



CROATIAN NATIONAL BANK

Information on economic trends

June 2016

Summary

In the first quarter of 2016, real GDP grew by 0.6% from the previous quarter, while growth reached 2.7% on an annual basis. The monthly indicators of economic activity available for the beginning of the second quarter suggest a continuation of GDP growth. Favourable developments also marked the labour market, although the dynamics of an increase in employment and a decrease in unemployment was somewhat slower than at the beginning of the year. The annual decline in consumer prices remained unchanged relative to March 2016 and stood at -1.7% , while a moderate rise in prices continued on a monthly basis. Monetary policy kept its expansionary character, and high banking system liquidity increased additionally in May after the second structural reverse repo operation of the CNB. In the first four months of 2016, total placements to domestic sectors increased by HRK 3.8bn or 1.6% relative to the end of 2015, primarily because of the increase in corporate lending, as well as of a seasonal rise in household lending. Cash fiscal data show that favourable fiscal developments continued in the first quarter of 2016 after the strong consolidation of 2015.

According to the first CBS estimate real GDP grew by 0.6% in the first quarter of 2016 relative to the previous three months, after a slight fall recorded at the end of 2015 (Figure 1). The growth of domestic demand contributed to GDP growth, while exports stagnated. Gross fixed capital formation grew the most. The growth of household consumption continued for the fifth consecutive quarter, while government consumption stagnated. Following a marked increase at the end of the past year, the exports of goods and services remained at the level achieved in the fourth quarter of 2015, while the imports of goods and services decreased slightly because of the decline in the imports of services.

The GDP nowcasting model shows that the increase in real economic activity continued at the beginning of the second quarter (Figure 1)¹. Increase in retail trade turnover continued, while the volume of industrial production decreased by 0.4% in April relative to the average of the previous three months. This, however, was mostly the consequence of the decrease in the production of energy, while manufacturing continued to grow (Figure 3). The decline in industrial activity was materialised in non-durable consumer goods and capital goods, while an increase was recorded in the production of intermediate goods and durable goods (Figure 4). Also, in April and May of the current year, consumer and business confidence in industry, trade and services worsened, but these indicators are still at relatively high levels. The developments in the consumer confidence index were the consequence of less favourable expectations regarding the financial situation in households and much worse expectations regarding the overall economic situation in Croatia for the following period of one year (Figure 8).

The beginning of the second quarter of 2016 was marked by a continuation of favourable developments in the labour market, albeit at a weaker intensity than in the first quarter. Thus in April 2016, according to the CPIA data, the growth of the number of employed persons slowed down moderately relative to the previous quarter. The growth was further mostly generated by private sector services, i. e. primarily trade, while the contribution of other activities was negligible (Figure 14)². Also, the downward trend in the number of unemployed persons continued, but it slowed down because of lower outflows for employment and other business activities, as well as for other reasons. The registered unemployment rate continued to decline and according to seasonally adjusted data stood at 15.4% in April relative to the average value of 16% in the first quarter, while the

ILO unemployment rate according to Eurostat's estimate also dropped to 14.6% in April (Figure 15). The data on wages paid in April 2016 indicate their stagnation in nominal and real terms from the average of the previous three months (Figure 16).

Consumer prices were up by 0.1% in April from the previous month (Table 1), mostly as a result of the rise in refined petroleum product prices caused by the growth in crude oil prices in the global market and the seasonal growth in footwear prices. In addition, the prices of numerous food products also increased. However, the considerable decrease of 18.1% in administrative prices of natural gas almost entirely offset the growth of the above consumer prices in April. The prices of raw materials in the global market started to recover in recent months. The price of a barrel of the Brent crude oil has been growing since mid-January, increasing by one fifth (to USD 46) during April relative to the end of March, while the trend of growth in the prices of food raw materials continued for the second consecutive month (Figures 19 and 20). The annual decline in consumer prices remained unchanged relative to March 2016 standing at -1.7% . On the one hand, the negative contribution of energy increased slightly because the contribution of the decrease in natural gas prices was higher than the contribution of the increase in the prices of refined petroleum products and processed food products (including alcohol and tobacco). On the other hand, the negative contribution of unprocessed food product prices to the annual inflation rate decreased moderately. Energy is a component that continues to give the largest negative contribution to inflation of 1.3 percentage points. The annual decline in core inflation (Figure 17) increased by 0.1 percentage point in April from March and stood at -0.6% , which was mostly the result of movements in the annual rates of change in the prices of tobacco, clothing and milk.

Foreign trade, according to nominal data in euros, recorded a decrease in exports and a slight increase in imports in the first quarter of 2016 relative to the average of the previous quarter. Total goods exports decreased by 1.9% as a result of the decline in the exports of oil and refined petroleum products and ships (Figure 10). By contrast, the exports of other goods increased (4.9%), primarily due to the stronger exports of capital goods (especially of electrical machinery, apparatus and appliances) and food (mostly sugar and sugar preparations, live animals and vegetables and fruit), as well as road vehicles and medical and pharmaceutical products. At the same time, the slight increase in total goods imports (Figure 11) was on the one hand

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

² According to the CBS data taken from the Report on income, income tax and surtax as well as contributions for mandatory insurances (JOPPD form), the number of employed persons decreased in April relative to the average of the first three months of 2016. However, these data should be interpreted with caution because of the short time series.

under the effect of the increase in the imports of ships, while on the other hand the imports of oil and refined petroleum products continued to decrease. If these categories are excluded, the 2.8% growth of imports was more pronounced, in particular the growth in the imports of medical and pharmaceutical products, manufactured goods classified chiefly by material (especially cork, wood and paper manufactures), wearing apparel and miscellaneous manufactured goods.

The nominal exchange rate of the kuna against the euro was mostly stable in May, having appreciated considerably in the previous three months. At the end of the month appreciation pressures mounted again so that the CNB intervened in the foreign exchange market on 31 May by purchasing EUR 83.5m. At the end of May, the exchange rate of the kuna against the euro stood at EUR/ HRK 7.49 (Figure 21). In May, the domestic currency was stable against the majority of other currencies within the currency basket for the calculation of effective exchange rates. However, the index of the nominal effective kuna exchange rate at the end of May was 2.8% lower from the end of 2015, which was primarily the effect of the appreciation of the kuna versus the euro and the US dollar.

High banking sector liquidity in the euro area and the continued expansionary policy of the ECB during May 2016 resulted in a further fall in euro benchmark interest rates. The six-month EURIBOR stood at -0.14% at the end of May, while the overnight interest rate EONIA stood at -0.34% (Figure 24). The financing costs of the majority of parent banks of the largest domestic banks (Figure 26) and risk premiums for European emerging market economies (Figure 25) did not change significantly from end-April. At the end of May, Croatia continued to record a higher level of risk premium than any other Central and Eastern European peer countries, of 255 basis points.

Abundant domestic financial system liquidity was also supported by the CNB's monetary measures in May 2016, so that the trend of reduced activity of credit institutions in the money market continued. The weighted interest rate on overnight interbank loans in direct interbank trading stood at 0.3% in May (Figure 27). Two auctions of T-bills were held in May at which one-year kuna T-bills were placed, again at a historically low interest rate of 0.95% (Figure 28). At the latest auction, in addition to kuna T-bills, one-year euro T-bills were placed, also at a historically low interest rate of 0.25% .

The gradual downward trend in the lending and deposit interest rates of banks mostly continued in April (Figure 29). An exception was in interest rates on long-term household and corporate loans with a currency clause, which showed a very moderate rise, although within the limits of their usual volatility range (Figure 30). Interest rates on kuna corporate deposits without a currency clause, maturing in 3 months, grew slightly (Figure 31). The overall interest rate spread of balances rose slightly and stood at 4.87 percentage points at the end of April (Figure 32).

