159.5	-724.3	684.1	1,141.7	-1,260.9	-518.5	
4.2 Liabilities	-351.6	-122.4	-3,143.8	-594.1	-0.7	-1,574.5	715.1	-62.3	-1,217.5	-1,009.7	-39.8	
5 Reserve assets	83.8	400.6	45.8	1,844.1	-529.9	745.3	1,115.4	-322.9	-242.0	194.8	-447.7	
D NET ERRORS AND OMISSIONS	-909.9	-1,125.4	-427.4	-923.4	-569.1	-650.2	311.5	80.9	-1,343.4	300.9	404.9	

^a 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. ^b Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). ^c The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^d Revised data. ^e 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.

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).

Balance of payments of the Republic of Croatia data are

Table H2 Balance of payments – goods and services^a
in million EUR

	2010	2011	2012	2013	2014	2015 ^b	2015				2016
							Q1	Q2	Q3	Q4 ^b	Q1 ^c
Goods	-5,923.6	-6,382.0	-6,295.9	-6,587.1	-6,355.4	-6,635.0	-1,678.3	-1,768.0	-1,724.1	-1,464.5	-1,695.0
1 Credit	8,057.9	8,742.5	8,673.3	8,924.0	9,760.8	10,730.1	2,333.1	2,734.6	2,766.9	2,895.5	2,487.8
1.1 Exports (f.o.b.) in trade statistics	8,898.3	9,533.7	9,448.9	9,482.9	10,262.9	11,436.8	2,545.6	2,912.0	2,946.3	3,033.0	2,677.2
1.2 Adjustments for coverage	-873.7	-864.8	-968.0	-677.7	-625.3	-816.1	-244.1	-203.9	-204.4	-163.7	-205.1
1.3 Net exports of goods under merchanting	26.4	25.2	12.6	12.2	17.4	15.6	3.6	4.2	3.3	4.4	3.2
1.4 Non-monetary gold	6.9	48.4	179.7	106.6	105.8	93.9	28.0	22.3	21.8	21.8	12.5
2 Debit	13,981.5	15,124.5	14,969.1	15,511.1	16,116.3	17,365.1	4,011.4	4,502.6	4,491.0	4,360.0	4,182.8
2.1 Imports (c.i.f.) in trade statistics	15,132.5	16,280.9	16,213.7	16,527.0	17,105.6	18,476.0	4,262.2	4,780.8	4,817.6	4,615.3	4,459.0
2.2 Adjustments for coverage	-451.6	-438.6	-512.3	-270.3	-238.9	-280.7	-58.8	-63.0	-110.6	-48.3	-75.8
2.3 Adjustments for classification	-703.9	-718.1	-732.9	-746.5	-774.2	-836.2	-192.9	-216.8	-217.9	-208.6	-202.3
2.4 Non-monetary gold	4.5	0.3	0.7	0.9	23.8	5.9	0.9	1.6	1.8	1.7	1.8
Services	5,772.5	6,194.7	6,514.2	6,778.6	7,230.4	7,899.5	333.3	1,906.4	5,018.6	641.1	317.1
1 Manufacturing services on physical inputs owned by others	158.8	192.1	192.3	188.3	225.1	245.7	72.8	66.0	55.1	51.7	56.2
1.1 Credit	243.4	252.4	271.7	220.4	237.5	261.1	76.1	70.2	57.7	57.1	61.0
1.2 Debit	84.6	60.4	79.4	32.2	12.4	15.4	3.3	4.2	2.6	5.3	4.7
2 Transport	316.5	277.6	267.6	250.9	297.2	286.6	39.4	67.3	120.8	59.0	40.1
2.1 Credit	999.1	977.8	966.6	934.4	999.1	1,018.1	203.9	263.2	312.5	238.5	205.2
2.2 Debit	682.6	700.1	699.0	683.5	701.9	731.5	164.5	196.0	191.7	179.4	165.1
3 Travel	5,600.8	5,984.4	6,136.1	6,522.5	6,767.1	7,279.5	219.9	1,748.7	4,814.9	496.0	245.8
3.1 Credit	6,230.0	6,616.8	6,858.0	7,202.4	7,401.7	7,961.2	336.3	1,953.2	5,008.1	663.5	390.8
3.1.1 Business	236.6	225.4	233.1	225.5	194.0	219.4	34.5	88.0	54.3	42.6	33.3
3.1.2 Personal	5,993.4	6,391.4	6,624.9	6,976.9	7,207.7	7,741.8	301.9	1,865.2	4,953.8	620.9	357.5
3.2 Debit	629.2	632.4	722.0	679.8	634.6	681.7	116.4	204.5	193.3	167.5	145.0
3.2.1 Business	180.6	183.6	224.6	211.6	180.4	202.2	32.9	56.7	50.8	61.8	44.4
3.2.2 Personal	448.6	448.8	497.4	468.2	454.2	479.5	83.5	147.8	142.5	105.7	100.7
4 Other services	-303.6	-259.3	-81.8	-183.2	-58.9	87.7	1.2	24.5	27.7	34.4	-24.9
4.1 Credit	1,476.3	1,520.2	1,545.4	1,483.2	1,580.8	2,010.8	420.7	485.0	523.9	581.3	400.5
4.2 Debit	1,779.9	1,779.5	1,627.2	1,666.3	1,639.7	1,923.1	419.5	460.5	496.2	546.9	425.4
o/w: FISIM	-194.9	-263.7	-133.2	-201.1	-138.0	-160.1	-38.7	-37.8	-44.1	-39.5	-44.2
Credit	-20.4	-8.5	-4.1	-4.3	8.9	7.6	0.7	4.9	0.1	1.8	2.4
Debit	174.6	255.2	129.1	196.9	146.9	167.7	39.4	42.8	44.2	41.3	46.6

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

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 services by which the original value of imports c.i.f., stated in the

Table H3 Balance of payments – primary and secondary income^a
in million EUR

	2010	2011	2012	2013	2014 ^b	2015 ^b	2015					2016
							Q1	Q2	Q3	Q4 ^b	Q1 ^c	
Primary income	-1,399.6	-1,314.7	-1,457.1	-888.9	-875.1	-270.5	-210.5	-412.3	343.2	9.0	-369.9	
1 Compensation of employees	620.8	635.1	711.4	713.7	716.6	907.3	201.2	227.2	235.9	243.0	202.8	
1.1 Credit	657.1	673.6	749.9	758.7	750.1	937.3	208.1	237.7	242.0	249.5	205.9	
1.2 Debit	36.3	38.5	38.6	45.1	33.5	30.0	6.9	10.6	6.0	6.5	3.0	
2 Direct investment income	-1,088.6	-954.8	-1,006.0	-586.0	-462.3	-44.5	-126.6	-342.1	370.8	53.4	-306.4	
2.1 Credit	84.5	60.1	-19.4	-111.4	-157.8	-197.9	64.1	31.0	48.7	-341.7	-5.8	
2.1.1 Dividends and withdrawals from income of quasi-corporations	66.1	44.4	31.5	29.2	27.7	30.3	8.2	9.4	12.0	0.7	11.5	
2.1.2 Reinvested earnings	7.3	-7.4	-70.8	-164.3	-213.3	-256.6	48.6	14.5	29.5	-349.2	-23.7	
2.1.3 Income on debt (interest)	11.1	23.2	19.8	23.7	27.8	28.4	7.4	7.1	7.2	6.7	6.4	
2.2 Debit	1,173.1	1,014.9	986.6	474.5	304.4	-153.4	190.8	373.1	-322.1	-395.2	300.6	
2.2.1 Dividends and withdrawals from income of quasi-corporations	427.1	520.0	542.0	599.8	329.1	477.2	79.2	374.3	3.0	20.7	28.3	
2.2.2 Reinvested earnings	530.5	279.2	255.2	-299.3	-187.3	-805.5	67.4	-46.7	-370.7	-455.5	236.5	
2.2.3 Income on debt (interest)	215.5	215.6	189.4	174.1	162.6	174.9	44.2	45.5	45.6	39.7	35.8	
3 Portfolio investment income	-304.7	-352.1	-495.3	-611.1	-690.9	-759.9	-182.8	-206.5	-176.5	-194.1	-192.0	
3.1 Credit	40.6	49.5	35.8	43.2	46.3	63.8	7.5	8.8	36.5	11.0	10.1	
3.2 Debit	345.2	401.6	531.0	654.3	737.2	823.7	190.3	215.4	213.0	205.1	202.1	
4 Other investment income	-690.0	-754.7	-816.1	-537.9	-573.1	-498.1	-133.4	-126.9	-118.3	-119.5	-110.0	
4.1 Credit	67.3	58.2	50.4	43.6	43.9	36.0	8.8	7.8	10.3	9.1	5.7	
4.2 Debit	757.3	812.8	866.5	581.5	617.0	534.2	142.3	134.6	128.6	128.6	115.6	
5 Reserve assets income	62.8	111.8	148.9	132.4	134.6	124.7	31.2	36.1	31.3	26.1	35.6	
5.1 Credit	62.8	111.8	148.9	132.4	134.6	124.7	31.2	36.1	31.3	26.1	35.6	
5.2 Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Secondary income	1,062.4	1,186.7	1,218.4	1,140.4	898.1	1,265.8	292.0	306.8	278.6	388.5	160.2	
1 General government	-65.4	-85.5	-99.9	-265.6	-556.9	-491.7	-198.0	-130.0	-75.7	-88.0	-165.6	
1.1 Credit	279.0	220.7	211.5	254.0	178.3	180.1	20.4	44.2	48.4	67.0	39.0	
1.2 Debit	344.4	306.2	311.3	519.5	735.2	671.8	218.5	174.2	124.2	155.0	204.6	
2 Other sectors	1,127.8	1,272.2	1,318.2	1,406.0	1,455.0	1,757.6	490.0	436.8	354.3	476.4	325.8	
2.1 Credit	1,350.6	1,516.5	1,592.5	1,661.2	1,743.0	2,070.4	567.7	510.0	435.9	556.8	408.6	
2.2 Debit	222.8	244.3	274.2	255.2	288.0	312.8	77.7	73.3	81.5	80.4	82.8	

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

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 by CBS data on imports and exports of goods which do

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

	2010	2011	2012	2013	2014 ^d	2015 ^d	2015				2016
							Q1	Q2	Q3	Q4 ^d	Q1 ^e
Direct investment	-819.6	-1,112.6	-1,205.2	-821.7	-797.0	-153.5	-263.2	-20.6	64.1	66.2	-448.2
1 Net acquisition of financial assets	245.2	-95.0	-62.9	-112.0	1,595.0	-24.0	132.7	94.7	239.3	-490.7	55.0
1.1 Equity	-144.1	257.9	150.1	105.1	1,607.3	402.8	99.3	9.9	204.9	88.7	26.1
1.1.1 In direct investment enterprises	-264.0	183.6	149.5	98.7	1,607.7	400.3	99.3	10.7	204.9	85.5	26.1
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	0.0
1.1.3 Between fellow enterprises	119.8	74.3	0.6	6.4	-0.4	2.4	0.0	-0.8	0.0	3.2	0.0
1.2 Reinvested earnings	7.3	-7.4	-70.8	-164.3	-213.3	-256.6	48.6	14.5	29.5	-349.2	-23.7
1.3 Debt instruments	382.0	-345.5	-142.3	-52.8	201.0	-170.2	-15.1	70.3	4.9	-230.3	52.5
1.3.1 In direct investment enterprises	368.9	-325.6	-135.7	-83.3	142.1	49.7	0.7	23.7	-19.6	44.9	17.6
1.3.2 In direct investor (reverse investment)	13.1	-19.9	-6.5	30.5	41.6	-6.5	-20.7	0.6	-6.8	20.4	34.1
1.3.3 Between fellow enterprises	0.0	0.0	0.0	0.0	17.3	-213.4	4.9	46.0	31.3	-295.5	0.9
2 Net incurrence of liabilities	1,064.8	1,017.7	1,142.2	709.7	2,391.9	129.5	395.9	115.3	175.3	-556.9	503.2
2.1 Equity	417.8	1,973.2	856.1	709.0	2,182.5	1,901.2	149.1	77.4	673.6	1,001.2	87.6
2.1.1 In direct investment enterprises	417.8	1,973.2	851.1	709.0	2,182.5	1,897.3	149.1	77.4	670.7	1,000.2	87.6
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	0.0
2.1.3 Between fellow enterprises	0.0	0.0	5.0	0.0	0.0	3.9	0.0	0.0	2.9	1.0	0.0
2.2 Reinvested earnings	530.5	279.2	255.2	-299.3	-187.3	-805.5	67.4	-46.7	-370.7	-455.5	236.5
2.3 Debt instruments	116.6	-1,234.7	30.9	299.9	396.8	-966.2	179.4	84.6	-127.6	-1,102.6	179.1
2.3.1 In direct investment enterprises	-318.0	-1,041.8	-295.8	38.5	260.7	3.1	104.6	105.0	-143.0	-63.4	25.4
2.3.2 In direct investor (reverse investment)	180.8	-179.9	-13.5	-14.9	96.1	-22.5	25.5	-90.5	30.7	11.9	104.5
2.3.3 Between fellow enterprises	253.8	-13.0	340.2	276.4	40.0	-946.9	49.3	70.1	-15.3	-1,051.0	49.2
Portfolio investment	-518.0	-646.7	-1,746.4	-1,925.7	718.4	-68.7	-387.3	-240.0	487.8	70.8	298.1
1 Net acquisition of financial assets	288.2	-566.2	310.9	-93.6	404.9	232.3	68.3	-130.1	191.4	102.7	-70.0
1.1 Equity securities	394.1	42.7	122.8	15.6	105.6	300.0	38.1	28.9	184.1	48.9	-49.2
1.1.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.2 Other monetary financial institutions	15.5	20.3	-5.1	-2.4	7.7	20.7	12.4	6.6	-0.8	2.5	-3.5
1.1.3 Other sectors	378.7	22.4	127.9	17.9	97.8	279.2	25.7	22.3	184.9	46.4	-45.7
1.2 Debt securities	-105.9	-608.9	188.1	-109.2	299.3	-67.6	30.2	-159.0	7.3	53.8	-20.9
1.2.1 Long-term	-263.9	-345.2	293.0	-198.0	578.8	49.3	73.6	-122.2	28.3	69.6	4.2
1.2.1.1 General government	1.5	0.0	0.7	0.0	0.0	-1.2	0.0	0.0	-1.3	0.0	0.0
1.2.1.2 Other monetary financial institutions	-167.3	-343.0	267.8	-260.6	458.0	26.2	-14.0	-15.1	-54.0	109.4	-9.6
1.2.1.3 Other sectors	-98.1	-2.1	24.4	62.5	120.9	24.3	87.6	-107.1	83.5	-39.7	13.8
1.2.2 Short-term	157.9	-263.8	-104.9	88.8	-279.5	-117.0	-43.4	-36.8	-21.0	-15.8	-25.1
1.2.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2.2 Other monetary financial institutions	124.3	-300.3	-22.3	82.7	-278.9	-110.9	-42.0	-34.1	-19.0	-15.8	-25.1
1.2.2.3 Other sectors	33.6	36.6	-82.6	6.2	-0.6	-6.1	-1.4	-2.7	-2.0	0.0	0.0
2 Net incurrence of liabilities	806.2	80.4	2,057.3	1,832.1	-313.5	301.1	455.6	109.9	-296.4	32.0	-368.2
2.1 Equity securities	135.0	7.3	-115.5	-41.5	-27.7	12.0	10.7	20.3	-6.9	-12.0	1.0
2.1.1 Other monetary financial institutions	0.5	-1.3	-2.3	0.0	2.7	-0.5	-0.7	-0.1	0.1	0.3	0.2
2.1.2 Other sectors	134.5	8.6	-113.2	-41.5	-30.4	12.5	11.5	20.4	-7.0	-12.4	0.8
2.2 Debt securities	671.2	73.1	2,172.8	1,873.6	-285.9	289.0	444.9	89.7	-289.5	44.0	-369.2
2.2.1 Long-term	374.7	385.1	2,213.6	1,921.6	-324.2	320.8	487.5	75.9	-292.5	49.9	-386.2
2.2.1.1 General government	368.0	296.7	967.3	1,949.2	137.7	293.8	497.6	76.0	-287.0	7.2	-358.3
2.2.1.2 Other monetary financial institutions	-0.2	-7.0	7.0	-5.2	-1.3	-0.5	0.2	0.0	3.6	-4.3	4.7
2.2.1.3 Other sectors	6.9	95.4	1,239.2	-22.4	-460.6	27.6	-10.3	-0.1	-9.0	47.0	-32.6
2.2.2 Short-term	296.5	-312.0	-40.7	-48.0	38.4	-31.8	-42.6	13.8	3.0	-5.9	17.1
2.2.2.1 General government	296.5	-312.1	-40.7	-47.8	13.9	-75.3	-47.0	-12.3	-14.5	-1.5	16.2
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	0.0
2.2.2.3 Other sectors	0.0	0.1	0.0	-0.1	24.5	43.5	4.4	26.1	17.4	-4.4	0.8

^a 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. ^b Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). ^c The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^d Revised data. ^e Preliminary data.

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 is calculated in full conformity with international methodology.

Table H5 Balance of payments – other investment^{a,b}

in million EUR

	2010	2011	2012	2013	2014 ^c	2015 ^c	2015					2016
							Q1	Q2	Q3	Q4 ^c	Q1 ^d	
Other investment (net)	-337.6	-119.5	2,544.2	440.6	986.9	1,415.0	-1,439.4	746.4	2,359.2	-251.2	-478.7	
1 Assets	-689.2	-242.0	-599.7	-153.5	986.2	-159.5	-724.3	684.1	1,141.7	-1,260.9	-518.5	
1.1 Other equity	0.0	2.7	6.6	30.4	26.2	26.9	0.1	0.0	0.0	26.8	1.3	
1.2 Currency and deposits	-505.4	-326.8	-336.5	-334.2	942.5	-494.3	-883.5	763.6	965.2	-1,339.6	-332.4	
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	92.9	
1.2.2 General government	0.0	0.0	2.1	2.5	122.2	-69.3	-8.1	-21.6	-25.8	-13.8	20.0	
1.2.3 Other monetary financial institutions	-417.0	-522.0	-421.0	-129.0	532.3	4.8	-740.8	510.9	1,390.3	-1,155.7	-425.3	
1.2.4 Other sectors	-88.5	195.1	82.3	-207.6	288.0	-429.8	-134.7	274.3	-399.3	-170.1	-20.0	
1.3 Loans	105.2	-42.6	66.8	84.4	111.5	235.2	-18.4	26.2	56.5	170.9	-125.5	
1.3.1 General government	0.0	0.0	0.0	0.0	-0.3	15.7	-0.5	-1.5	14.0	3.8	3.3	
1.3.1.1 Long-term	0.0	0.0	0.0	0.0	-0.3	15.7	-0.5	-1.5	14.0	3.8	3.3	
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	0.0	
1.3.2 Other monetary financial institutions	85.5	-51.0	36.8	2.9	61.8	219.5	-16.9	21.7	38.9	175.7	-133.1	
1.3.2.1 Long-term	63.3	-10.4	-52.9	57.2	-21.3	36.5	-2.5	18.8	12.3	7.9	-14.4	
1.3.2.2 Short-term	22.2	-40.6	89.7	-54.3	83.1	183.0	-14.3	2.9	26.7	167.7	-118.7	
1.3.3 Other sectors	19.7	8.4	29.9	81.6	50.0	0.0	-1.0	5.9	3.7	-8.5	4.3	
1.3.3.1 Long-term	-17.4	34.6	9.9	71.4	56.3	1.3	1.7	-0.2	5.6	-5.8	3.2	
1.3.3.2 Short-term	37.1	-26.1	20.1	10.2	-6.3	-1.3	-2.7	6.2	-2.0	-2.7	1.1	
1.4 Trade credit and advances	-289.0	124.3	-352.3	67.3	-89.7	69.8	179.6	-142.5	148.1	-115.4	-55.5	
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	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	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	0.0	
1.4.2 Other sectors	-289.0	124.3	-352.3	67.3	-89.7	69.8	179.6	-142.5	148.1	-115.4	-55.5	
1.4.2.1 Long-term	-22.2	-2.9	-0.2	-2.6	0.5	0.0	0.0	0.0	0.0	0.0	0.0	
1.4.2.2 Short-term	-266.8	127.3	-352.1	69.8	-90.2	69.8	179.6	-142.5	148.1	-115.4	-55.5	
1.5 Other assets	0.0	0.5	15.8	-1.5	-4.4	2.9	-2.1	36.8	-28.1	-3.7	-6.3	
2 Liabilities	-351.6	-122.4	-3,143.8	-594.1	-0.7	-1,574.5	715.1	-62.3	-1,217.5	-1,009.7	-39.8	
2.1 Other equity	0.0	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	-865.3	162.5	-98.3	-460.3	-469.2	-368.1	
2.2.1 Central bank	0.0	-1.0	0.0	83.8	-0.7	-34.5	55.4	-89.5	-4.9	4.3	-1.2	
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	0.0	
2.2.3 Other monetary financial institutions	-9.3	916.2	-1,973.8	-82.1	-460.0	-830.8	107.0	-8.8	-455.4	-473.5	-366.9	
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	0.0	
2.3 Loans	-412.1	-664.0	-1,396.0	-784.4	168.3	-604.5	464.1	-190.8	-812.2	-65.5	-308.9	
2.3.1 Central bank	0.0	0.0	0.0	0.0	0.0	1,215.3	641.9	183.0	-264.0	654.3	215.9	
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	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	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	0.0	
2.3.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	1,215.3	641.9	183.0	-264.0	654.3	215.9	
2.3.2 General government	98.5	161.7	95.5	285.4	261.4	-408.6	43.8	-246.6	-186.5	-19.3	-128.6	
2.3.2.1 Long-term	279.3	161.7	100.1	86.3	461.3	-408.4	44.0	-246.6	-186.5	-19.3	-128.6	
2.3.2.1.1 Drawings	824.1	859.3	707.6	831.2	1,363.2	470.1	144.3	54.4	73.8	197.6	164.0	
2.3.2.1.2 Repayments	544.9	697.5	607.5	744.9	901.9	878.5	100.3	301.0	260.2	217.0	292.6	
2.3.2.2 Short-term	-180.7	0.0	-4.6	199.1	-199.8	-0.2	-0.2	0.0	0.0	0.0	0.0	
2.3.3 Other monetary financial institutions	-161.0	-34.7	-291.6	-522.9	-585.2	-1,399.2	-314.5	-72.0	-180.0	-832.7	-12.1	
2.3.3.1 Long-term	-292.9	385.7	-282.6	-568.8	-436.9	-1,041.4	-291.5	-6.1	71.1	-815.0	-78.2	
2.3.3.1.1 Drawings	879.8	1,108.0	729.1	408.4	709.1	647.7	340.3	67.0	129.0	111.3	33.5	
2.3.3.1.2 Repayments	1,172.8	722.2	1,011.7	977.2	1,146.0	1,689.1	631.8	73.1	57.9	926.3	111.8	
2.3.3.2 Short-term	132.0	-420.4	-9.0	46.0	-148.3	-357.8	-23.0	-66.0	-251.1	-17.7	66.2	
2.3.4 Other sectors	-349.6	-791.0	-1,199.8	-547.0	492.1	-11.9	92.8	-55.1	-181.8	132.2	-384.1	
2.3.4.1 Long-term	-935.9	-1,283.7	-1,718.1	-605.5	145.0	-117.9	108.1	-97.5	-252.4	123.9	-359.4	
2.3.4.1.1 Drawings	4,190.1	2,580.1	3,244.6	4,231.6	4,616.9	3,801.9	1,041.9	840.9	864.0	1,055.0	848.4	

	2010	2011	2012	2013	2014 ^c	2015 ^c	2015					2016
							Q1	Q2	Q3	Q4 ^c	Q1 ^d	
2.3.4.1.2 Repayments	5,126.0	3,863.8	4,962.7	4,837.1	4,471.9	3,919.8	933.8	938.5	1,116.4	931.2	1,207.7	
2.3.4.2 Short-term	586.2	492.7	518.2	58.6	347.1	106.0	-15.3	42.4	70.6	8.3	-24.7	
2.4 Trade credit and advances	58.7	-473.2	337.3	155.1	6.6	80.7	167.9	144.8	18.2	-250.3	277.9	
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	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	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	0.0	
2.4.2 Other sectors	58.7	-473.2	337.3	155.1	6.6	80.7	167.9	144.8	18.2	-250.3	277.9	
2.4.2.1 Long-term	-25.3	-147.5	-34.9	-7.7	-18.8	40.9	39.5	-29.9	28.4	2.9	39.3	
2.4.2.2 Short-term	84.0	-325.8	372.3	162.9	25.4	39.8	128.4	174.7	-10.2	-253.2	238.6	
2.5 Other liabilities	11.0	99.6	-111.4	33.5	285.0	-185.4	-79.4	82.0	36.7	-224.7	359.3	
2.6 SDRs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

^a As from 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. ^b The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^c Revised data. ^d Preliminary data.

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.

Secondary income (Current transfers under BPM5) is

Table H6 Balance of payments – summary^{a,b,c}

in million HRK

	2010	2011	2012	2013	2014 ^d	2015 ^d	2015				2016
							Q1	Q2	Q3	Q4 ^d	Q1 ^e
A CURRENT ACCOUNT (1+6)	-4,064.0	-2,619.2	-580.3	3,203.6	6,761.3	16,870.5	-9,711.1	191.6	29,632.6	-3,242.6	-12,131.8
1 Goods, services, and primary income (2+5)	-11,774.6	-11,441.2	-9,741.3	-5,429.6	-91.6	7,236.5	-11,955.6	-2,131.1	27,523.5	-6,200.3	-13,352.1
1.1 Credit	130,363.7	141,750.2	144,799.4	148,375.0	158,542.1	174,383.5	28,344.1	44,187.3	68,410.5	33,441.7	28,974.0
1.2 Debit	142,138.3	153,191.4	154,540.7	153,804.6	158,633.7	167,147.0	40,299.7	46,318.4	40,887.0	39,641.9	42,326.1
2 Goods and services (3+4)	-1,312.1	-1,381.1	1,492.2	1,286.3	6,566.2	9,310.6	-10,341.1	995.4	24,925.3	-6,269.0	-10,532.6
2.1 Credit	123,705.9	134,652.7	137,534.2	141,829.6	152,314.4	167,052.6	25,889.4	41,753.2	65,618.6	33,791.4	27,060.0
2.2 Debit	125,018.0	136,033.9	136,042.0	140,543.3	145,748.2	157,742.0	36,230.6	40,757.8	40,693.3	40,060.3	37,592.6
3 Goods	-43,158.8	-47,447.8	-47,339.8	-49,798.6	-48,485.3	-50,548.3	-12,897.4	-13,437.3	-13,058.4	-11,155.2	-12,944.9
3.1 Credit	58,715.9	64,996.9	65,193.8	67,554.0	74,460.6	81,696.5	17,929.8	20,767.9	20,945.4	22,053.4	19,009.6
3.2 Debit	101,874.7	112,444.7	112,533.6	117,352.6	122,945.9	132,244.9	30,827.3	34,205.2	34,003.8	33,208.6	31,954.6
4 Services	41,846.7	46,066.7	48,832.1	51,084.9	55,051.5	59,858.9	2,556.3	14,432.7	37,983.7	4,886.3	2,412.4
4.1 Credit	64,990.0	69,655.8	72,340.4	74,275.7	77,853.8	85,356.0	7,959.6	20,985.3	44,673.2	11,737.9	8,050.4
4.2 Debit	23,143.3	23,589.1	23,508.4	23,190.8	22,802.3	25,497.1	5,403.3	6,552.5	6,689.6	6,851.7	5,638.1
5 Primary income	-10,462.5	-10,060.1	-11,233.5	-6,715.9	-6,657.8	-2,074.1	-1,614.5	-3,126.5	2,598.2	68.7	-2,819.5
5.1 Credit	6,657.8	7,097.4	7,265.2	6,545.4	6,227.6	7,331.0	2,454.7	2,434.1	2,791.9	-349.7	1,914.0
5.2 Debit	17,120.3	17,157.5	18,498.7	13,261.3	12,885.5	9,405.1	4,069.2	5,560.6	193.7	-418.4	4,733.4
6 Secondary income	7,710.6	8,822.0	9,161.0	8,633.2	6,852.9	9,634.0	2,244.5	2,322.7	2,109.1	2,957.7	1,220.3
6.1 Credit	11,817.4	12,916.4	13,562.0	14,504.5	14,662.8	17,133.4	4,519.6	4,196.5	3,666.2	4,751.0	3,409.1
6.2 Debit	4,106.9	4,094.4	4,401.0	5,871.3	7,809.9	7,499.4	2,275.1	1,873.9	1,557.1	1,793.3	2,188.8
B CAPITAL ACCOUNT	423.3	293.3	370.8	445.5	596.6	2,378.3	265.7	444.9	497.6	1,170.0	491.7
C FINANCIAL ACCOUNT	-9,821.8	-10,407.8	-3,145.2	-3,273.6	3,129.7	14,449.8	-7,044.8	1,305.3	19,972.5	216.8	-8,517.5
1 Direct investment	-5,954.7	-8,282.7	-9,061.4	-6,242.4	-6,068.1	-1,187.4	-2,020.9	-156.0	485.0	504.6	-3,415.1
1.1 Assets	1,761.6	-711.7	-482.8	-866.9	12,104.1	-191.1	1,019.0	716.8	1,811.6	-3,738.5	418.9
1.2 Liabilities	7,716.3	7,571.1	8,578.6	5,375.5	18,172.3	996.4	3,040.0	872.9	1,326.6	-4,243.1	3,834.0
2 Portfolio investment	-3,703.2	-4,846.1	-13,163.6	-14,659.3	5,474.5	-559.9	-2,974.1	-1,817.1	3,692.3	539.1	2,271.5
2.1 Assets	2,112.6	-4,236.4	2,319.7	-739.0	3,088.7	1,770.9	524.5	-985.0	1,448.6	782.8	-533.5
2.2 Liabilities	5,815.8	609.7	15,483.2	13,920.4	-2,385.9	2,330.7	3,498.6	832.2	-2,243.7	243.7	-2,805.0
3 Financial derivatives	1,838.9	554.2	-293.9	312.5	274.6	-117.4	438.4	72.6	-231.3	-397.1	-315.8
4 Other investment	-2,528.3	-760.3	19,011.8	3,290.4	7,491.0	10,541.5	-11,053.7	5,651.1	17,858.0	-1,913.9	-3,647.3
4.1 Assets	-5,069.4	-1,781.0	-4,576.1	-1,207.4	7,494.2	-1,347.5	-5,562.4	5,179.4	8,642.0	-9,606.5	-3,950.6
4.2 Liabilities	-2,541.1	-1,020.7	-23,587.9	-4,497.9	3.2	-11,889.1	5,491.3	-471.7	-9,216.1	-7,692.6	-303.3
5 Reserve assets	525.5	2,927.2	361.8	14,025.2	-4,042.3	5,773.0	8,565.4	-2,445.1	-1,831.6	1,484.3	-3,410.8
D NET ERRORS AND OMISSIONS	-6,181.1	-8,081.8	-2,935.7	-6,922.7	-4,228.2	-4,799.0	2,400.6	668.8	-10,157.8	2,289.4	3,122.7

^a 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. ^b Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m).