Monetary developments in April 2016 were marked by a continuation of the downward trend in net foreign assets (NFA), which, coupled with a more noticeable increase in net domestic assets (NDA), resulted in a positive growth in total liquid assets (M4) (Figure 33). The decline in net foreign assets was the consequence of the outflow of the government's foreign currency deposit with the central bank, which led to the fall in net foreign assets of the CNB. Growth in total liquid assets (M4) in April ensued after its seasonal decrease in the first quarter, i. e. to the largest extent on the back of the rise in money M1 (Figure 40), but also of the slight increase in foreign currency deposits

(Figure 44). On an annual basis, the growth of the broadest monetary aggregate (M4) accelerated, reaching 6.2% at the end of April, excluding the exchange rate effect (Figure 41).

The placements of credit institutions to domestic sectors (not including the government) increased by 0.6% in April, the same as in March, while the increase in placements in the first four months stood at 1.6% (transaction-based). This was mostly contributed by a noticeable increase in lending to non-financial corporations of 3.8% during the first four months (Figure 36) and a seasonal increase in placements to households was also observed (Figure 37). Such developments also contributed to the mitigation of the annual decline in total placements (-0.4%) (Figure 35).

With regard to the process of conversion and a partial write-off of household loans indexed to the Swiss franc, from the end of November 2015 to the end of April, banks wrote off a total of HRK 5.7bn of loans. By end-April, the balance of total claims of credit institutions from households indexed to the Swiss franc dropped to HRK 2.6bn from HRK 21.7bn before the conversion.

The monetary policy of the CNB remained expansionary. With the continuation of regular weekly reverse repo operations, the second long-term structural reverse repo operation was held in May. The CNB placed HRK 146.5m with a four-year maturity at the fixed rate of 1.8% . If the HRK 565m placed at the first auction in February is added to this amount, the CNB placed a total of HRK 711.5m through these operations. This set the conditions for long-term kuna liquidity of the banking system, which should contribute to maintaining the trend of intensified bank lending in the domestic currency.

Despite the continued decrease in gross debt liabilities of domestic sectors, net external debt increased slightly in the first quarter of 2016 (EUR 0.1bn) as the consequence of the sharp decrease in foreign assets (Figure 51). Net foreign position of the central bank worsened the most, primarily due to the decline in gross international reserves because of the repeal of the requirement to allocate the foreign exchange component of reserve requirements with the CNB and, to a lesser extent, the decrease in the government's foreign currency deposit. Credit institutions also contributed to the increase in total net debt, reducing their foreign assets more than their liabilities, despite the transfer of funds of allocated foreign currency reserve requirements. The general government reduced the liabilities to foreign creditors and improved its net foreign position, as did other domestic sectors, because of a more intensive deleveraging to non-affiliated creditors from the growth of liabilities based on direct investments. At the end of March, the balance of gross external debt stood at EUR 44.3bn (Figure 53), or down by EUR 1.2bn from the end of 2015, of which almost one third referred to the favourable effect of cross-currency changes.

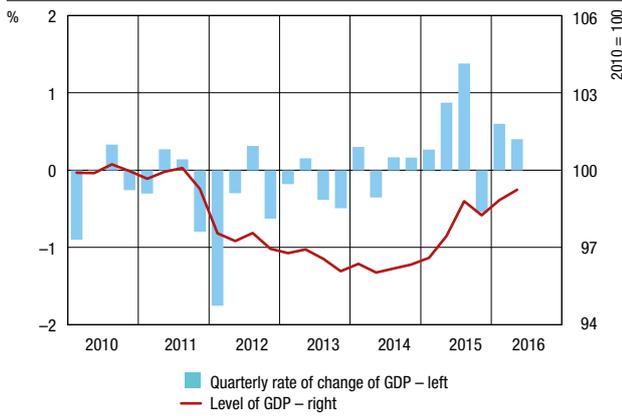
The preliminary Ministry of Finance data on a cash basis at the consolidated central government level for the beginning of the year indicate a considerable decrease in the general government deficit in the first quarter of 2016 (Table 4). The first quarter saw an annual increase in tax revenues (mainly because of the increase in revenues from excises³) and revenues from social contributions. VAT revenues declined despite favourable developments in retail trade turnover and the growth of goods imports, which, according to the available data, was the consequence of increased tax return refunds. With regard to expenditures, the beginning of the year seems to be marked by a fall on an annual basis, probably partially as a result of the temporary financing that was in force at the time. Interest expenditures

3 About a half of the increases in revenues from excises was associated with the increase in excise duties on tobacco and refined petroleum products from 1 April 2015.

relative to the previous year decreased moderately owing to favourable circumstances in the financial markets and the declining yields on the new issues of public debt instruments. The deficit was financed by the new issue of a ten-year kuna bond in the domestic market in the amount of HRK 4bn bearing a yield of

3.99% and by issuing T-bills. The latest available data show that general government debt at the end of February remained at the same level as at the end of 2015, partially as a result of the appreciation of the kuna against the euro.

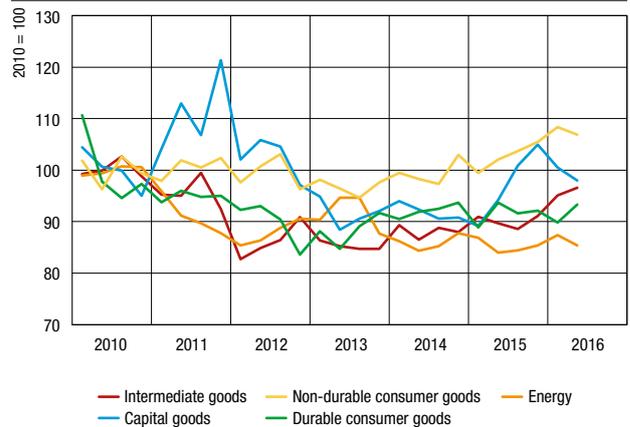
Figure 1 Quarterly gross domestic product seasonally and calendar adjusted real values



Note: 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 2 June 2016.

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

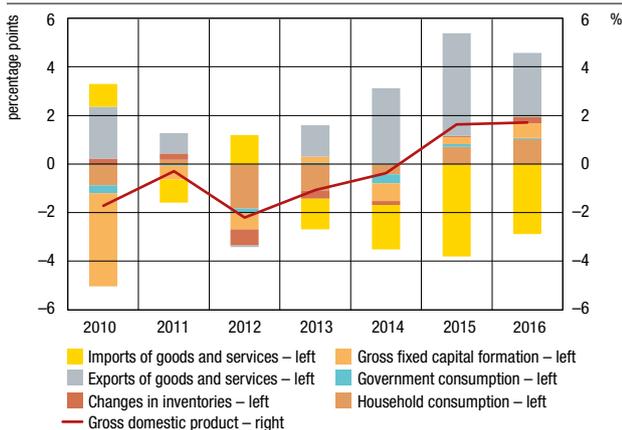
Figure 4 Industrial production by main industrial groupings seasonally adjusted indices



Note: Quarterly data are calculated as the average of monthly data.

Source: CBS data seasonally adjusted by the CNB.

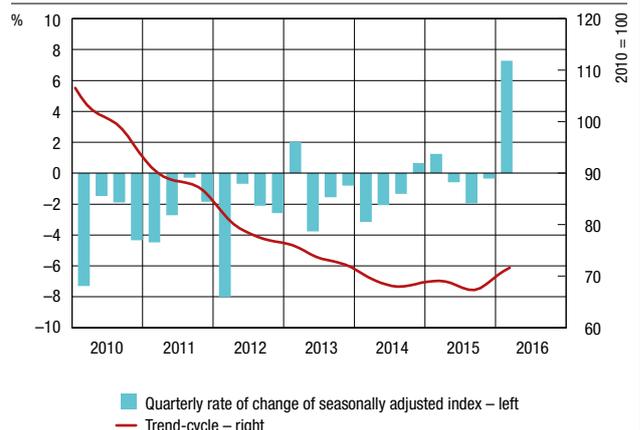
Figure 2 GDP rate of change contribution by components



Note: The projection for 2016 refers to the official projection of the CNB from March 2016.