^c The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^d Revised data. ^e 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.

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^a

end of period, in million EUR

Year	Month	International reserves of the Croatian National Bank							Banks' foreign currency reserves
		Total	Special drawing rights	Reserve position in the Fund	Gold	Foreign currency			
						Total	Currency and deposits	Bonds and notes	
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	December	12,687.6	364.0	0.2	–	12,323.4	3,397.8	8,925.6	3,305.5
2015	June	13,733.6	387.0	0.2	–	13,346.3	4,184.6	9,161.7	3,223.8
	July	14,990.4	388.2	0.2	–	14,602.0	5,363.4	9,238.6	3,109.4
	August	14,405.1	380.1	0.2	–	14,024.8	4,754.5	9,270.2	3,485.6
	September	13,436.6	381.6	0.2	–	13,054.7	3,788.0	9,266.7	4,470.2
	October	14,231.9	389.7	0.2	–	13,842.0	5,069.6	8,772.4	4,114.8
	November	14,023.3	395.7	0.3	–	13,627.4	5,070.7	8,556.7	3,966.9
	December	13,706.6	387.6	0.3	–	13,318.8	4,848.0	8,470.8	3,371.7
2016	January	13,557.6	387.2	0.3	–	13,170.2	4,022.0	9,148.2	3,359.3
	February	12,986.1	383.0	0.3	–	12,602.9	3,338.3	9,264.5	3,531.5
	March	13,198.8	380.2	0.3	–	12,818.4	3,314.5	9,503.9	3,185.3
	April	13,218.9	381.3	0.3	–	12,837.3	3,990.5	8,846.9	3,273.3
	May	12,828.4	384.9	0.3	–	12,443.2	3,294.4	9,148.8	3,620.1

^a 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.

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

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
I Official reserve assets and other f/c assets (approximate market value)									
A Official reserve assets	10,660.3	11,194.9	11,235.9	12,907.5	12,687.6	13,706.6	13,198.8	13,218.9	12,828.4
(1) Foreign currency reserves (in convertible f/c)	8,794.8	10,694.0	10,445.8	10,105.8	11,629.7	9,909.3	10,449.4	9,715.5	10,127.7
(a) Securities	7,028.5	8,103.2	8,637.1	8,848.8	8,925.6	8,470.8	9,503.9	8,846.9	9,148.8
o/w: Issuer headquartered in reporting country but located abroad	–	–	–	–	–	–	–	–	–
(b) Total currency and deposits with:	1,766.3	2,590.7	1,808.7	1,257.0	2,704.1	1,438.5	945.5	868.6	979.0
(i) Other national central banks, BIS and IMF	1,576.4	2,468.7	1,808.1	1,076.6	485.2	1,207.7	761.4	685.4	797.6
(ii) Banks headquartered in the reporting country	–	–	–	–	–	–	–	–	–
o/w: Located abroad	–	–	–	–	–	–	–	–	–
(iii) Banks headquartered outside the reporting country	189.9	122.1	0.6	180.3	2,218.9	230.7	184.1	183.2	181.4
o/w: Located in the reporting country	–	–	–	–	–	–	–	–	–
(2) IMF reserve position	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3
(3) SDRs	356.7	360.7	352.8	340.6	364.0	387.6	380.2	381.3	384.9
(4) Gold	–	–	–	–	–	–	–	–	–
(5) Other reserve assets	1,508.6	140.0	437.1	2,460.9	693.7	3,409.5	2,369.0	3,121.9	2,315.5
– Reverse repo	1,508.6	140.0	437.1	2,460.9	693.7	3,409.5	2,369.0	3,121.9	2,315.5
B Other foreign currency assets (specify)	–	–	–	–	–	–	–	–	–
– Time deposits	–	–	–	–	–	–	–	–	–
C Total (A+B)	10,660.3	11,194.9	11,235.9	12,907.5	12,687.6	13,706.6	13,198.8	13,218.9	12,828.4
II Predetermined short-term net drains on f/c assets (nominal value)									
1 F/c loans, securities, and deposits (total net drains up to one year)	–1,234.9	–679.5	–801.8	–1,641.3	–2,212.2	–1,783.8	–1,514.2	–2,651.4	–2,644.4
(a) Croatian National Bank	–	–	–	–83.5	–83.6	–50.9	–50.5	–24.2	–43.9
Up to 1 month	Principal	–	–	–83.5	–83.6	–50.9	–50.5	–24.2	–43.9
Interest	–	–	–	–	–	–	–	–	–
More than 1 and up to 3 months	Principal	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
More than 3 months and up to 1 year	Principal	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
(b) Central government	–1,234.9	–679.5	–801.8	–1,557.8	–2,128.6	–1,732.9	–1,463.7	–2,627.2	–2,600.4
Up to 1 month	Principal	–16.4	–140.2	–170.5	–172.8	–96.2	–151.8	–168.9	–96.5
Interest	–8.1	–6.5	–6.5	–4.2	–17.0	–16.5	–12.1	–13.6	–2.9
More than 1 and up to 3 months	Principal	–882.2	–112.5	–50.1	–284.2	–322.3	–251.1	–256.5	–245.9
Interest	–15.1	–20.5	–22.7	–24.0	–33.2	–47.5	–34.0	–49.9	–35.0
More than 3 months and up to 1 year	Principal	–170.5	–208.7	–311.6	–758.3	–755.0	–597.6	–1,725.1	–1,736.8
Interest	–142.5	–191.2	–240.3	–314.4	–385.4	–495.4	–417.1	–413.1	–483.4
2 Aggregate short and long positions in forwards and futures in f/c vis-a-vis the domestic currency (including the forward leg of currency swaps)	–	–	–	–	–	–	–	–	–
(a) Short positions (–)	–	–	–	–	–	–	–	–	–
Up to 1 month	–	–	–	–	–	–	–	–	–
More than 1 and up to 3 months	–	–	–	–	–	–	–	–	–
More than 3 months and up to 1 year	–	–	–	–	–	–	–	–	–
(b) Long positions (+)	–	–	–	–	–	–	–	–	–
Up to 1 month	–	–	–	–	–	–	–	–	–
More than 1 and up to 3 months	–	–	–	–	–	–	–	–	–
More than 3 months and up to 1 year	–	–	–	–	–	–	–	–	–
3 Other	–	–	–	–	–	–1,238.2	–1,437.8	–1,683.6	–1,318.3
– Outflows related to repos (–)	–	–	–	–	–	–1,238.2	–1,437.8	–1,683.6	–1,318.3
Up to 1 month	Principal	–	–	–	–	–1,238.2	–1,437.8	–1,683.6	–1,318.3
Interest	–	–	–	–	–	–	–	–	–
More than 1 and up to 3 months	Principal	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
More than 3 months and up to 1 year	Principal	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
4 Total predetermined short-term net drains on f/c assets (1+2+3)	–1,234.9	–679.5	–801.8	–1,641.3	–2,212.2	–3,022.0	–2,952.0	–4,335.0	–3,962.6

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Mar.	Apr.	May
III Contingent short-term net drains on f/c assets (nominal value)									
1 Contingent liabilities in foreign currency	-1,734.2	-1,741.7	-1,311.6	-1,334.0	-760.8	-591.7	-110.0	-117.5	-140.6
(a) Collateral guarantees on debt falling due within 1 year	-1,087.9	-1,005.2	-636.4	-755.4	-271.9	-93.8	-110.0	-117.5	-140.6
– Croatian National Bank	–	–	–	–	–	–	–	–	–
– Central government	-1,087.9	-1,005.2	-636.4	-755.4	-271.9	-93.8	-110.0	-117.5	-140.6
Up to 1 month	-0.2	-8.0	-26.6	-23.0	-8.1	-7.2	-10.8	-9.5	-27.7
More than 1 and up to 3 months	-438.5	-111.2	-70.3	-74.7	-27.2	-1.0	-25.3	-23.0	-2.1
More than 3 months and up to 1 year	-649.2	-885.9	-539.5	-657.6	-236.6	-85.6	-73.9	-85.1	-110.8
(b) Other contingent liabilities	-646.3	-736.5	-675.2	-578.6	-488.9	-497.9	0.0	0.0	0.0
– Croatian National Bank	-646.3	-736.5	-675.2	-578.6	-488.9	-497.9	0.0	0.0	0.0
Up to 1 month	–	–	–	–	–	–	–	–	–
More than 1 and up to 3 months	-646.3	-736.5	-675.2	-578.6	-488.9	-497.9	0.0	0.0	0.0
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	-591.7	-110.0	-117.5	-140.6
IV Memo items									
(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	-1,198.2	-1,331.6	-1,576.0	-1,202.3
– 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	3,317.5	2,196.6	2,926.8	2,180.2
(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	13,706.3	13,198.7	13,218.5	12,828.1
– Currencies not in SDR basket	0.3	0.1	0.2	0.1	0.5	0.3	0.2	0.3	0.3
– By individual currencies									
USD	2,451.0	2,333.0	2,140.4	2,068.1	2,194.2	3,304.4	2,535.4	2,495.1	2,493.9
EUR	7,851.8	8,500.6	8,742.1	10,498.4	10,128.4	10,013.6	10,282.6	10,341.7	9,948.8
Other	357.5	361.2	353.4	341.0	365.1	388.6	380.9	382.1	385.7

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 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

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 ^b ; deflator	
			Consumer price index	Industrial producer price index ^a	Unit labour costs in manufacturing	Unit labour costs in the total economy
2001	December	106.52	110.96		127.67	121.64
2002	December	105.28	110.65		129.89	118.80
2003	December	105.37	111.22		122.94	119.44
2004	December	102.42	107.05		122.10	115.80
2005	December	102.16	105.55		115.53	112.45
2006	December	100.37	103.88		104.24	106.07
2007	December	98.70	99.93		98.89	101.16
2008	December	98.13	98.58		101.30	96.72
2009	December	97.63	97.78		105.44	97.23
2010	December	102.04	102.98	99.43	99.03	102.17
2011	December	103.63	105.67	101.27	102.41	102.28
2012	December	104.61	104.60	101.87	108.11	107.52
2013	December	103.76	104.85	102.36	106.77	108.51
2014	December	105.80	107.99	105.70	113.24	109.08
2015	July	107.60	110.14	106.51		
	August	106.48	109.28	106.22		
	September	106.25	108.87	106.74	113.92	110.48
	October	107.05	109.68	106.75		
	November	107.90	110.75	107.27		
	December	107.75	111.32	107.60	117.05 ^c	110.56 ^c
2016	January	107.58	111.03	108.56		
	February	106.87	110.99	108.64		
	March	106.13	110.37	106.87		
	April	104.79	108.93	106.75		
	May	104.61	108.76 ^c	105.83 ^c		
	June	105.02				

^a 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. ^b The values shown are quarterly data. ^c Preliminary data.

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

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 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.

Table H12 Gross external debt by domestic sectors^{a,b}

in million EUR

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Jan.*	Feb.*	Mar.
1 General government	10,739.1	11,088.5	12,353.9	14,225.3	15,396.1	15,893.9	15,747.7	15,739.3	15,180.3
Short-term	468.3	157.9	118.1	269.6	83.8	8.1	20.2	20.3	24.1
Currency and deposits	0.0	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	8.1	20.2	20.3	24.1
Loans	0.0	0.0	0.9	200.0	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	0.0
Other debt liabilities	0.0	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	15,885.8	15,727.5	15,719.0	15,156.2
Currency and deposits	0.0	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	10,103.8	9,948.8	9,938.9	9,505.0
Loans	5,021.3	5,227.2	5,667.2	5,750.5	6,223.2	5,782.0	5,778.7	5,780.1	5,651.2
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Central bank	357.3	360.1	351.0	421.5	444.9	1,692.1	1,922.2	1,217.6	1,865.7
Short-term	1.2	0.1	0.0	83.5	83.6	1,307.4	1,537.9	837.5	1,488.3
Currency and deposits	1.2	0.1	0.0	83.5	83.6	50.9	59.0	65.5	50.5
Debt securities	0.0	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	1,238.2	1,469.9	771.9	1,437.8
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	18.3	9.1	0.0	0.0
Long-term	356.1	360.0	351.0	338.0	361.3	384.7	384.3	380.1	377.4
Special drawing rights (allocations)	356.1	360.0	351.0	338.0	361.3	384.7	384.3	380.1	377.4
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	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	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Deposit-taking corporations, except the central bank	11,212.4	12,207.9	9,885.8	9,156.8	8,160.1	6,125.3	6,056.5	6,063.3	5,762.8
Short-term	3,173.6	3,953.1	2,024.2	2,317.1	1,950.9	1,697.0	1,678.2	1,699.1	1,401.6
Currency and deposits	2,201.3	3,291.4	1,470.2	1,735.3	1,513.3	1,602.9	1,583.4	1,548.7	1,237.0
Debt securities	0.0	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	65.5	64.8	120.3	131.8
Trade credit and advances	0.0	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	28.5	30.1	30.0	32.8
Long-term	8,038.8	8,254.7	7,861.6	6,839.7	6,209.1	4,428.3	4,378.3	4,364.3	4,361.2
Currency and deposits	4,592.8	4,407.6	4,261.1	3,849.6	3,645.9	2,845.5	2,839.7	2,838.0	2,852.0
Debt securities	8.9	1.9	8.9	3.8	2.5	2.0	6.3	6.4	6.6
Loans	3,436.0	3,844.4	3,568.8	2,984.0	2,558.7	1,579.1	1,530.5	1,518.1	1,500.8
Trade credit and advances	0.0	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	1.7	1.7	1.8	1.7
4 Other sectors	18,463.2	17,723.3	17,320.3	16,456.2	16,282.7	16,396.3	15,927.2	15,834.3	15,695.7
Short-term	912.5	915.8	1,130.3	626.4	717.4	656.6	469.1	451.8	458.2
Currency and deposits	0.0	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	68.0	68.3	68.6	68.9
Loans	881.7	881.4	952.0	511.1	615.2	475.8	276.9	256.2	248.1
Trade credit and advances	30.9	34.2	178.1	115.2	77.7	112.8	123.9	127.0	141.3
Other debt liabilities	0.0	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	15,739.7	15,458.1	15,382.6	15,237.4
Currency and deposits	0.0	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	1,640.1	1,620.1	1,620.6	1,582.0
Loans	16,578.2	15,893.6	14,061.0	13,727.0	13,884.7	13,918.0	13,640.6	13,561.6	13,437.8
Trade credit and advances	293.0	135.9	134.1	179.3	143.3	181.6	197.4	200.4	217.5

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Jan.*	Feb.*	Mar.
Other debt liabilities	0.0	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	5,426.3	5,674.6	5,665.2	5,835.9
Debt liabilities of direct investment enterprises to direct investors	4,131.0	4,143.1	4,082.4	3,521.6	3,781.1	3,658.4	3,894.8	3,822.4	3,886.7
Debt liabilities of direct investors to direct investment enterprises	366.7	175.5	164.5	159.5	250.5	223.1	211.8	212.7	321.7
Debt liabilities to fellow enterprises	1,638.7	698.9	1,139.4	2,017.4	2,348.4	1,544.8	1,568.1	1,630.0	1,627.5
Gross external debt position	46,908.4	46,397.2	45,297.2	45,958.4	46,663.8	45,534.0	45,328.3	44,519.7	44,340.3
o/w: Round tripping ^c	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	2,051.1	2,047.0	2,048.3	2,168.4
General government	0.9	0.0	0.8	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	0.0
Deposit-taking corporations, except the central bank	12.2	11.8	11.6	16.6	17.4	6.3	7.4	7.5	6.1
Other sectors	1,064.8	1,037.3	1,290.7	1,517.9	1,655.3	1,710.4	1,712.5	1,713.9	1,833.6
Direct investment: intercompany lending	157.3	254.1	285.8	368.0	363.5	333.5	326.3	326.2	328.0

^a 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. ^b In the entire series of data, the CBRD is reclassified from other sectors to the sector general government. ^c 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.

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.

in million EUR

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Jan.*	Feb.*	Mar.
1 Public sector external debt	14,752.5	14,603.5	15,180.4	16,642.0	17,807.3	19,533.5	19,558.0	18,767.8	18,774.3
Other investment	14,387.4	14,394.9	15,179.3	16,640.9	17,806.2	19,506.2	19,530.7	18,740.5	18,747.0
Short-term	594.0	279.7	139.9	377.5	193.1	1,337.2	1,579.9	879.5	1,534.5
Currency and deposits	17.1	18.1	21.8	107.9	109.3	71.9	80.1	86.7	72.1
Debt securities	468.3	157.9	117.2	69.6	83.6	8.1	20.2	20.3	24.1
Loans	108.6	103.7	0.9	200.0	0.2	1,238.2	1,469.9	771.9	1,437.8
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.1	0.1	18.9	9.7	0.6	0.6
Long-term	13,793.4	14,115.3	15,039.3	16,263.4	17,613.1	18,169.0	17,950.7	17,860.9	17,212.4
Special drawing rights (allocations)	356.1	360.0	351.0	338.0	361.3	384.7	384.3	380.1	377.4
Currency and deposits	5.9	10.8	5.2	8.6	14.5	21.1	20.5	20.6	21.0
Debt securities	5,605.6	6,050.8	7,270.5	8,851.2	9,770.4	10,854.2	10,698.6	10,684.5	10,211.9
Loans	7,554.4	7,578.9	7,294.1	7,028.4	7,446.5	6,908.4	6,846.4	6,774.8	6,600.7
Trade credit and advances	271.4	114.8	118.5	37.1	20.4	0.7	0.9	0.9	1.4
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment: intercompany lending	365.2	208.6	1.1	1.1	1.1	27.3	27.3	27.3	27.3
Short-term	24.7	123.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	24.7	123.8	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	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	340.5	84.8	1.1	1.1	1.1	27.3	27.3	27.3	27.3
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	340.5	84.8	1.1	1.1	1.1	27.3	27.3	27.3	27.3
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Publicly guaranteed private sector external debt	0.5	0.0	2.9	84.3	43.7	103.2	103.4	103.5	103.1
Other investment	0.5	0.0	2.9	84.3	43.7	103.2	103.4	103.5	103.1
Short-term	0.0	0.0	0.0	0.0	0.0	1.7	1.7	1.6	1.6
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	1.7	1.7	1.6	1.6
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.5	0.0	2.9	84.3	43.7	101.5	101.8	101.8	101.6
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.5	0.0	0.0	0.0	0.0	75.1	75.4	75.7	76.0
Trade credit and advances	0.0	0.0	2.9	84.3	43.7	26.4	26.4	26.2	25.6
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment: intercompany lending	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	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	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Jan.*	Feb.*	Mar.
Loans	0.0	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	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Non-publicly guaranteed private sector external debt	32,155.4	31,793.7	30,113.9	29,232.1	28,812.8	25,897.3	25,666.9	25,648.4	25,462.9
Other investment	26,384.1	26,984.8	24,728.8	23,534.7	22,433.9	20,498.3	20,019.6	20,010.6	19,654.3
Short-term	3,961.7	4,747.2	3,132.6	2,919.0	2,642.6	2,330.3	2,123.9	2,127.4	1,836.1
Currency and deposits	2,185.4	3,273.4	1,448.3	1,710.9	1,487.6	1,581.8	1,562.2	1,527.6	1,215.4
Debt securities	0.0	0.1	0.1	0.0	24.5	68.0	68.3	68.6	68.9
Loans	1,720.9	1,303.7	1,468.7	1,068.4	1,025.9	539.7	340.0	374.8	378.4
Trade credit and advances	30.9	34.2	178.1	115.2	77.7	112.8	123.9	127.0	141.3
Other debt liabilities	24.5	135.8	37.2	24.4	26.9	28.0	29.5	29.4	32.2
Long-term	22,422.4	22,237.6	21,596.2	20,615.7	19,791.3	18,168.0	17,895.7	17,883.1	17,818.2
Currency and deposits	4,586.9	4,396.8	4,255.9	3,840.9	3,631.4	2,824.5	2,819.2	2,817.4	2,831.0
Debt securities	332.2	432.5	1,302.0	1,281.4	858.5	891.7	876.7	881.4	881.7
Loans	17,480.6	17,386.3	16,002.9	15,433.1	15,220.1	14,295.7	14,028.0	14,009.3	13,913.2
Trade credit and advances	21.6	21.1	12.6	57.9	79.2	154.5	170.1	173.3	190.5
Other debt liabilities	1.1	0.9	22.8	2.4	2.0	1.7	1.7	1.8	1.7
Direct investment: intercompany lending	5,771.3	4,808.8	5,385.1	5,697.4	6,379.0	5,399.0	5,647.3	5,637.8	5,808.6
Short-term	645.3	659.8	251.7	174.3	191.7	464.4	610.7	586.1	596.9
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	645.3	659.8	251.7	174.3	191.7	464.4	610.7	586.1	596.9
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	5,126.0	4,149.0	5,133.4	5,523.1	6,187.3	4,934.6	5,036.6	5,051.7	5,211.6
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	5,123.0	4,145.4	5,123.5	5,504.7	6,178.3	4,923.7	5,026.7	5,041.8	5,201.7
Trade credit and advances	3.0	3.6	9.9	18.4	9.0	10.9	9.9	9.9	10.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross external debt position	46,908.4	46,397.2	45,297.2	45,958.4	46,663.8	45,534.0	45,328.3	44,519.7	44,340.3
o/w: Round tripping ^b	0.0	–	–	–	–	–	–	–	–
Memo items:									
Principal and interest arrears	1,235.2	1,303.2	1,589.0	1,903.3	2,037.0	2,051.1	2,047.0	2,048.3	2,168.4
Public sector external debt	73.2	76.4	40.9	0.9	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	6.8	6.8	6.7	6.7
Non-publicly guaranteed private sector external debt	1,162.0	1,226.7	1,548.1	1,879.8	2,028.9	2,043.4	2,039.3	2,040.7	2,160.9

^a 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. ^b 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.

Table H13 Public sector gross external debt and publicly guaranteed and non-publicly guaranteed private sector gross external debt • The gross external debt position presented in this table highlights the role of the public sector. Public sector includes the general government, 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 31/3/2016	Immediate/ arrears	Projected future principal payments											
			Q2/16 ^c	Q3/16	Q4/16	Q1/17	2016 ^c	2017	2018	2019	2020	2021	2022	Other
Long-term	15,237.4	1,738.3	1,167.9	893.7	1,498.2	519.8	3,559.8	2,490.3	1,440.1	1,441.2	1,686.6	390.2	802.6	1,688.2
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	1,582.0	0.0	28.7	21.5	2.1	0.0	52.2	332.2	1.4	272.3	571.5	0.0	351.7	0.8
Loans	13,437.8	1,733.3	1,124.1	854.0	1,489.8	485.6	3,467.9	2,019.4	1,407.4	1,167.4	1,114.3	389.8	450.9	1,687.4
Trade credit and advances	217.5	5.1	15.1	18.3	6.3	34.2	39.7	138.7	31.3	1.5	0.8	0.4	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	5,835.9	328.0	724.7	438.8	971.7	188.9	2,135.1	1,000.6	439.5	355.9	352.1	86.2	171.8	966.6
Debt liabilities of direct investment enterprises to direct investors	3,886.7	269.7	536.7	376.9	743.7	106.8	1,657.3	682.6	240.3	255.5	246.0	55.1	115.7	364.4
Debt liabilities of direct investors to direct investment enterprises	321.7	19.4	36.9	5.0	48.3	22.2	90.1	42.2	64.7	11.6	13.1	10.5	10.2	59.7
Debt liabilities to fellow enterprises	1,627.5	38.9	151.1	56.8	179.7	59.9	387.7	275.8	134.5	88.8	93.0	20.6	45.8	542.5
Gross external debt position	44,340.3	2,168.4	4,991.6	2,053.4	3,183.1	1,138.0	10,228.1	7,555.2	3,195.8	4,253.7	4,017.0	2,283.0	2,404.2	8,234.7
Memo item: Projected interest payments			127.3	220.9	291.2	260.5	639.4	1,038.0	880.1	790.3	685.7	391.3	354.8	887.5

^a 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. ^b Projected payments of gross external debt include projected payments of principal and accrued interest. ^c 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^{a,b}
in million EUR

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							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	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	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	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	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	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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	2,752.4	2,734.2	2,712.0	2,814.9
Short-term	367.2	576.8	615.1	318.0	424.0	110.4	104.9	82.0	68.8
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	367.2	576.8	615.1	318.0	424.0	110.4	104.9	82.0	68.8
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	4,315.4	3,518.4	3,182.5	3,123.8	2,719.5	2,642.1	2,629.4	2,630.1	2,746.1
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	4,315.4	3,518.4	3,182.5	3,123.8	2,719.5	2,642.1	2,629.4	2,630.1	2,746.1
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.3 Public non-financial corporations	3,262.6	2,914.6	2,444.3	1,958.0	1,819.7	1,818.9	1,759.8	1,682.5	1,611.0
Short-term	108.6	103.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	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	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	3,154.1	2,810.9	2,444.3	1,958.0	1,819.7	1,818.9	1,759.8	1,682.5	1,611.0
Currency and deposits	0.0	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	750.4	749.8	745.6	706.9
Loans	2,526.5	2,348.7	1,623.9	1,274.9	1,118.0	1,067.8	1,009.1	936.0	902.7
Trade credit and advances	271.4	114.8	118.5	37.1	20.4	0.7	0.9	0.9	1.4
Other debt liabilities	0.0	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	11,665.8	11,275.1	11,284.9	11,115.6
Short-term	429.9	229.4	509.8	308.1	293.4	546.3	364.3	369.8	389.4
Currency and deposits	0.0	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	68.0	68.3	68.6	68.9
Loans	399.0	195.0	331.5	192.9	191.3	365.4	172.0	174.2	179.3
Trade credit and advances	30.9	34.2	178.1	115.2	77.7	112.8	123.9	127.0	141.3
Other debt liabilities	0.0	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	11,119.5	10,910.9	10,915.1	10,726.2
Currency and deposits	0.0	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	889.7	870.3	875.0	875.1
Loans	9,528.8	9,814.7	9,044.0	9,153.1	9,865.3	10,048.9	9,844.1	9,840.7	9,634.9
Trade credit and advances	21.5	21.1	15.5	136.4	122.9	180.9	196.5	199.5	216.1

	2010 Dec.	2011 Dec.	2012 Dec.	2013 Dec.	2014 Dec.	2015 Dec.	2016		
							Jan.*	Feb.*	Mar.
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.5 Households	211.9	213.0	206.7	176.0	162.4	136.0	134.7	131.5	130.7
Short-term	7.0	6.0	5.4	0.1	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	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	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	205.0	207.1	201.3	175.9	162.4	136.0	134.7	131.5	130.7
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	204.8	207.1	201.3	170.1	162.4	136.0	134.7	131.5	130.7
Trade credit and advances	0.1	0.0	0.0	5.8	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.6 Non-profit institutions serving households	2.6	4.8	9.4	5.3	19.4	23.2	23.3	23.4	23.4
Short-term	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	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	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	2.6	4.8	9.4	5.2	19.4	23.2	23.3	23.4	23.4
Currency and deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	2.6	4.8	9.4	5.2	19.4	23.2	23.3	23.4	23.4
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross external debt of other sectors	18,463.2	17,723.3	17,320.3	16,456.2	16,282.7	16,396.3	15,927.2	15,834.3	15,695.7
Memo items:									
1 Principal and interest arrears by sector	1,064.8	1,037.3	1,290.7	1,517.9	1,655.3	1,710.4	1,712.5	1,713.9	1,833.6
Other public financial corporations except monetary financial institutions	0.0	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	36.8	35.2	35.2	37.3
Public non-financial corporations	72.2	75.7	40.1	0.1	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	1,673.6	1,677.2	1,678.6	1,796.2
Households	0.0	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	0.0
2 Quasi-direct investment – included in item 4.2 Other private financial corporations except monetary financial institutions ^c	1,665.5	1,487.9	1,418.7	1,490.8	1,733.7	1,421.0	1,417.2	1,401.1	1,412.6

^a 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. ^b 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. ^c 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^{a,b,c}
in million EUR