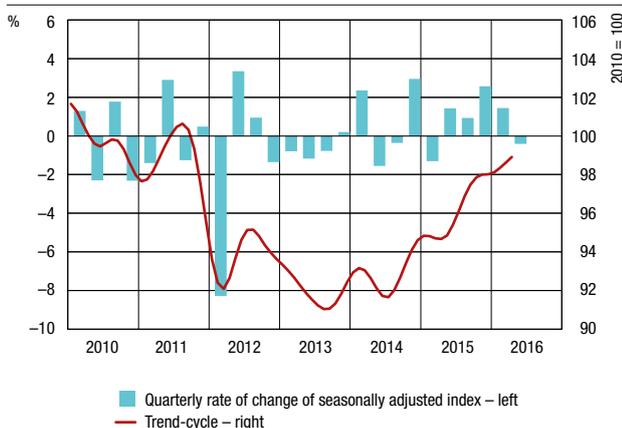
Source: CBS.

Figure 5 Total volume of construction works



Source: CBS data seasonally adjusted by the CNB.

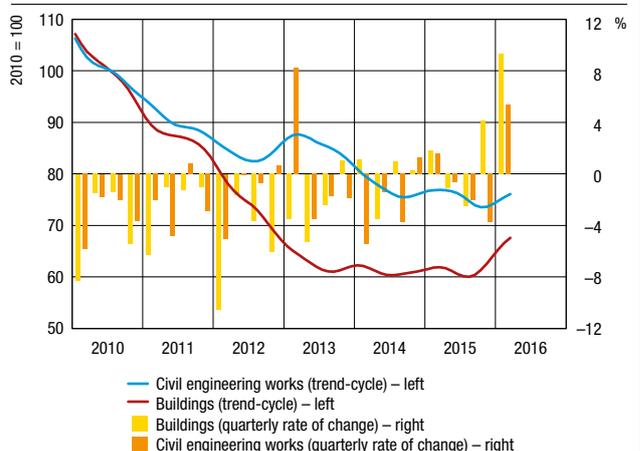
Figure 3 Industrial production



Note: Data for the second quarter of 2016 refers to April.

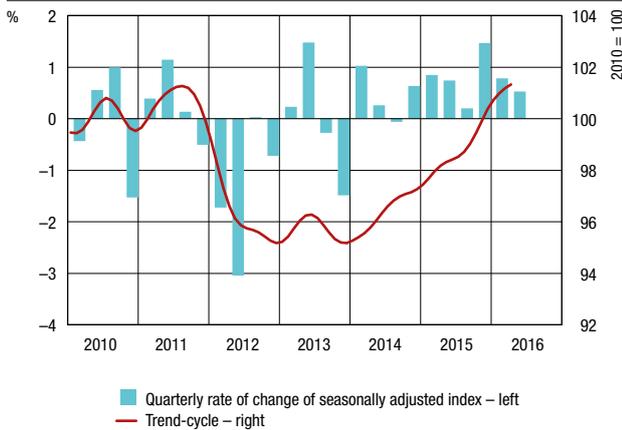
Source: CBS data seasonally adjusted by the CNB.

Figure 6 Buildings and civil engineering works



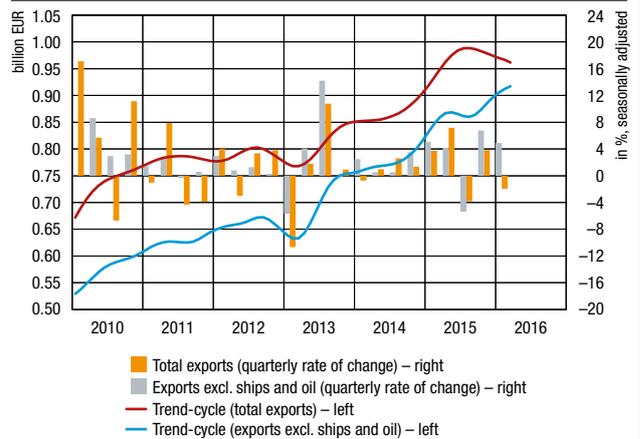
Source: CBS data seasonally adjusted by the CNB.

Figure 7 Real retail trade turnover



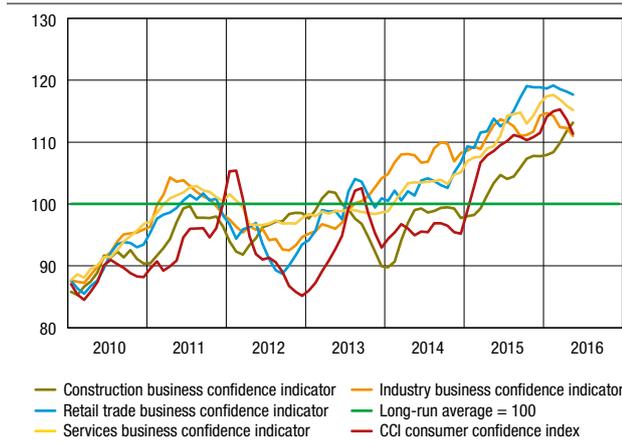
Note: Data for the second quarter of 2016 refers to April.
Source: CBS data seasonally adjusted by the CNB.

Figure 10 Goods exports (f.o.b.)



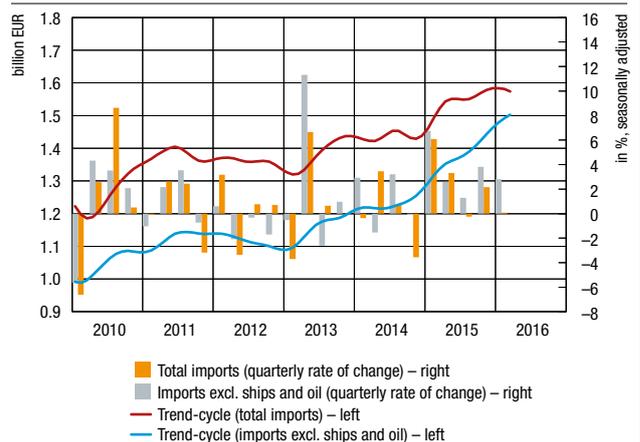
Source: CBS data seasonally adjusted by the CNB.

Figure 8 Business confidence indicators standardised and seasonally adjusted values, three-member moving averages



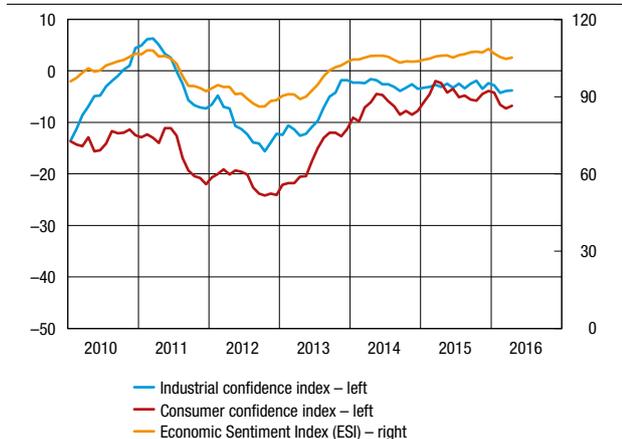
Sources: Ipsos and CNB data seasonally adjusted by the CNB.

Figure 11 Goods imports (c.i.f.)



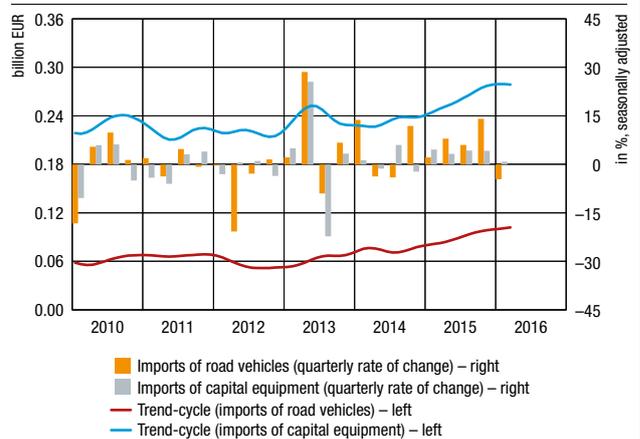
Source: CBS data seasonally adjusted by the CNB.

Figure 9 EU confidence indices seasonally adjusted indices



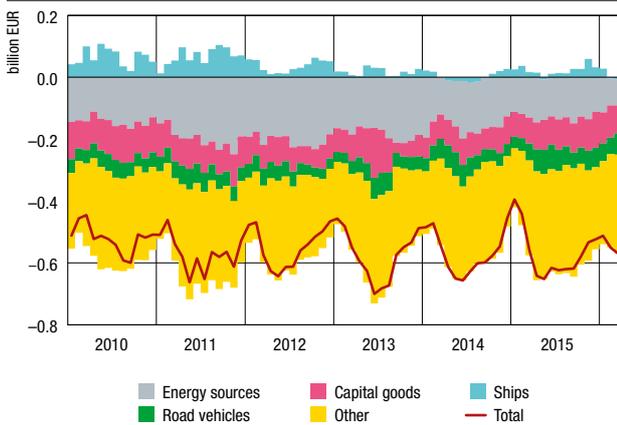
Source: Eurostat.

Figure 12 Imports of capital equipment and road vehicles (c.i.f.)



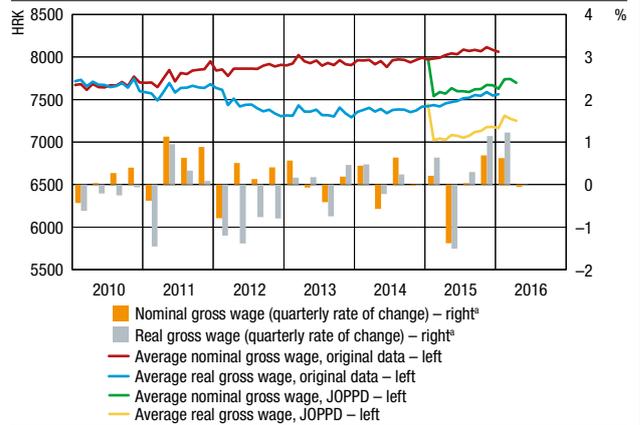
Note: Imports of capital equipment (SITC divisions 71 - 77).
Source: CBS data seasonally adjusted by the CNB.

Figure 13 Trade in goods balance
three-member moving averages of monthly data



Source: CBS.

Figure 16 Average gross wages

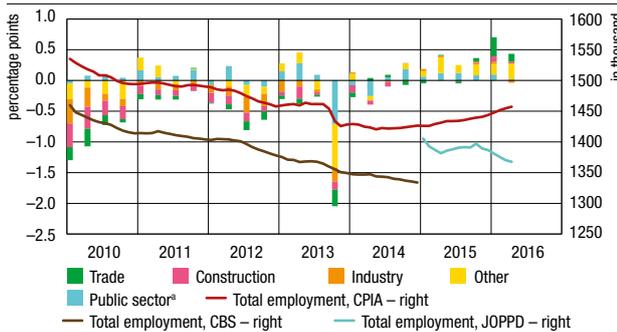


^a From the second quarter of 2015, rates of change are based on the data contained in the JOPPD form.

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

Source: CBS data seasonally adjusted by the CNB.

Figure 14 Total employment and contribution to employment growth by sector
seasonally adjusted series

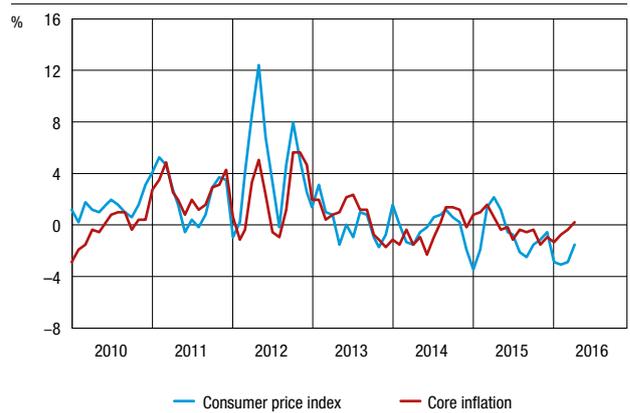


^a Public administration and defence, compulsory social security, education and human health and social work activities.

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 for the second quarter of 2016 refer to April.

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

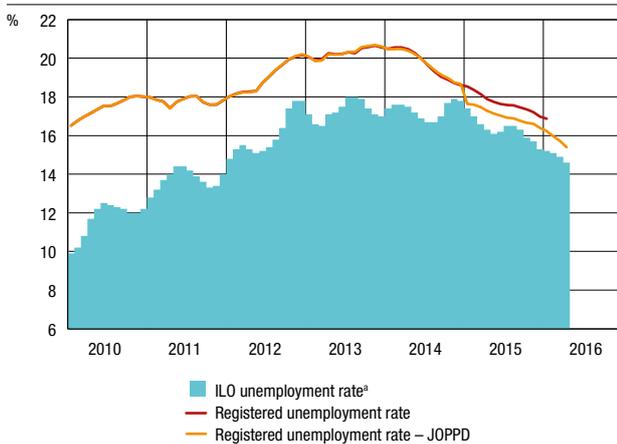
Figure 17 Consumer price index and core inflation
annualised month-on-month rate of change^a



^a The month-on-month rate of change is calculated based on the quarterly moving average of seasonally adjusted consumer price indices.

Sources: CBS and CNB calculations.

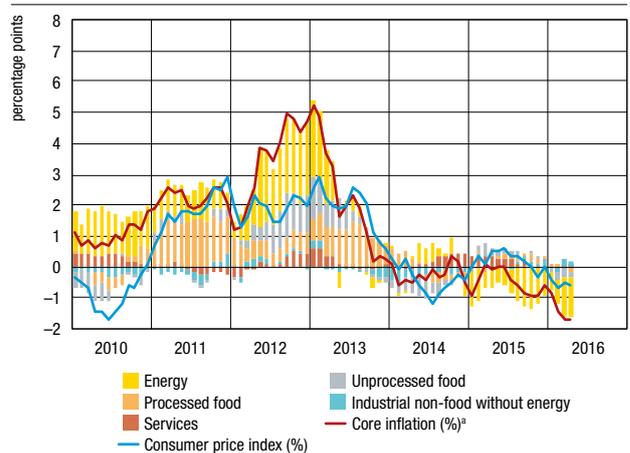
Figure 15 Registered and ILO unemployment rates
seasonally adjusted data



^a Monthly ILO unemployment rate is Eurostat's estimate.

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

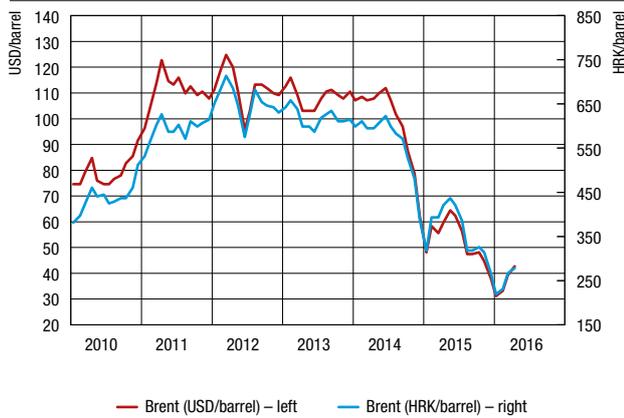
Figure 18 Year-on-year inflation rates and components' contribution to consumer inflation



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

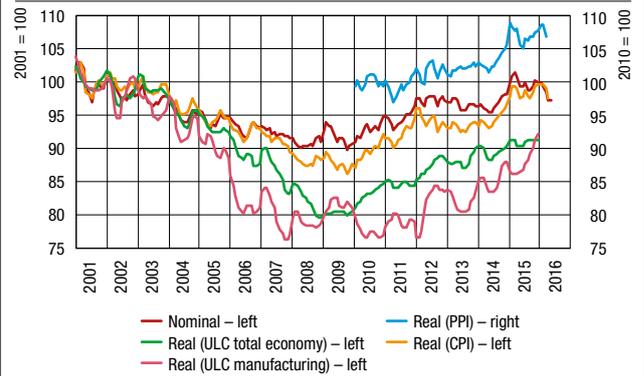
Sources: CBS and CNB calculations.