	2010	2011	2012	2013	2014 ^d	2015 ^d	2015				2016
							Q1 ^d	Q2 ^d	Q3 ^d	Q4 ^d	
1 International investment position (net)	-41,839.6	-40,460.7	-39,715.7	-38,365.4	-37,195.9	-34,098.0	-37,906.3	-37,958.5	-34,453.1	-34,098.0	-34,127.3
2 Assets	23,840.3	23,593.5	23,588.0	24,641.8	28,153.3	30,759.3	30,465.9	30,499.6	31,378.0	30,759.3	29,447.6
2.1 Direct investment	3,782.0	3,869.1	3,700.4	3,477.9	4,836.7	5,299.0	5,229.4	5,259.6	5,713.7	5,299.0	5,487.6
2.2 Portfolio investment	3,555.3	2,813.1	3,178.0	3,283.7	3,712.8	3,918.5	3,979.9	3,799.3	3,695.6	3,918.5	3,787.5
2.2.1 Equity and investment fund shares	1,248.1	1,132.2	1,313.9	1,530.0	1,659.8	1,912.4	1,896.4	1,879.3	1,739.3	1,912.4	1,799.9
2.2.2 Debt securities	2,307.2	1,680.9	1,864.1	1,753.7	2,053.0	2,006.1	2,083.5	1,920.0	1,956.3	2,006.1	1,987.7
2.2.2.1 Long-term	1,431.0	1,074.3	1,365.7	1,185.1	1,771.7	1,851.4	1,848.5	1,722.0	1,787.3	1,851.4	1,858.5
2.2.2.2 Short-term	876.2	606.6	498.3	568.6	281.3	154.7	234.9	198.0	169.0	154.7	129.1
2.3 Financial derivatives	14.2	204.5	145.8	16.7	690.6	1,810.2	1,734.8	1,530.3	1,432.9	1,810.2	1,503.0
2.4 Other investment	5,828.6	5,512.0	5,328.0	4,956.0	6,225.5	6,024.9	5,364.1	6,176.9	7,099.2	6,024.9	5,470.7
2.4.1 Other equity	1.8	4.4	11.0	41.3	67.3	94.3	67.6	68.2	67.7	94.3	97.2
2.4.2 Currency and deposits	5,304.5	4,989.5	4,616.4	4,182.0	5,309.6	5,011.6	4,643.4	5,396.2	6,290.4	5,011.6	4,599.8
2.4.3 Loans	430.8	420.8	531.3	626.1	752.2	812.2	553.5	577.3	630.9	812.2	671.4
2.4.4 Trade credit and advances	80.5	85.7	142.0	80.8	74.5	82.5	79.6	78.3	81.7	82.5	84.5
2.4.5 Other accounts receivable	11.0	11.5	27.3	25.8	21.8	24.3	20.0	56.9	28.5	24.3	17.9
2.5 Reserve assets	10,660.2	11,194.8	11,235.9	12,907.4	12,687.7	13,706.7	14,157.7	13,733.6	13,436.7	13,706.7	13,198.6
3 Liabilities	65,679.9	64,054.2	63,303.7	63,007.2	65,349.1	64,857.3	68,372.1	68,458.2	65,831.1	64,857.3	63,574.9
3.1 Direct investment	24,016.6	22,004.2	22,678.9	21,877.5	24,263.2	24,014.6	25,007.9	25,569.1	24,691.8	24,014.6	24,305.3
3.2 Portfolio investment	7,103.0	7,160.4	9,077.0	10,640.2	11,314.5	12,398.0	12,607.9	12,532.8	12,135.0	12,398.0	11,770.2
3.2.1 Equity and investment fund shares	696.9	519.0	387.2	438.0	577.5	576.0	582.8	593.6	574.2	576.0	583.6
3.2.2 Debt securities	6,406.1	6,641.4	8,689.9	10,202.2	10,737.0	11,822.0	12,025.1	11,939.2	11,560.8	11,822.0	11,186.6
3.2.2.1 Long-term	5,937.8	6,483.4	8,572.5	10,132.6	10,628.9	11,745.8	11,959.6	11,860.2	11,478.9	11,745.8	11,093.7
3.2.2.2 Short-term	468.3	158.1	117.3	69.6	108.1	76.1	65.5	79.0	82.0	76.1	92.9
3.3 Financial derivatives	194.6	151.3	326.6	431.8	224.7	159.1	286.3	193.2	182.2	159.1	181.6
3.4 Other investment	34,365.8	34,738.3	31,221.1	30,057.7	29,546.7	28,285.7	30,470.0	30,163.1	28,822.1	28,285.7	27,317.8
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	0.0
3.4.2 Currency and deposits	6,795.2	7,699.0	5,731.3	5,668.4	5,242.8	4,499.3	5,567.2	5,483.9	4,958.1	4,499.3	4,139.5
3.4.3 Loans	26,865.0	26,372.5	24,766.6	23,730.0	23,692.7	23,058.7	24,222.5	24,020.9	23,109.0	23,058.7	22,407.6
3.4.4 Trade credit and advances	323.8	170.1	312.2	294.5	221.0	294.4	264.5	243.0	320.2	294.4	358.8
3.4.5 Other accounts payable	25.6	136.6	60.0	26.9	29.0	48.6	30.1	31.2	56.1	48.6	34.5
3.4.6 Special drawing rights	356.1	360.0	351.0	338.0	361.3	384.7	385.7	384.1	378.7	384.7	377.4

^a 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. ^b Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). ^c The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^d Revised data. ^e 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^{a,b}
in million EUR

	2010	2011	2012	2013	2014 ^c	2015 ^c	2015				2016
							Q1 ^c	Q2 ^c	Q3 ^c	Q4 ^c	
Direct investment (net)	-20,234.6	-18,135.2	-18,978.6	-18,399.6	-19,426.5	-18,715.6	-19,778.6	-20,309.5	-18,978.1	-18,715.6	-18,817.7
1 Assets	3,782.0	3,869.1	3,700.4	3,477.9	4,836.7	5,299.0	5,229.4	5,259.6	5,713.7	5,299.0	5,487.6
1.1 Equity and investment fund shares	3,105.0	3,176.8	3,073.3	2,886.8	4,030.4	4,464.5	4,232.1	4,205.7	4,651.3	4,464.5	4,595.3
1.1.1 In direct investment enterprises	2,986.9	2,987.8	2,884.0	2,692.8	3,836.1	4,266.9	4,037.1	4,009.7	4,456.7	4,266.9	4,396.7
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	0.0
1.1.3 Between fellow enterprises	118.1	189.0	189.3	194.0	194.2	197.6	195.1	196.0	194.6	197.6	198.5
1.2 Debt instruments	677.0	692.2	627.1	591.1	806.3	834.4	997.2	1,053.9	1,062.3	834.4	892.4
1.2.1 In direct investment enterprises	608.7	641.5	572.1	521.8	558.9	610.1	563.1	580.6	572.1	610.1	636.7
1.2.2 In direct investor (reverse investment)	68.3	50.7	55.0	69.3	108.7	90.5	86.7	84.2	73.9	90.5	109.8
1.2.3 Between fellow enterprises	0.0	0.0	0.0	0.0	138.7	133.8	347.3	389.1	416.3	133.8	145.9
2 Liabilities	24,016.6	22,004.2	22,678.9	21,877.5	24,263.2	24,014.6	25,007.9	25,569.1	24,691.8	24,014.6	24,305.3
2.1 Equity and investment fund shares	17,880.1	16,986.8	17,292.7	16,179.0	17,883.2	18,588.2	18,383.2	18,878.5	18,156.4	18,588.2	18,469.4
2.1.1 In direct investment enterprises	17,879.2	16,986.5	17,290.2	16,176.8	17,880.9	18,587.4	18,381.1	18,876.2	18,154.2	18,587.4	18,474.1
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	0.0
2.1.3 Between fellow enterprises	0.9	0.3	2.5	2.2	2.3	0.8	2.2	2.3	2.1	0.8	-4.7
2.2 Debt instruments	6,136.5	5,017.4	5,386.2	5,698.5	6,380.1	5,426.3	6,624.7	6,690.6	6,535.4	5,426.3	5,835.9
2.2.1 In direct investment enterprises	4,131.0	4,143.1	4,082.4	3,521.6	3,781.1	3,658.4	3,811.6	3,906.9	3,750.1	3,658.4	3,886.7
2.2.2 In direct investor (reverse investment)	366.7	175.5	164.5	159.5	250.5	223.1	271.2	180.9	210.7	223.1	321.7
2.2.3 Between fellow enterprises	1,638.7	698.9	1,139.4	2,017.4	2,348.4	1,544.8	2,542.0	2,602.9	2,574.6	1,544.8	1,627.5

^a 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. ^b Data also include the round tripping which increases direct investment in Croatia and direct investment abroad by the same amount. This type of direct investment was recorded in December 2008 (EUR 825.7m), August 2009 (EUR 666.5m), December 2010 (EUR -618.6m) and June 2014 (EUR 1,485.8m). ^c Revised data. ^d Preliminary data.

Table H18 International investment position – portfolio investment^{a,b}
in million EUR

	2010	2011	2012	2013	2014	2015 ^c	2015				2016
							Q1	Q2	Q3	Q4 ^c	
Portfolio investment (net)	-3,547.7	-4,347.3	-5,899.1	-7,356.6	-7,601.7	-8,479.4	-8,628.1	-8,733.5	-8,439.4	-8,479.4	-7,982.7
1 Assets	3,555.3	2,813.1	3,178.0	3,283.7	3,712.8	3,918.5	3,979.9	3,799.3	3,695.6	3,918.5	3,787.5
1.1 Equity and investment fund shares	1,248.1	1,132.2	1,313.9	1,530.0	1,659.8	1,912.4	1,896.4	1,879.3	1,739.3	1,912.4	1,799.9
1.1.1 Other monetary financial institutions	9.2	13.7	10.1	11.8	8.9	71.8	5.6	9.2	8.5	71.8	71.3
1.1.2 Other sectors	1,238.9	1,118.5	1,303.8	1,518.3	1,650.9	1,840.6	1,890.8	1,870.1	1,730.8	1,840.6	1,728.6
1.2 Debt securities	2,307.2	1,680.9	1,864.1	1,753.7	2,053.0	2,006.1	2,083.5	1,920.0	1,956.3	2,006.1	1,987.7
2 Liabilities	7,103.0	7,160.4	9,077.0	10,640.2	11,314.5	12,398.0	12,607.9	12,532.8	12,135.0	12,398.0	11,770.2
2.1 Equity and investment fund shares	696.9	519.0	387.2	438.0	577.5	576.0	582.8	593.6	574.2	576.0	583.6
2.1.1 Other monetary financial institutions	134.8	90.0	79.6	100.1	103.8	116.9	109.9	112.9	113.9	116.9	125.1
2.1.2 Other sectors	562.1	428.9	307.5	337.9	473.7	459.1	472.9	480.7	460.3	459.1	458.5
2.2 Debt securities	6,406.1	6,641.4	8,689.9	10,202.2	10,737.0	11,822.0	12,025.1	11,939.2	11,560.8	11,822.0	11,186.6
2.2.1 Long-term	5,937.8	6,483.4	8,572.5	10,132.6	10,628.9	11,745.8	11,959.6	11,860.2	11,478.9	11,745.8	11,093.7
2.2.1.1 General government	5,249.4	5,703.4	6,568.6	8,205.3	9,089.1	10,103.8	10,353.6	10,270.7	9,902.7	10,103.8	9,505.0
2.2.1.2 Other monetary financial institutions	8.9	1.9	8.9	3.8	2.5	2.0	2.7	2.7	6.3	2.0	6.6
2.2.1.3 Other sectors	679.5	778.1	1,995.0	1,923.6	1,537.4	1,640.1	1,603.4	1,586.8	1,569.8	1,640.1	1,582.0
2.2.2 Short-term	468.3	158.1	117.3	69.6	108.1	76.1	65.5	79.0	82.0	76.1	92.9
2.2.2.1 General government	468.3	157.9	117.2	69.6	83.6	8.1	36.6	24.1	9.6	8.1	24.1
2.2.2.2 Other sectors	0.0	0.1	0.1	0.0	24.5	68.0	28.9	54.9	72.4	68.0	68.9

^a 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. ^b The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^c Revised data. ^d Preliminary data.

Table H19 International investment position – other investment^{a,b}

in million EUR

	2010	2011	2012	2013	2014	2015 ^c	2015				2016
							Q1 ^c	Q2 ^c	Q3 ^c	Q4 ^c	Q1 ^d
Other investment (net)	-28,537.2	-29,226.4	-25,893.1	-25,101.6	-23,321.3	-22,260.8	-25,105.8	-23,986.2	-21,723.0	-22,260.8	-21,847.1
1 Assets	5,828.6	5,512.0	5,328.0	4,956.0	6,225.5	6,024.9	5,364.1	6,176.9	7,099.2	6,024.9	5,470.7
1.1 Other equity	1.8	4.4	11.0	41.3	67.3	94.3	67.6	68.2	67.7	94.3	97.2
1.2 Currency and deposits	5,304.5	4,989.5	4,616.4	4,182.0	5,309.6	5,011.6	4,643.4	5,396.2	6,290.4	5,011.6	4,599.8
1.2.1 General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	92.9
1.2.2 General government	0.0	0.0	0.0	0.3	158.8	89.6	150.7	129.1	103.2	89.6	109.2
1.2.3 Other monetary financial institutions	4,058.2	3,559.7	3,108.4	2,888.7	3,563.3	3,723.9	2,999.1	3,483.7	4,828.0	3,723.9	3,264.3
1.2.4 Other sectors	1,246.3	1,429.8	1,508.0	1,292.9	1,587.5	1,198.1	1,493.7	1,783.4	1,359.2	1,198.1	1,133.4
1.3 Loans	430.8	420.8	531.3	626.1	752.2	812.2	553.5	577.3	630.9	812.2	671.4
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	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	0.0
1.3.2 General government	0.0	0.0	0.0	0.0	14.8	30.9	14.3	12.9	26.7	30.9	33.4
1.3.2.1 Long-term	0.0	0.0	0.0	0.0	14.8	30.9	14.3	12.9	26.7	30.9	33.4
1.3.3 Other monetary financial institutions	291.8	276.2	355.8	369.0	432.7	660.1	428.1	448.2	484.7	660.1	514.4
1.3.3.1 Long-term	257.2	266.6	238.9	299.5	280.8	322.3	286.2	303.8	314.4	322.3	294.7
1.3.3.2 Short-term	34.6	9.6	117.0	69.5	151.9	337.8	141.9	144.5	170.4	337.8	219.7
1.3.4 Other sectors	139.0	144.6	175.5	257.1	304.7	121.1	111.1	116.2	119.5	121.1	123.6
1.3.4.1 Long-term	101.3	140.0	154.5	237.9	293.8	116.5	103.3	102.4	108.2	116.5	117.9
1.3.4.2 Short-term	37.7	4.6	21.0	19.2	10.9	4.6	7.8	13.9	11.3	4.6	5.7
1.4 Trade credit and advances	80.5	85.7	142.0	80.8	74.5	82.5	79.6	78.3	81.7	82.5	84.5
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	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	0.0
1.4.2 Other sectors	80.5	85.7	142.0	80.8	74.5	82.5	79.6	78.3	81.7	82.5	84.5
1.4.2.1 Long-term	61.4	58.3	57.6	53.2	52.0	59.1	56.8	55.8	58.7	59.1	62.8
1.4.2.2 Short-term	19.2	27.4	84.3	27.6	22.6	23.4	22.8	22.5	23.0	23.4	21.7
1.5 Other accounts receivable	11.0	11.5	27.3	25.8	21.8	24.3	20.0	56.9	28.5	24.3	17.9
2 Liabilities	34,365.8	34,738.3	31,221.1	30,057.7	29,546.7	28,285.7	30,470.0	30,163.1	28,822.1	28,285.7	27,317.8
2.1 Other equity	0.0	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	4,499.3	5,567.2	5,483.9	4,958.1	4,499.3	4,139.5
2.2.1 Croatian National Bank	1.2	0.1	0.0	83.5	83.6	50.9	139.7	51.9	46.6	50.9	50.5
2.2.2 Other monetary financial institutions	6,794.1	7,699.0	5,731.3	5,584.9	5,159.2	4,448.4	5,427.6	5,432.1	4,911.4	4,448.4	4,089.0
2.2.3 Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.3 Loans	26,865.0	26,372.5	24,766.6	23,730.0	23,692.7	23,058.7	24,222.5	24,020.9	23,109.0	23,058.7	22,407.6
2.3.1 Croatian National Bank	0.0	0.0	0.0	0.0	0.0	1,238.2	674.2	840.3	568.1	1,238.2	1,437.8
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	0.0
2.3.1.2 Short-term	0.0	0.0	0.0	0.0	0.0	1,238.2	674.2	840.3	568.1	1,238.2	1,437.8
2.3.2 General government	5,021.3	5,227.2	5,668.1	5,950.5	6,223.4	5,782.0	6,237.0	5,987.8	5,799.0	5,782.0	5,651.2
2.3.2.1 Long-term	5,021.3	5,227.2	5,667.2	5,750.5	6,223.2	5,782.0	6,237.0	5,987.8	5,799.0	5,782.0	5,651.2
2.3.2.2 Short-term	0.0	0.0	0.9	200.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0
2.3.3 Other monetary financial institutions	4,383.8	4,370.4	4,085.5	3,541.3	2,969.4	1,644.6	2,752.2	2,685.1	2,473.0	1,644.6	1,632.7
2.3.3.1 Long-term	3,436.0	3,844.4	3,568.8	2,984.0	2,558.7	1,579.1	2,351.0	2,349.2	2,389.8	1,579.1	1,500.8
2.3.3.2 Short-term	947.8	526.0	516.8	557.3	410.7	65.5	401.2	335.9	83.2	65.5	131.8
2.3.4 Other sectors	17,459.9	16,775.0	15,012.9	14,238.2	14,499.9	14,393.8	14,559.1	14,507.7	14,268.9	14,393.8	13,685.9
2.3.4.1 Long-term	16,578.2	15,893.6	14,061.0	13,727.0	13,884.7	13,918.0	13,973.6	14,075.1	13,787.4	13,918.0	13,437.8
2.3.4.2 Short-term	881.7	881.4	952.0	511.1	615.2	475.8	585.5	432.6	481.5	475.8	248.1
2.4 Trade credit and advances	323.8	170.1	312.2	294.5	221.0	294.4	264.5	243.0	320.2	294.4	358.8
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	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	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	0.0
2.4.2 Other sectors	323.8	170.1	312.2	294.5	221.0	294.4	264.5	243.0	320.2	294.4	358.8
2.4.2.1 Long-term	293.0	135.9	134.1	179.3	143.3	181.6	182.2	151.2	177.9	181.6	217.5
2.4.2.2 Short-term	30.9	34.2	178.1	115.2	77.7	112.8	82.3	91.8	142.3	112.8	141.3
2.5 Other accounts payable	25.6	136.6	60.0	26.9	29.0	48.6	30.1	31.2	56.1	48.6	34.5
2.6 Special drawing rights	356.1	360.0	351.0	338.0	361.3	384.7	385.7	384.1	378.7	384.7	377.4