Figure 19 Crude oil prices (Brent)



Sources: Bloomberg and CNB calculations.

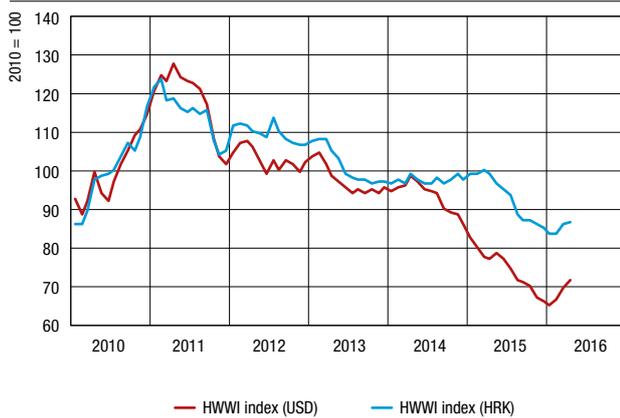
Figure 22 Nominal and real effective exchange rates of the kuna



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. Real effective exchange rate of the kuna deflated by unit labour costs is the result of the interpolation of quarterly values. A fall in the index denotes an effective appreciation of the kuna.

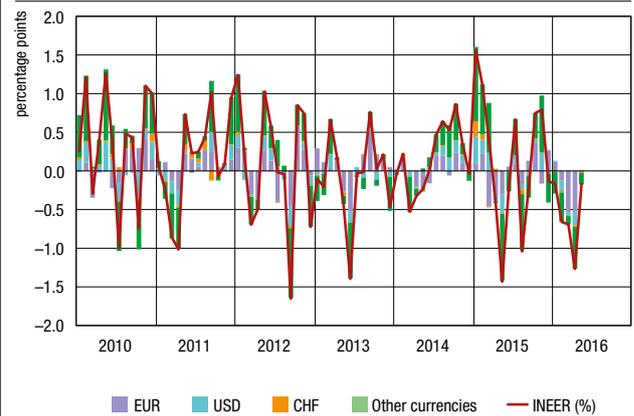
Source: CNB.

Figure 20 HWWI index (excl. energy)



Sources: HWWI and CNB calculations.

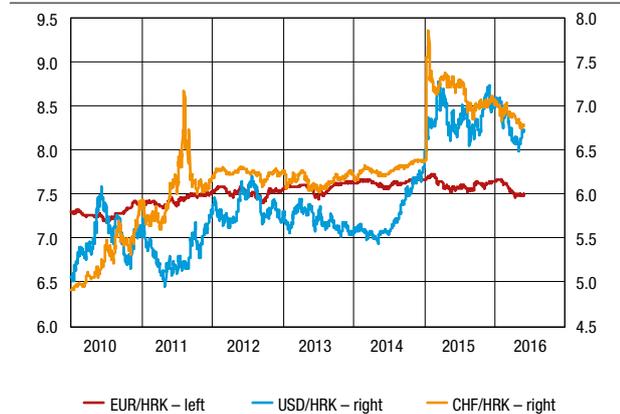
Figure 23 Contributions^a of individual currencies to the monthly rate of change of the average index of the nominal effective kuna exchange rate (INEER)



^a Negative values denote contributions to the appreciation of the INEER.

Source: CNB.

Figure 21 Daily nominal exchange rate – HRK vs. EUR, USD and CHF
CNB midpoint exchange rate



Source: CNB.

Table 1 Price indicators

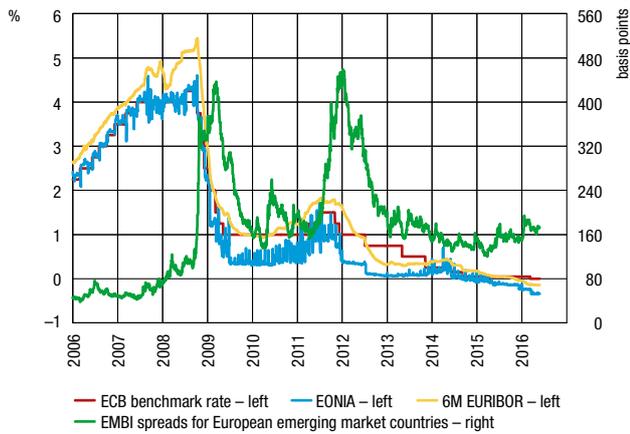
year-on-year and month-on-month rates of change

	Year-on-year rates		Month-on-month rates	
	3/16	4/16	4/15	4/16
Consumer price index and its components				
Total index	-1.7	-1.7	0.1	0.1
Energy	-7.4	-7.8	-1.0	-1.4
Unprocessed food	-3.4	-2.2	-0.8	0.4
Processed food (incl. alcoholic drinks and tobacco)	-0.1	-0.5	0.7	0.3
Industrial non-food without energy	0.9	0.7	0.9	0.8
Services	0.1	0.2	0.0	0.1
Other price indicators				
Core inflation	-0.5	-0.6	0.5	0.4
Index of industrial producer prices on the domestic market	-5.0	-5.8	-0.6	-1.4
Brent crude oil price (USD)	-30.0	-28.9	6.4	8.1
HWWI index (excl. energy) ^a	-10.8	-7.0	-0.9	3.3

^a The index is calculated on the basis of raw materials prices expressed in US dollars.

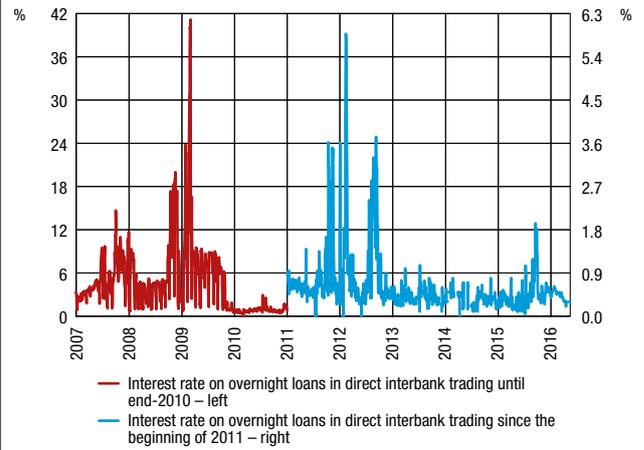
Sources: CBS, Bloomberg, HWWI and Eurostat.

Figure 24 Interest rates on the euro and the average yield spread on bonds of European emerging market countries



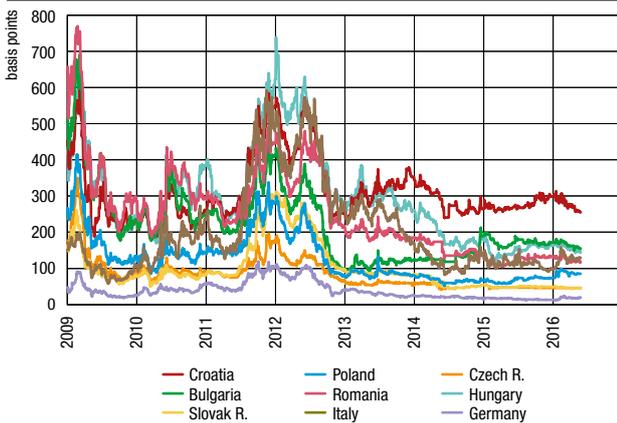
Sources: ECB, Bloomberg and J. P. Morgan.

Figure 27 Average interest rate on the money market daily data, on annual basis



Source: CNB.