^a 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. ^b The Croatian Bank for Reconstruction and Development is reclassified from Other sectors to sector General government. ^c Revised data. ^d Preliminary data.

I Government finance – selected data

Table I1 Consolidated central government according to the government level^a
in million HRK

	2010	2011	2012	2013	2014	2015	2016			
							Jan.	Feb.	Mar.	Apr.
1 REVENUE (A+B)	110,831.6	110,406.1	112,883.5	112,051.1	118,066.9	128,675.2	10,027.0	9,907.3	9,730.5	11,181.6
A) Budgetary central government	107,457.6	107,067.2	109,558.4	108,581.8	114,015.6	103,859.3	8,182.8	7,949.5	7,710.1	9,224.7
B) Extrabudgetary users	3,374.0	3,338.9	3,325.0	3,469.4	4,051.3	24,815.9	1,844.3	1,957.9	2,020.4	1,956.8
1 Croatian Pension Insurance Administration	0.0	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	19,755.3	1,617.7	1,621.9	1,641.9	1,659.2
3 Croatian Employment Service	0.0	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	2,263.9	144.7	169.4	191.3	187.0
5 Fund for Environmental Protection and Energy Efficiency	1,040.7	1,091.3	1,056.7	1,039.1	1,168.7	1,613.8	46.5	70.1	113.1	113.3
6 Croatian Motorways Ltd.	0.0	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	95.7	13.2	3.8	4.5	-3.3
8 State Agency for Deposit Insurance and Bank Resolution	529.6	552.8	576.1	597.2	749.3	1,015.2	21.4	92.1	60.5	0.1
9 Centre for Restructuring and Sale ^b	26.7	43.0	56.7	66.4	87.0	71.8	0.8	0.6	9.0	0.5
2 EXPENSE (A+B)	122,584.0	122,427.7	120,930.5	126,410.2	127,920.4	132,963.2	10,443.2	9,903.7	11,138.0	11,103.5
A) Budgetary central government	118,312.3	118,224.1	117,051.0	121,822.3	123,671.9	110,738.8	8,959.6	8,202.2	9,242.8	9,253.5
B) Extrabudgetary users	4,271.7	4,203.6	3,879.5	4,587.9	4,248.5	22,224.4	1,483.6	1,701.6	1,895.2	1,850.0
1 Croatian Pension Insurance Administration	0.0	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	17,564.6	1,268.4	1,364.3	1,478.7	1,428.1
3 Croatian Employment Service	0.0	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	1,727.0	50.7	91.5	126.9	154.9
5 Fund for Environmental Protection and Energy Efficiency	1,003.6	914.8	959.7	882.8	1,129.8	1,521.5	106.5	102.1	209.2	168.2
6 Croatian Motorways Ltd.	0.0	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	1,227.0	50.0	138.3	75.6	94.7
8 State Agency for Deposit Insurance and Bank Resolution	17.0	408.9	89.5	538.3	174.7	104.9	0.5	1.5	1.2	0.6
9 Centre for Restructuring and Sale ^b	74.0	100.8	97.8	176.1	88.5	79.4	7.5	3.8	3.6	3.5
NET/GROSS OPERATING BALANCE (1-2)	-11,752.5	-12,021.6	-8,047.0	-14,359.0	-9,853.5	-4,287.9	-416.1	3.6	-1,407.5	78.1
3 CHANGE IN NET WORTH: TRANSACTIONS (3.1+3.2-3.3)	-11,752.5	-12,021.6	-8,047.0	-14,359.0	-9,853.5	-4,287.9	-416.1	3.6	-1,407.5	78.1
3.1 CHANGE IN NET ACQUISITION OF NON-FINANCIAL ASSETS	2,679.3	3,372.5	3,133.1	3,653.6	3,215.1	4,629.3	180.2	320.5	232.9	269.9
Acquisition	3,005.8	3,751.9	3,442.3	3,941.9	3,908.4	5,276.8	202.7	347.4	265.2	300.5
A) Budgetary central government	1,550.7	1,486.0	1,108.0	1,564.0	1,857.0	3,152.0	131.2	242.7	196.5	197.7
B) Extrabudgetary users	1,455.1	2,265.9	2,334.3	2,377.9	2,051.4	2,124.8	71.4	104.8	68.7	102.7
Disposals	326.5	379.4	309.2	288.3	693.4	647.5	22.5	27.0	32.4	30.6
A) Budgetary central government	318.3	347.0	278.4	259.5	689.7	645.0	22.4	26.8	30.2	30.5
B) Extrabudgetary users	8.2	32.4	30.8	28.8	3.6	2.5	0.1	0.2	2.2	0.1
NET LENDING/BORROWING (1-2-3.1)	-14,431.8	-15,394.1	-11,180.1	-18,012.6	-13,068.6	-8,917.3	-596.3	-316.9	-1,640.4	-191.8
TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (3.3-3.2)	14,431.8	15,394.1	11,180.1	18,012.6	13,068.6	8,917.3	596.3	316.9	1,640.4	191.8
3.2 CHANGE IN NET ACQUISITION OF FINANCIAL ASSETS	2,816.6	-353.9	-165.7	14,146.1	-2,724.8	-3,541.7	26.3	-275.5	-453.1	-1,514.5
3.2.1 Domestic	2,816.2	-359.2	-172.2	13,940.9	-2,930.8	-3,747.9	26.3	-284.0	-454.5	-1,514.5
A) Budgetary central government	1,942.7	-818.0	-651.4	13,792.7	-3,998.8	-3,764.5	-225.8	-287.1	-193.9	-1,224.7
B) Extrabudgetary users	873.5	458.8	479.2	148.2	1,068.0	16.6	252.1	3.1	-260.6	-289.8
3.2.2 Foreign	0.0	0.0	0.0	204.3	206.0	206.2	0.0	8.5	1.4	0.0
A) Budgetary central government	0.4	5.3	6.5	205.2	206.0	206.2	0.0	8.5	1.4	0.0
B) Extrabudgetary users	0.4	5.3	6.5	1.0	0.0	0.0	0.0	0.0	0.0	0.0
3.2.3 Monetary gold and SDRs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.3 CHANGE IN NET INCURRENCE OF LIABILITIES	17,248.4	15,040.2	11,014.4	32,158.7	10,343.8	5,375.6	622.6	41.4	1,187.3	-1,322.7

	2010	2011	2012	2013	2014	2015	2016			
							Jan.	Feb.	Mar.	Apr.
3.3.1 Domestic	12,892.5	6,448.4	2,958.3	10,585.8	5,868.2	1,528.6	627.3	20.0	2,750.3	-661.4
A) Budgetary central government	11,835.1	4,793.1	1,414.0	8,904.9	4,822.2	1,797.3	735.9	-19.8	2,963.7	-511.5
B) Extrabudgetary users	1,057.4	1,655.3	1,544.3	1,680.8	1,046.0	-268.7	-108.6	39.9	-213.4	-149.9
3.3.2 Foreign	4,355.9	8,591.8	8,056.0	21,573.0	4,475.6	3,847.0	-4.7	21.4	-1,563.0	-661.3
A) Budgetary central government	4,277.0	8,597.2	8,125.2	21,534.8	4,524.1	3,826.5	-4.3	23.7	-1,556.7	-647.3
B) Extrabudgetary users	79.0	-5.4	-69.2	38.2	-48.6	20.5	-0.3	-2.3	-6.2	-14.0

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

^b The Croatian Privatisation Fund (CPF) ceased to operate on 31 March 2011. The Agency for Management of the Public Property (AUDIO) 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.

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

Source: MoF.

Table I2 Budgetary central government operations^a
in million HRK

	2010	2011	2012	2013	2014	2015	2016			
							Jan.	Feb.	Mar.	Apr.
1 REVENUE	107,466.4	107,069.7	109,558.9	108,585.0	114,044.5	109,110.9	8,620.1	8,478.0	8,170.3	9,728.4
1.1 Taxes	62,856.6	61,422.2	64,693.9	63,044.9	63,349.9	68,280.8	4,931.9	5,428.1	5,188.9	6,196.7
1.2 Social contributions	38,712.4	38,605.1	37,845.9	37,149.3	41,701.5	22,853.4	1,764.7	1,784.7	1,785.8	1,842.8
1.3 Grants	637.1	869.0	968.4	1,737.8	2,268.0	10,025.6	1,337.7	795.7	749.5	1,147.4
1.4 Other revenue	5,260.3	6,173.4	6,050.8	6,653.0	6,725.1	7,951.2	585.7	469.4	445.9	541.6
2 EXPENSE	120,323.3	119,939.5	118,730.0	123,505.9	125,689.5	115,455.8	9,463.1	8,535.9	9,613.5	9,645.8
2.1 Compensation of employees ^b	31,096.5	31,737.4	31,383.2	30,461.8	30,032.0	25,570.5	1,541.4	1,561.0	1,538.5	1,559.4
2.2 Use of goods and services	7,655.7	7,943.6	7,406.3	7,537.4	7,186.0	10,471.1	561.3	880.9	723.1	889.6
2.3 Consumption of fixed capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.4 Interest	6,236.5	7,097.6	8,335.7	9,259.2	9,911.1	10,621.3	1,624.0	189.9	1,561.2	484.1
2.5 Subsidies	6,582.2	6,555.3	5,762.3	5,537.8	5,174.5	6,426.0	171.7	170.2	203.3	1,019.1
2.6 Grants ^b	5,778.6	5,083.7	4,843.8	6,511.7	8,535.4	11,791.0	1,362.1	1,768.3	1,521.2	1,567.4
2.7 Social benefits	56,906.6	56,483.0	56,169.9	58,943.4	59,393.1	45,136.5	3,717.2	3,741.2	3,746.3	3,754.2
2.8 Other expense	6,067.3	5,039.1	4,828.9	5,254.6	5,457.4	5,439.4	485.4	224.5	319.9	372.0
3 CHANGE IN NET WORTH: TRANSACTIONS	-12,857.0	-12,869.8	-9,171.1	-14,920.8	-11,645.0	-6,344.9	-843.0	-58.0	-1,443.3	82.6
3.1 Change in net acquisition of non-financial assets	1,232.4	1,139.0	829.6	1,304.5	1,167.3	2,507.0	108.8	215.8	166.3	167.3
3.1.1 Fixed assets	1,200.4	1,118.7	772.2	1,036.6	1,069.4	2,463.1	107.3	198.4	117.3	164.8
3.1.2 Inventories	11.0	2.5	29.3	225.5	-0.4	10.0	2.1	20.0	36.4	0.0
3.1.3 Valuables	6.1	3.7	3.5	1.3	0.8	0.4	0.0	0.0	0.0	0.0
3.1.4 Non-produced assets	14.9	14.0	24.7	41.1	97.4	33.6	-0.6	-2.5	12.6	2.4
3.2 Change in net acquisition of financial assets	2,022.7	-618.4	-461.5	14,214.4	-3,466.0	-3,228.1	-220.3	-270.0	-202.6	-1,243.4
3.2.1 Domestic	2,022.3	-623.8	-468.0	14,009.2	-3,672.0	-3,434.3	-220.3	-278.5	-204.0	-1,243.4
3.2.2 Foreign	0.4	5.3	6.5	205.2	206.0	206.2	0.0	8.5	1.4	0.0
3.2.3 Monetary gold and SDRs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.3 Change in net incurrence of liabilities	16,112.0	13,390.4	9,539.2	30,439.8	9,346.3	5,623.8	731.6	3.8	1,407.0	-1,158.8
3.3.1 Domestic	11,835.1	4,793.1	1,414.0	8,904.9	4,822.2	1,797.3	735.9	-19.8	2,963.7	-511.5
3.3.2 Foreign	4,277.0	8,597.2	8,125.2	21,534.8	4,524.1	3,826.5	-4.3	23.7	-1,556.7	-647.3

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

^b From January 2016, data on Compensation of employees no longer include expenses for employees in primary and secondary schools, but they are reclassified into given current grants to budget users of other budgets since schools are budget users of the budgets of units of local and regional self-government.

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

Source: MoF.