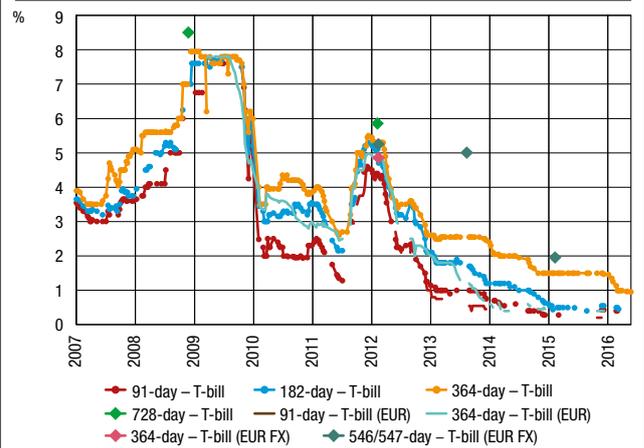
Figure 25 CDS spreads for 5-year government bonds of selected countries



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

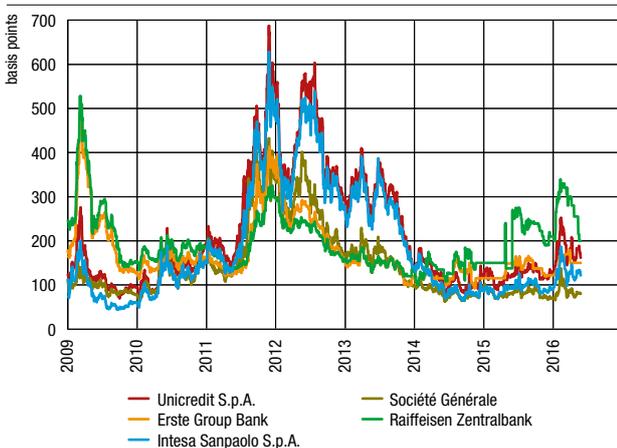
Source: Bloomberg.

Figure 28 Interest rates on kuna and euro T-bills on auction days



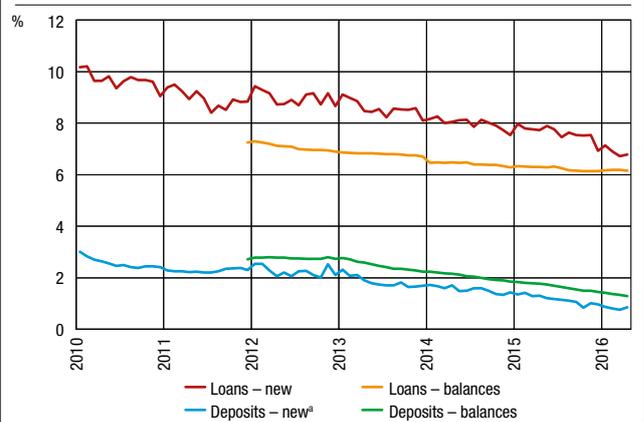
Source: CNB.

Figure 26 CDS spreads for selected parent banks of domestic banks



Source: Bloomberg.

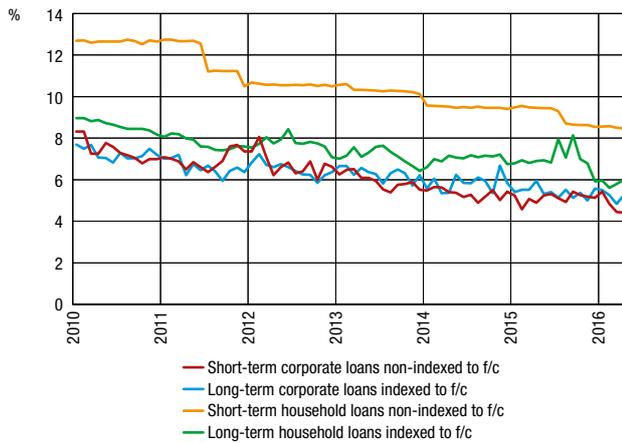
Figure 29 Average interest rates on loans (excl. revolving loans) and deposits on annual basis



^a For time deposits, interest rates on newly received deposits are weighted by their balances.

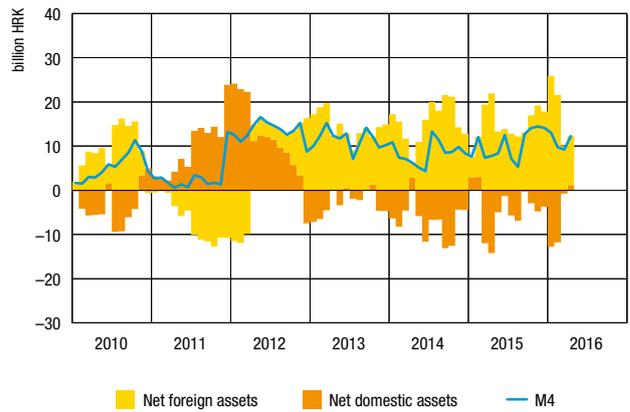
Source: CNB.

Figure 30 Average interest rates on new kuna loans (excl. revolving loans) on annual basis



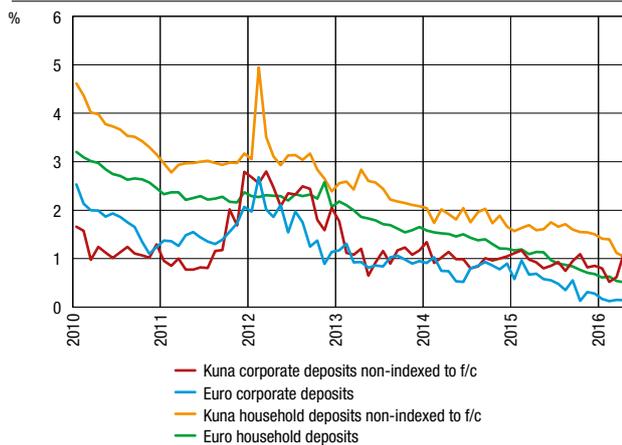
Source: CNB.

Figure 33 Net foreign assets, net domestic assets and total liquid assets (M4) absolute change in the last 12 months



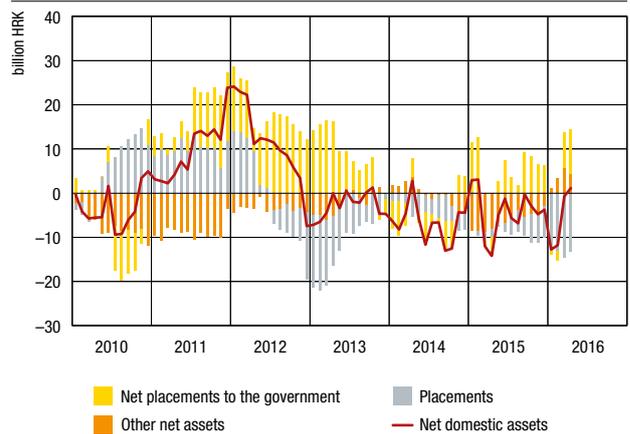
Source: CNB.

Figure 31 Average interest rates on new time deposits maturing in three months on annual basis



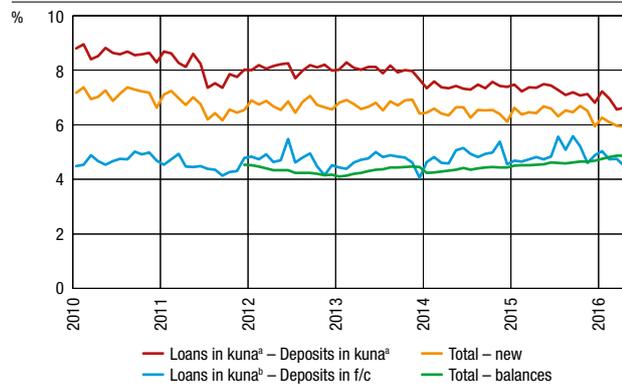
Source: CNB.

Figure 34 Net domestic assets, structure absolute change in the last 12 months



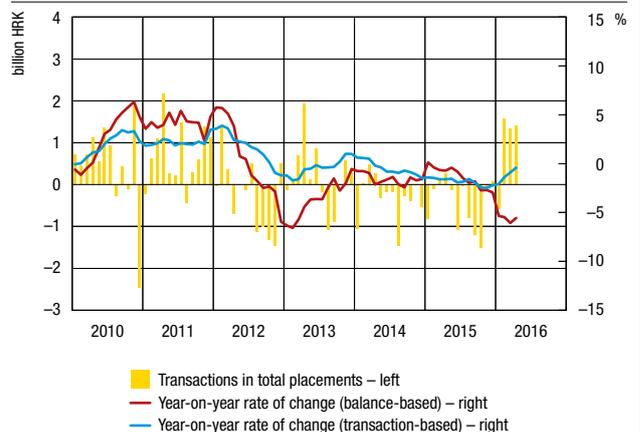
Source: CNB.