Table I3 General government debt

end of period, in million HRK

	2010 Dec. ^a	2011 Dec. ^a	2012 Dec. ^a	2013 Dec. ^a	2014 Dec. ^a	2015 Dec.	2016		
							Jan.	Feb.	Mar.
1 Domestic debt of general government	106,713.9	127,618.3	136,747.1	156,405.4	165,868.4	171,459.5	173,565.3	172,611.8	175,182.9
1.1 Domestic debt of central government	103,140.8	123,934.1	133,139.0	151,826.0	160,889.2	166,768.8	168,922.8	168,098.4	170,765.1
Short-term debt securities	17,198.1	19,308.5	18,259.6	22,838.9	24,235.4	18,795.3	19,646.6	20,077.0	19,554.7
Long-term debt securities	49,323.8	56,256.2	63,539.7	72,884.6	83,754.5	94,224.1	95,375.5	94,993.3	99,597.7
Loans	36,618.9	48,369.3	51,339.6	56,102.5	52,899.3	53,749.4	53,900.7	53,028.0	51,612.8
1.2 Domestic debt of social security funds	1.0	2.3	1.6	0.9	3.5	1.9	1.8	1.6	1.8
Short-term debt securities	0.0	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	0.0
Loans	1.0	2.3	1.6	0.9	3.5	1.9	1.8	1.6	1.8
1.3 Domestic debt of local government	3,756.9	3,854.3	3,768.0	4,761.2	5,174.5	4,956.3	4,908.1	4,782.1	4,677.3
Short-term debt securities	0.0	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	59.5	42.1	42.1	41.8
Loans	3,372.0	3,594.1	3,559.0	4,609.5	5,099.7	4,896.9	4,866.0	4,740.0	4,635.4
2 External debt of general government	84,574.0	89,088.8	96,810.6	114,451.8	118,315.3	118,209.3	117,595.2	117,058.5	113,166.9
2.1 External debt of central government	83,917.3	88,524.2	96,297.9	113,968.4	117,834.2	117,795.7	117,181.8	116,647.0	112,760.6
Short-term debt securities	3,520.5	1,205.3	895.1	539.8	642.5	62.7	156.8	156.6	183.3
Long-term debt securities	37,427.1	40,627.9	47,486.5	62,695.6	64,692.2	68,125.6	67,299.3	66,974.9	64,502.5
Loans	42,969.7	46,690.9	47,916.3	50,733.0	52,499.6	49,607.3	49,725.7	49,515.5	48,074.8
2.2 External debt of social security funds	0.0	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	0.0
Long-term debt securities	0.0	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	0.0
2.3 External debt of local government	656.7	564.6	512.7	483.4	481.0	413.6	413.4	411.5	406.2
Short-term debt securities	0.0	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	65.4	64.2	63.9	63.0
Loans	490.9	431.0	380.2	350.7	350.6	348.3	349.3	347.6	343.2
3 Total (1+2)	191,287.9	216,707.1	233,557.7	270,857.3	284,183.7	289,668.8	291,160.5	289,670.3	288,349.8
Supplement: General government guarantees									
Domestic debt	8,321.9	3,194.9	4,645.2	4,269.3	4,119.2	3,316.2	3,363.6	3,236.8	3,262.8
o/w: Guarantees for CBRD loans	1,177.3	802.0	1,232.1	1,197.2	2,161.8	1,397.5	1,416.0	1,315.3	1,298.3
External debt	6,958.2	5,174.6	4,721.4	4,405.4	4,208.4	4,002.7	4,027.1	4,011.4	3,995.6

^a Data are revised since January 2000 due to further alignment with Eurostat's methodology according to the Manual on Government Deficit and Debt in the area of concessions and public-private partnerships.

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.¹ 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.

Shown below is data on the total stock of general government guarantees issued, reduced by guarantees given to other general government units. The sources of data are identical to those for loans.

¹ 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 public corporations Croatian Railways Infrastructure, 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				Chain indices				Monthly year-on-year indices			
		Consumer price indices, 2015 = 100 ^a			Industrial producer prices, 2010 = 100 ^b	Consumer price indices			Industrial producer prices ^b	Consumer price indices			Industrial producer prices ^b
		Total	Goods	Services		Total	Goods	Services		Total	Goods	Services	
2001	December	73.7	73.8	72.8	76.4	100.4	100.4	100.5	99.0	102.4	101.3	106.8	96.9
2002	December	75.0	74.6	76.2	78.1	100.4	100.6	99.6	99.9	101.8	101.1	104.6	102.3
2003	December	76.3	75.8	77.8	78.9	100.3	100.2	100.5	100.0	101.7	101.6	102.2	101.0
2004	December	78.4	77.7	80.6	82.7	100.7	100.9	100.2	99.3	102.7	102.5	103.6	104.8
2005	December	81.2	80.4	83.9	84.5	100.5	100.5	100.5	99.7	103.6	103.5	104.1	102.7
2006	December	82.9	81.9	86.7	86.1	100.0	100.0	100.2	100.0	102.0	101.4	104.2	101.9
2007	December	87.7	87.4	89.1	91.2	101.2	101.2	101.3	100.4	105.8	106.6	103.4	105.9
2008	December	90.2	89.6	92.8	95.1	99.4	99.1	100.5	98.7	102.9	102.4	104.3	104.3
2009	December	91.9	90.7	96.5	96.6	99.4	99.3	100.2	100.0	101.9	101.3	103.9	101.6
2010	December	93.6	92.8	96.8	102.1	100.0	100.1	99.9	101.0	101.8	102.2	100.3	105.7
2011	December	95.6	95.5	95.8	108.0	99.6	99.6	99.6	99.8	102.1	103.0	98.9	105.8
2012	December	100.0	100.8	97.7	115.4	99.9	99.9	99.7	100.0	104.7	105.5	102.0	106.9
2013	December	100.3	101.0	98.1	112.4	99.8	99.8	100.0	100.0	100.3	100.2	100.4	97.4
2014	December	99.8	99.8	99.9	108.6	99.1	98.9	100.0	98.8	99.5	98.8	101.8	96.6
2015	June	100.6	100.8	99.9	108.4	99.7	99.5	100.2	99.7	100.0	99.7	101.0	97.3
	July	99.8	99.7	100.3	107.9	99.2	98.9	100.4	99.5	99.6	99.2	101.0	96.5
	August	99.6	99.4	100.4	106.4	99.8	99.7	100.1	98.6	99.4	99.1	100.5	95.8
	September	100.0	99.7	100.9	105.8	100.4	100.4	100.5	99.5	99.2	98.6	101.0	95.3
	October	100.1	100.0	100.1	105.8	100.1	100.3	99.2	100.0	99.1	98.8	100.1	95.4
	November	99.8	99.8	99.8	105.2	99.7	99.8	99.7	99.5	99.1	98.9	99.9	95.8
	December	99.2	99.0	99.9	104.1	99.4	99.2	100.1	98.6	99.4	99.2	100.0	95.9
2016	January	98.5	98.0	99.9	103.1	99.3	99.0	100.0	98.8	99.2	98.9	100.1	97.2
	February	98.2	97.6	99.8	102.3	99.7	99.6	100.0	99.3	98.6	98.1	100.0	95.2
	March	98.8	98.5	99.7	103.4	100.7	101.0	99.9	101.1	98.3	97.8	100.1	95.0
	April	98.9	98.6	99.9	101.9	100.1	100.1	100.1	98.6	98.3	97.7	100.2	94.2
	May	99.1	99.0	99.5	102.0	100.2	100.4	99.7	100.1	98.2	97.7	99.8	93.7

^a In January 2016, the Croatian Bureau of Statistics started publishing consumer price indices on a new base (2015, while the old base was 2010). Therefore, the basic indices for the period from January 1998 to December 2015 have been recalculated to a new base (2015 = 100). ^b On the domestic market.

Source: CBS,

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

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

Table J2 Core consumer price indices

Year	Month	Basic indices, 2015 = 100			Chain indices			Year-on-year indices		
		Total	Goods	Services	Total	Goods	Services	Total	Goods	Services
2001	December	78.2	79.1	73.5	99.8	99.7	100.3	101.2	100.8	103.8
2002	December	79.1	79.9	75.2	100.0	100.1	99.4	101.2	101.0	102.4
2003	December	80.1	80.6	77.5	100.2	100.1	101.0	101.2	100.9	103.0
2004	December	81.9	82.4	79.7	100.1	100.1	100.4	102.3	102.2	102.9
2005	December	84.4	84.7	82.7	100.1	100.0	100.5	103.0	102.9	103.7
2006	December	86.3	86.6	84.7	99.8	99.7	100.3	102.3	102.2	102.5
2007	December	90.6	91.2	87.7	100.8	100.8	100.4	105.0	105.3	103.5
2008	December	94.4	94.9	92.1	99.4	99.3	100.2	104.2	104.0	105.0
2009	December	94.6	94.7	94.2	98.8	98.6	100.2	100.2	99.8	102.4
2010	December	94.7	94.8	94.0	99.1	99.0	99.7	100.1	100.1	99.8
2011	December	97.4	97.9	95.0	99.5	99.4	100.1	102.9	103.3	101.1
2012	December	99.4	99.8	97.7	99.4	99.2	100.0	102.0	101.9	102.8
2013	December	100.0	100.2	98.6	99.1	98.9	100.0	100.6	100.5	100.9
2014	December	99.6	99.4	100.3	99.0	98.7	100.1	99.6	99.2	101.7
2015	June	100.4	100.5	100.2	99.8	99.7	100.2	100.6	100.6	101.2
	July	99.6	99.3	100.8	99.2	98.8	100.5	100.4	100.2	101.2
	August	99.6	99.2	100.8	100.0	100.0	100.0	100.4	100.4	100.1
	September	100.3	100.3	100.5	100.7	101.0	99.7	100.2	100.4	99.7
	October	100.5	100.9	99.3	100.2	100.6	98.8	100.0	100.4	98.9
	November	100.3	100.7	99.1	99.8	99.8	99.8	99.7	100.0	98.8
	December	99.6	99.7	99.2	99.3	99.1	100.1	100.0	100.3	98.9
2016	January	98.9	98.8	99.2	99.3	99.0	100.0	99.6	99.7	99.0
	February	98.6	98.4	99.1	99.7	99.6	100.0	99.3	99.3	99.0
	March	99.4	99.5	99.0	100.8	101.2	99.9	99.5	99.6	99.1
	April	99.8	100.0	99.2	100.4	100.5	100.2	99.4	99.4	99.2
	May	99.8	100.1	98.7	100.0	100.1	99.5	99.2	99.4	98.7

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: House price indices • Developed in cooperation by the Croatian Bureau of Statistics (CBS) and the Croatian National Bank (CNB), the house price index (HPI) replaced the hedonic real estate price index (HREPI), which the Croatian National Bank had been compiling on its own until the second quarter of 2015 (Table J3a). The house price index measures trends in the market prices of residential properties purchased by households, irrespective of the property's previous owner or intended use. The market price includes the value of the land. The index comprises all data on transactions in real property (houses and apartments) in the Republic of Croatia, collected from real property transfer tax returns filed with the Ministry of Finance (Tax Administration) according to preset deadlines. The house price index is compiled pursuant to Commission Regulation

(EU) No 93/2013 of 1 February 2013 laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 concerning harmonised indices of consumer prices, as regards owner-occupied housing price indices, for the categories of new and existing dwellings and for the category "total" at the level of the Republic of Croatia. To meet user needs, the CBS additionally defined three geographical areas – the City of Zagreb, the Adriatic Coast and the rest of Croatia ("Other"). The house price index is calculated in accordance with the methodological guidelines contained in Eurostat's "Handbook on Residential Property Prices Indices". The main source of data for the compilation of weights is the value of transactions in residential properties purchased in the previous year. The weights are recalculated according to trends in residential property prices in the last quarter of the previous year. The index is calculated on the basis of predefined hedonic regression models, whose variables are defined based on available data on residential property features. For the period until the end of 2011, indices are calculated using the time dummy variable method, and for the period from the first quarter of 2012 onwards, due to the availability of a wider range of data on residential property features, using the rolling window time dummy variable method. The indices are then aggregated according to the Laspeyres formula to higher levels and to the total level.

Table J3 House price indices

Year	Quarter	Basic indices, 2010 = 100					Year-on-year rate of change					Rate of change from the previous quarter				
		Total	New dwellings	Existing dwellings	City of Zagreb	Adriatic coast	Other	Total	New dwellings	Existing dwellings	City of Zagreb	Adriatic coast	Other	Total	New dwellings	Existing dwellings
2010		100.0	100.0	100.0	100.0	100.0	100.0	-6.3	-7.8	-5.2	-8.9	-4.4	-4.0	...	...	...
2011		100.2	101.8	99.0	99.6	101.2	99.5	0.2	1.8	-1.0	-0.4	1.2	-0.5	...	...	...
2012		98.6	101.5	96.5	97.7	99.4	99.0	-1.6	-0.3	-2.5	-2.0	-1.8	-0.5	...	...	...
2013		94.7	98.0	92.4	92.0	96.5	95.0	-4.0	-3.5	-4.2	-6.8	-3.0	-4.1	...	...	...
2014		93.2	95.9	91.2	90.8	94.5	94.2	-1.6	-2.1	-1.3	-1.3	-2.1	-0.8	...	...	...
2015		90.5	90.0	90.0	88.9	91.4	91.7	-2.9	-6.1	-1.4	-2.1	-3.3	-2.7	...	...	...
2010	Q1	101.5	102.6	100.5	102.8	100.2	100.8	-8.6	-7.8	-9.2	-10.6	-6.6	-7.7	-1.9	-1.4	-2.4
	Q2	100.0	99.2	100.7	98.8	101.2	100.7	-6.8	-9.8	-4.5	-10.4	-3.5	-4.1	-1.4	-3.3	0.2
	Q3	99.1	98.7	99.5	99.6	98.3	99.5	-5.9	-9.3	-3.4	-6.9	-5.7	-3.9	-0.9	-0.5	-1.2
	Q4	99.4	99.5	99.3	98.9	100.3	99.0	-3.9	-4.3	-3.6	-7.4	-1.5	0.1	0.3	0.9	-0.3
2011	Q1	98.5	98.4	98.6	97.9	99.1	98.8	-2.9	-4.1	-2.0	-4.7	-1.1	-2.0	-0.9	-1.2	-0.7
	Q2	100.1	101.7	98.9	99.1	101.7	99.0	0.0	2.5	-1.8	0.4	0.5	-1.8	1.6	3.4	0.3
	Q3	100.8	102.6	99.5	100.4	101.8	99.6	1.6	3.9	-0.1	0.8	3.5	0.1	0.7	0.8	0.6
	Q4	101.4	104.4	99.2	101.0	102.2	100.7	2.0	4.9	-0.1	2.2	2.0	1.7	0.6	1.8	-0.3
2012	Q1	100.8	103.9	98.6	100.0	101.7	100.7	2.3	5.6	0.0	2.1	2.6	2.0	-0.6	-0.5	-0.6
	Q2	99.5	102.8	97.1	98.1	100.6	99.9	-0.6	1.0	-1.8	-1.0	-1.1	0.9	-1.3	-1.1	-1.5
	Q3	98.8	101.6	96.7	97.3	99.8	99.6	-2.0	-1.0	-2.8	-3.2	-1.9	0.0	-0.7	-1.2	-0.4
	Q4	95.4	97.8	93.7	95.4	95.5	95.9	-5.9	-6.4	-5.6	-5.6	-6.6	-4.8	-3.4	-3.8	-3.2
2013	Q1	95.3	99.7	92.4	93.6	96.7	95.0	-5.5	-4.1	-6.3	-6.4	-5.0	-5.7	-0.1	2.0	-1.4
	Q2	94.7	97.3	92.8	91.7	96.2	96.2	-4.8	-5.3	-4.4	-6.6	-4.3	-3.7	-0.6	-2.4	0.5
	Q3	95.0	98.3	92.7	91.7	97.8	93.4	-3.8	-3.2	-4.1	-5.7	-2.0	-6.3	0.3	1.1	-0.1
	Q4	93.8	96.7	91.8	91.0	95.2	95.3	-1.7	-1.1	-2.0	-4.6	-0.3	-0.6	-1.3	-1.7	-1.0
2014	Q1	93.2	94.8	91.7	90.7	94.4	94.6	-2.2	-4.9	-0.7	-3.1	-2.3	-0.4	-0.7	-2.0	0.0
	Q2	94.0	95.6	92.5	90.9	95.7	94.9	-0.8	-1.7	-0.4	-0.9	-0.5	-1.4	0.9	0.9	0.9
	Q3	93.2	97.1	90.7	90.9	93.9	96.3	-1.9	-1.3	-2.1	-0.9	-4.0	3.2	-0.8	1.6	-1.9
	Q4	92.5	96.2	90.0	90.8	94.0	91.2	-1.4	-0.5	-1.9	-0.2	-1.3	-4.4	-0.8	-0.9	-0.8
2015	Q1	91.5	90.8	91.0	90.3	92.3	91.9	-1.8	-4.2	-0.8	-0.4	-2.2	-2.9	-1.1	-5.6	1.1
	Q2	89.7	88.8	89.4	88.7	90.0	92.1	-4.5	-7.1	-3.4	-2.3	-6.0	-2.9	-1.9	-2.2	-1.8
	Q3	90.4	90.9	89.4	88.8	91.4	90.9	-3.1	-6.4	-1.5	-2.3	-2.6	-5.6	0.7	2.4	0.0
	Q4	90.5	89.6	90.1	87.6	91.9	91.8	-2.1	-6.9	0.1	-3.5	-2.2	0.7	0.1	-1.5	0.8
2016	Q1	91.6	89.2	91.5	89.3	93.0	91.9	0.2	-1.8	0.6	-1.2	0.8	0.0	1.2	-0.4	1.5
														1.8	1.3	0.0

Source: CBS.