Figure 32 Spread between interest rates on loans (excl. revolving loans) and interest rates on deposits on annual basis



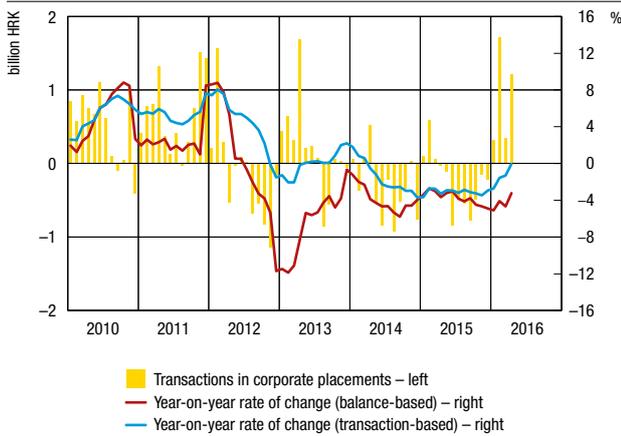
^a Non-indexed to f/c. ^b Indexed to f/c.
 Note: Spread between average interest rates on loans and average interest rates on deposits should be differentiated from net interest margin (the ratio of the difference between interest income and interest expenses to total assets of credit institutions).
 Source: CNB.

Figure 35 Placements



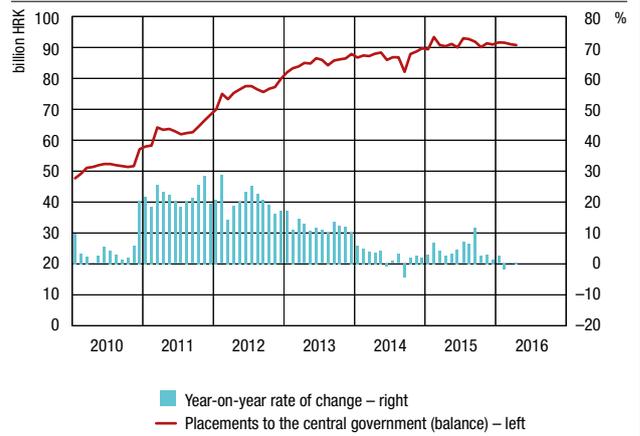
Source: CNB.

Figure 36 Placements to corporates



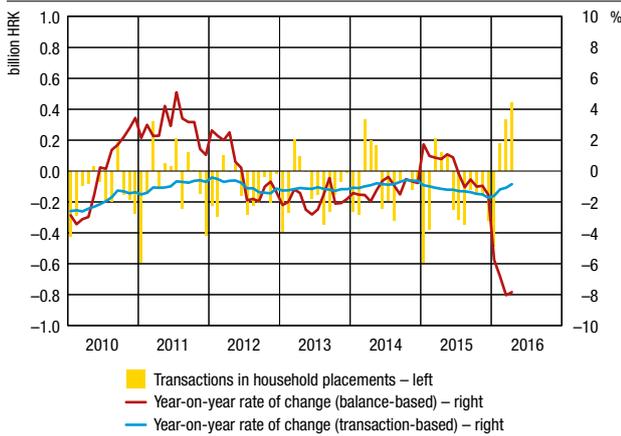
Source: CNB.

Figure 39 Credit institution and MMF placements to the central government



Source: CNB.

Figure 37 Placements to households



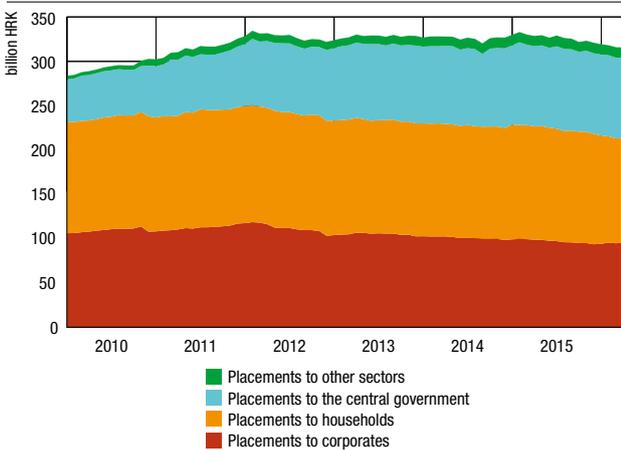
Source: CNB.

Figure 40 Money (M1)



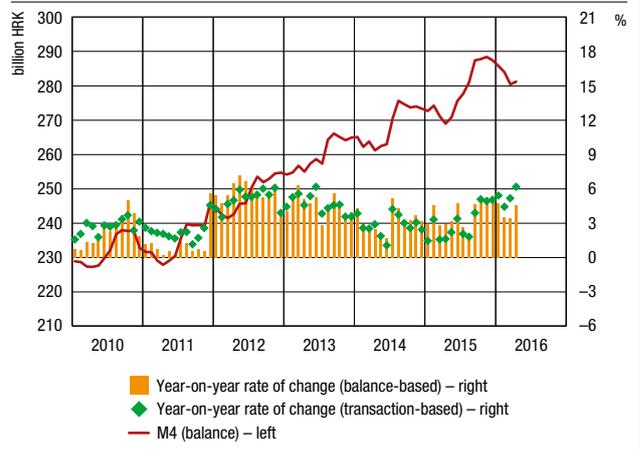
Source: CNB.

Figure 38 Structure of credit institution placements



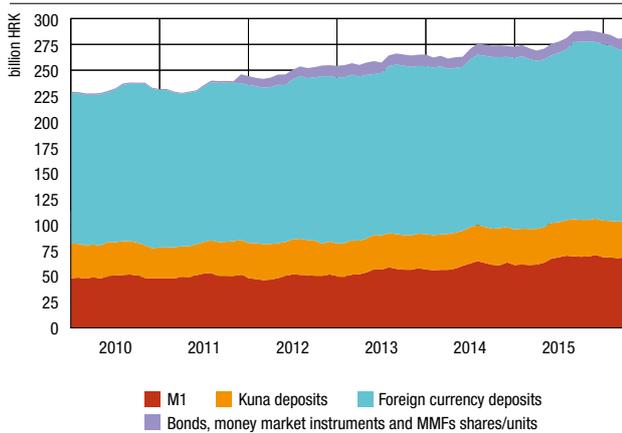
Source: CNB.

Figure 41 Total liquid assets (M4)



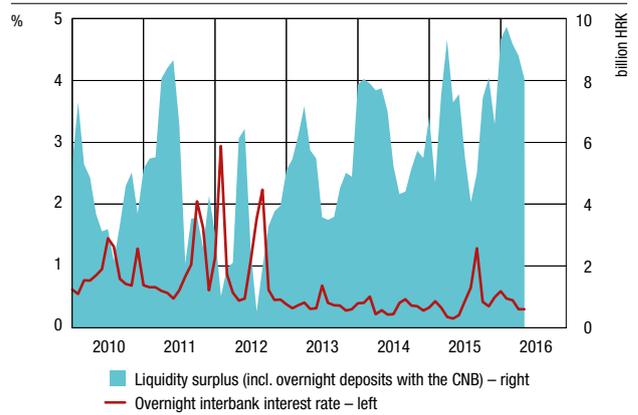
Source: CNB.

Figure 42 Structure of M4 monetary aggregate



Source: CNB.