Table J3a 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
2001		61.5	65.5	49.9	1.9	-3.7	31.2	....	....	....
2002		64.9	67.9	56.2	5.6	3.7	12.7	....	....	....
2003		67.0	70.8	56.0	3.2	4.2	-0.5	....	....	....
2004		74.5	78.0	64.3	11.2	10.2	14.8	....	....	....
2005		82.9	85.5	75.0	11.2	9.7	16.7	....	....	....
2006		97.5	101.7	85.2	17.7	18.9	13.7	....	....	....
2007		109.2	112.7	99.1	12.0	10.8	16.3	....	....	....
2008		113.0	115.7	105.3	3.5	2.6	6.2	....	....	....
2009		108.8	109.5	106.9	-3.8	-5.3	1.5	....	....	....
2010		100.0	100.0	100.0	-8.1	-8.6	-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	-14.9	-19.9	....	....	....
2014		79.3	80.1	77.8	-2.3	-2.9	-0.8	....	....	....
2014	Q1	77.4	81.2	69.2	-9.7	-8.0	-13.2	-2.8	2.1	-13.2
	Q2	77.9	79.3	74.8	-2.8	-2.9	-2.4	0.6	-2.3	8.0
	Q3	81.6	80.2	84.5	2.6	-0.3	9.1	4.8	1.1	13.1
	Q4	80.5	79.5	82.6	1.2	0.0	3.6	-1.3	-0.8	-2.3
2015	Q1	78.3	81.3	72.5	1.2	0.1	4.7	-2.7	2.2	-12.3
	Q2	80.2	81.2	78.1	3.0	2.4	4.5	2.4	0.0	7.9

Table J3a Hedonic real estate price index • The Croatian National Bank started methodological work on developing a hedonic real estate price index (HREPI)² 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 Indices³. 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

Table J4 Average monthly net wages^a

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	December	5,716.0	101.5	102.9	100.3
2015	May	5,586.0	....	102.6	....
	June	5,643.0	....	105.0	....
	July	5,552.0	....	103.3	....
	August	5,575.0	....	103.2	....
	September	5,545.0	....	101.9	....
	October	5,630.0	....	103.4	....
	November	5,689.0	....	105.8	....
	December	5,648.0	....	104.3	....
2016	January	5,646.0	100.0	101.7	101.7
	February	5,652.0	100.1	102.7	102.2
	March	5,722.0	101.2	101.9	102.1
	April	5,633.0	98.4	100.7	101.7

^a From January 2016, data on average monthly net wages for the period from January 2015 onwards were obtained by using administrative data from the JOPPD form and, therefore, are not comparable with previously published monthly data (January 1992 – December 2014).

Source: CBS.

Table J4 Average monthly net wages • The average monthly paid off net wage in the Republic of Croatia is calculated and published by the Croatian Bureau of Statistics (CBS). In accordance with the definition, the average monthly paid off net wage comprises income of a person in employment earned for work done during regular working hours as well as annual leave, paid leave, public holidays and day-offs as prescribed by law, sickness leave up to 42 days, absence for continuing professional education, during lay-off and job stop caused against person's will

and of no fault of his own, worker's meals and net pays on the basis of compensations, allowances and rewards in sums which are subject to contributions, taxes and surtaxes. From January 2016, data on the average monthly paid off net wages for the period from January 2015 onwards were gathered by processing the administrative sources of data from the "Report on income, income tax and surtax as well as contributions for mandatory insurances" – JOPPD forms and are not comparable to previously published monthly data.

Table J5 Consumer confidence index, consumer expectations index and consumer sentiment index
index points, original data

Year	Month	Composite indices			Response indices (I)						
		Consumer confidence index	Consumer expectations index	Consumer sentiment index	I1	I2	I3	I4	I7	I8	I11
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	December	-35.6	-24.3	-42.4	-31.4	-16.7	-57.0	-31.9	39.3	-38.7	-54.5
2015	July	-20.1	-8.0	-27.3	-18.6	-3.3	-32.3	-12.7	10.9	-31.1	-53.3
	August	-19.9	-4.9	-26.3	-17.8	-2.4	-30.9	-7.4	18.9	-30.2	-50.8
	September	-21.5	-7.6	-26.3	-20.4	-6.4	-25.8	-8.8	21.6	-32.8	-49.0
	October	-21.9	-9.0	-27.9	-19.8	-6.8	-27.9	-11.2	17.1	-36.0	-52.5
	November	-18.3	-2.8	-25.1	-15.3	-1.4	-24.8	-4.3	18.3	-35.3	-49.1
	December	-19.3	-3.9	-25.5	-15.4	-2.6	-26.2	-5.2	18.8	-34.9	-50.7
2016	January	-13.9	0.1	-20.2	-10.7	2.5	-19.6	-2.2	10.4	-30.1	-45.6
	February	-15.6	-2.8	-23.3	-14.9	-0.2	-19.9	-5.4	8.9	-35.0	-48.1
	March	-18.3	-7.6	-24.9	-15.4	-2.2	-27.5	-13.1	10.4	-31.8	-47.7
	April	-19.1	-8.1	-24.6	-17.9	-3.4	-26.6	-12.8	8.3	-29.3	-52.0
	May	-22.7	-13.6	-28.3	-18.9	-6.1	-33.5	-21.0	14.0	-32.5	-49.7
	June	-21.6	-13.3	-27.2	-14.1	-2.6	-40.4	-24.0	13.0	-27.2	-46.7

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:

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

where: r is the value of the response, w is the share of respondents opting for a particular response (weight), i question from

the questionnaire, z is the offered/chosen response, k is the number of offered responses to a particular question. The value of the said indices ranges $-100 < I_i < 100$. Higher index values than those recorded over the previous period point to an increase in expectations (optimism) as regards the specific segment covered by the particular question.

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

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

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

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

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

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

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

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

The components of composite indices are as follows:

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

CEI: I2, I4

CSI: I1, I3, I8.

List of banks and savings banks

1 July 2016

Authorised banks

1. Addiko Bank d.d., Zagreb
2. Banka Kovanica d.d., Varaždin
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. Imex banka d.d., Split
8. Istarska kreditna banka Umag d.d., Umag
9. Jadranska banka d.d., Šibenik
10. Karlovačka banka d.d., Karlovac
11. KentBank d.d., Zagreb
12. Kreditna banka Zagreb d.d., Zagreb
13. OTP banka Hrvatska d.d., Zadar
14. Partner banka d.d., Zagreb
15. Podravska banka d.d., Koprivnica
16. Primorska banka d.d., Rijeka
17. Privredna banka Zagreb d.d., Zagreb
18. Raiffeisenbank Austria d.d., Zagreb
19. Samoborska banka d.d., Samobor
20. Sberbank d.d., Zagreb
21. Slatinska banka d.d., Slatina
22. Société Générale – Splitska banka d.d., Split
23. Štedbanka d.d., Zagreb
24. Vaba d.d. banka Varaždin, Varaždin
25. Veneto banka d.d., Zagreb
26. 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. Banka splitsko-dalmatinska d.d., Split	1/7/2016
4. Centar banka d.d., Zagreb	30/9/2013
5. Credo banka d.d., Split	16/1/2012
6. Glumina banka d.d., Zagreb	30/4/1999
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. Trgovačko-turistička banka d.d., Split	8/9/2000

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 (now INTERNET MOBILE BANK 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

Management of the Croatian National Bank

1 July 2016

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 Zaninović

Abbreviations and symbols

Abbreviations

BIS	– Bank for International Settlements
bn	– billion
b.p.	– basis points
BOP	– balance of payments
c.i.f.	– cost, insurance and freight
CBRD	– Croatian Bank for Reconstruction and Development
CBS	– Central Bureau of Statistics
CCI	– consumer confidence index
CDCC	– Central Depository and Clearing Company Inc.
CDS	– credit default swap
CEE	– Central and Eastern European
CEFTA	– Central European Free Trade Agreement
CEI	– consumer expectations index
CES	– Croatian Employment Service
CM	– Croatian Motorways
CIHI	– Croatian Institute for Health Insurance
CLVPS	– Croatian Large Value Payment System
CNB	– Croatian National Bank
CPF	– Croatian Privatisation Fund
CPI	– consumer price index
CPIA	– Croatian Pension Insurance Administration
CR	– Croatian Roads
CSI	– consumer sentiment index
DAB	– State Agency for Deposit Insurance and Bank Resolution
dep.	– deposit
DVP	– delivery versus payment
EC	– European Commission
ECB	– European Central Bank
EFTA	– European Free Trade Association
EMU	– Economic and Monetary Union
ESI	– economic sentiment index
EU	– European Union
excl.	– excluding
f/c	– foreign currency
FDI	– foreign direct investment
Fed	– Federal Reserve System
FINA	– Financial Agency
FISIM	– financial intermediation services indirectly measured
f.o.b.	– free on board
GDP	– gross domestic product
GVA	– gross value added
HANFA	– Croatian Financial Services Supervisory Agency
HICP	– harmonised index of consumer prices
ILO	– International Labour Organization
IMF	– International Monetary Fund
incl.	– including
IPO	– initial public offering
m	– million
MIGs	– main industrial groupings
MM	– monthly maturity
MoF	– Ministry of Finance
NCA	– National Classification of Activities
NCB	– national central bank

NCS	– National Clearing System
n.e.c.	– not elsewhere classified
OECD	– Organisation for Economic Co-Operation and Development
OG	– Official Gazette
R	– Republic
o/w	– of which
PPI	– producer price index
RTGS	– Real-Time Gross Settlement
Q	– quarterly
RR	– reserve requirement
SDR	– special drawing rights
SITC	– Standard International Trade Classification
SGP	– Stability and Growth Pact
VAT	– value added tax
WTO	– World Trade Organization
ZMM	– Zagreb Money Market
ZSE	– Zagreb Stock Exchange

Three-letter currency codes

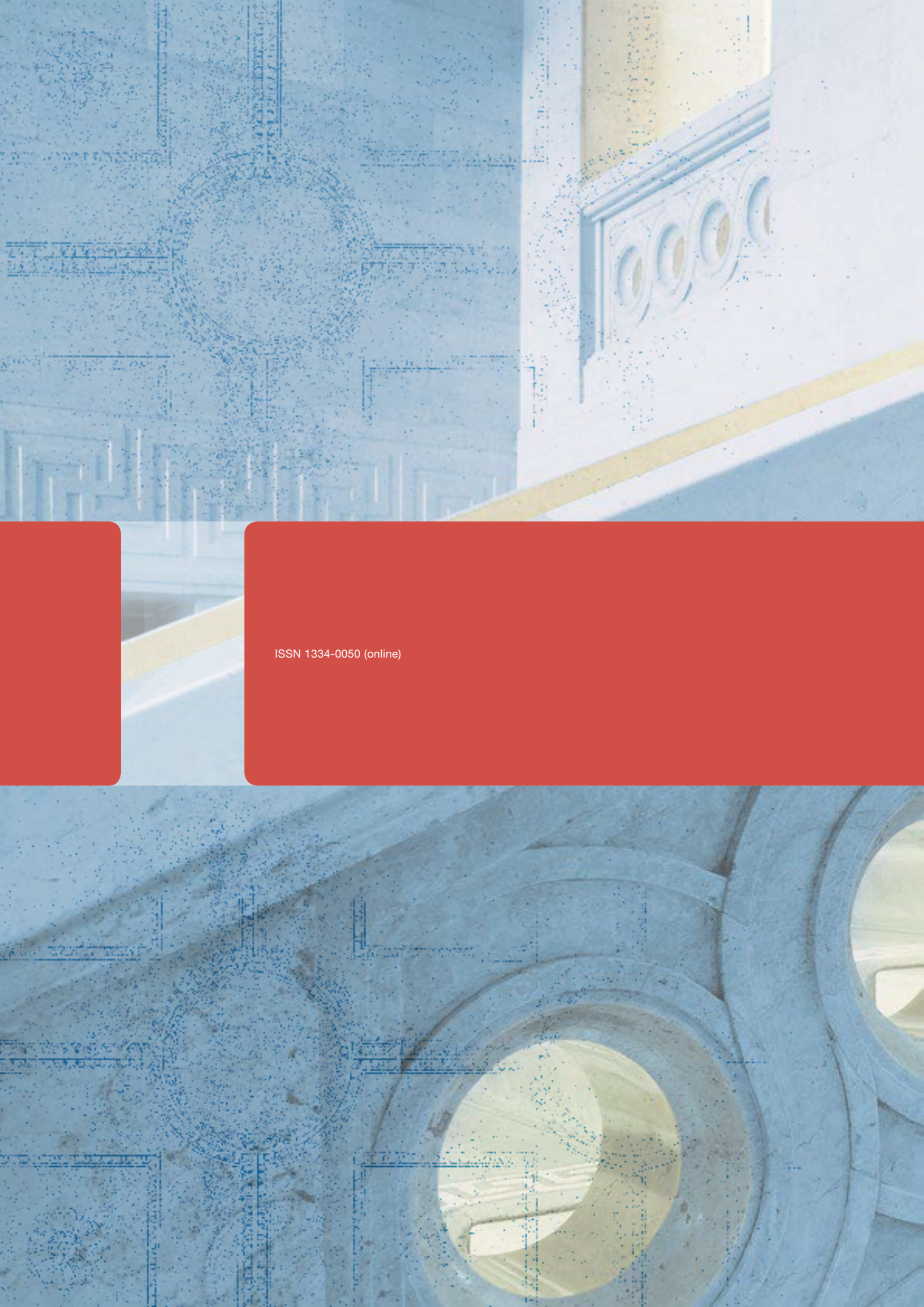
ATS	– Austrian schilling
CHF	– Swiss franc
CNY	– Yuan Renminbi
DEM	– German mark
EUR	– euro
FRF	– French franc
GBP	– pound sterling
HRK	– Croatian kuna
ITL	– Italian lira
JPY	– Japanese yen
USD	– US dollar

Two-letter country codes

BG	– Bulgaria
CZ	– Czech R.
EE	– Estonia
HR	– Croatia
HU	– Hungary
LV	– Latvia
LT	– Lithuania
PL	– Poland
RO	– Romania
SK	– Slovak R.
SI	– Slovenia

Symbols

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



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