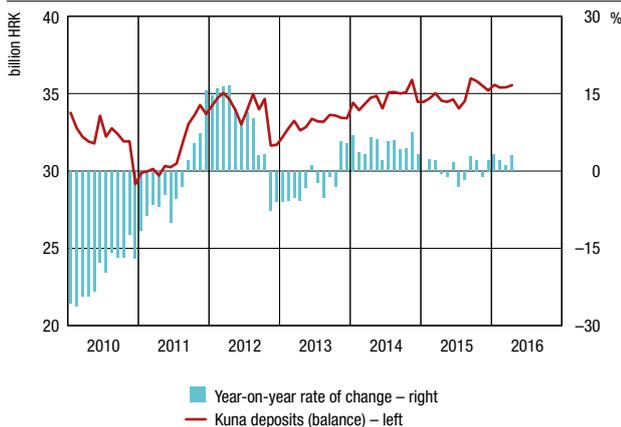
Figure 45 Bank liquidity and overnight interbank interest rate



Note: Liquidity surplus is the difference between the balance in bank settlement accounts with the CNB and the amount that banks are required to hold in their accounts after the calculation of reserve requirements.

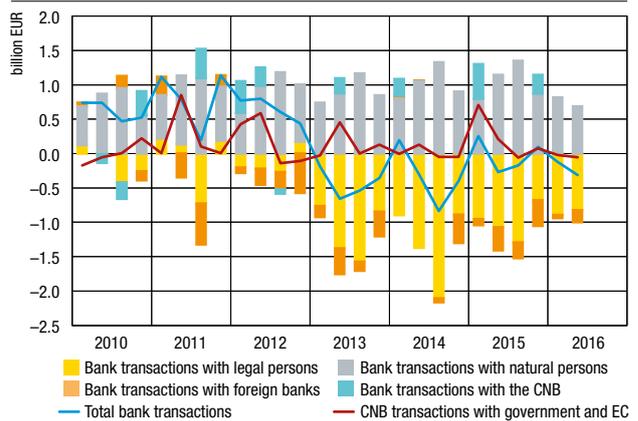
Source: CNB.

Figure 43 Kuna savings and time deposits



Source: CNB.

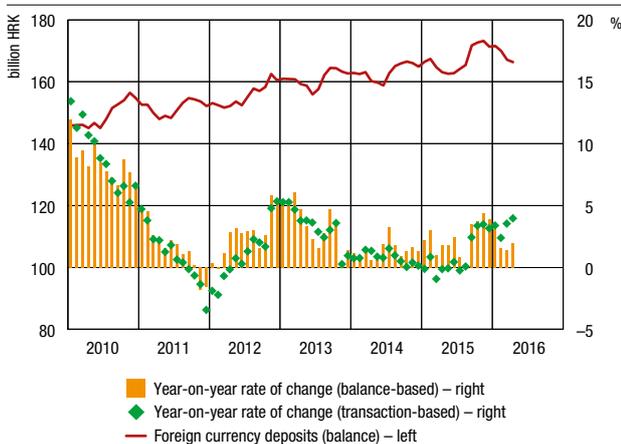
Figure 46 Spot transactions in the foreign exchange market (net turnover)



Note: Positive values denote net purchases and negative values denote net sales. Legal persons include the government. Data for the second quarter of 2016 refer to April and May.

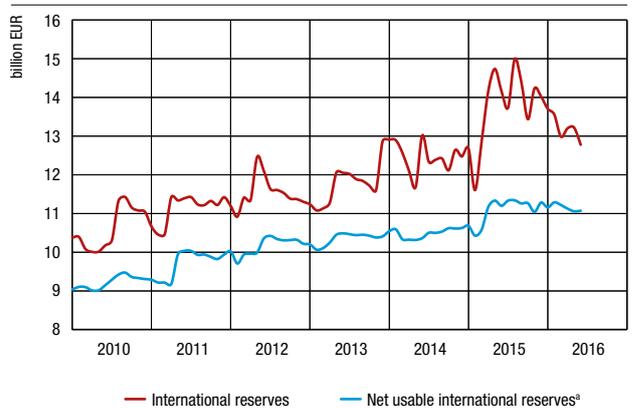
Source: CNB.

Figure 44 Foreign currency deposits



Source: CNB.

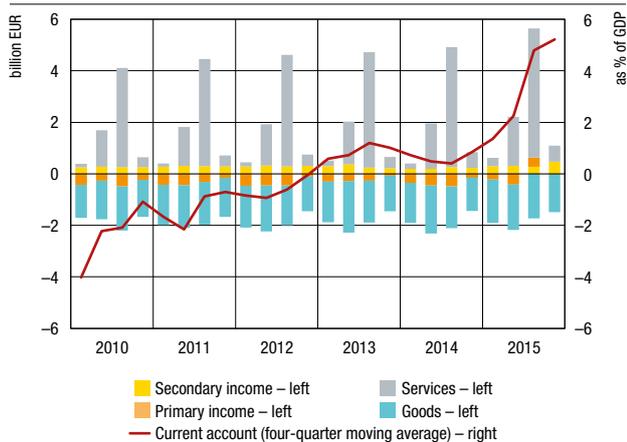
Figure 47 International reserves of the CNB at current rate of exchange



^a NUIR = international reserves – foreign liabilities – reserve requirements in f/c – foreign currency government deposits.

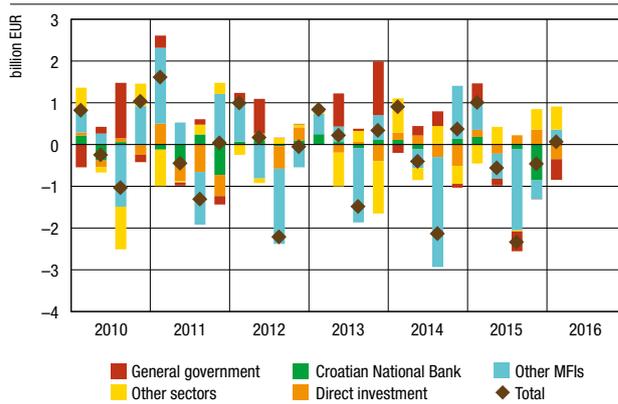
Source: CNB.

Figure 48 Current account flows



Source: CNB.

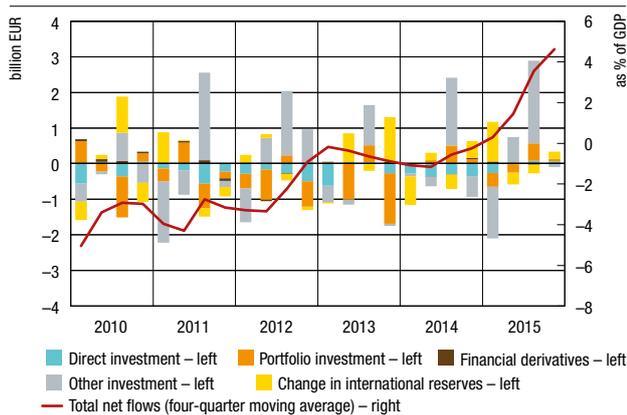
Figure 51 Net external debt (NED) transactions



Note: Transactions refer to the change in debt excl. cross-currency changes and other adjustments. Net external debt is calculated as gross external debt stock net of foreign debt claims.

Source: CNB.

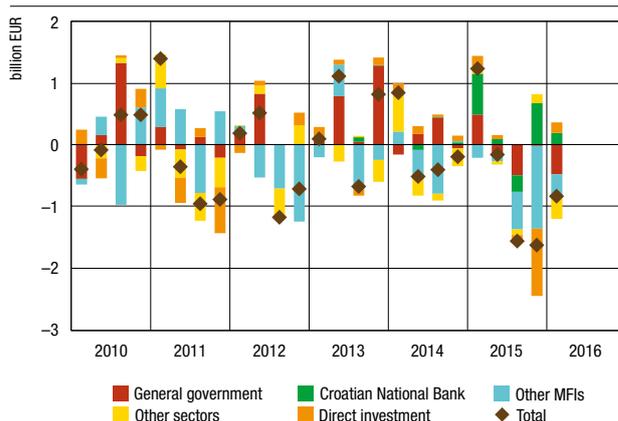
Figure 49 Financial account flows



Note: A positive value denotes net outflow of equity abroad (including on the basis of the growth in international reserves). Total net capital flow series are shown as a four quarter moving average.

Source: CNB.

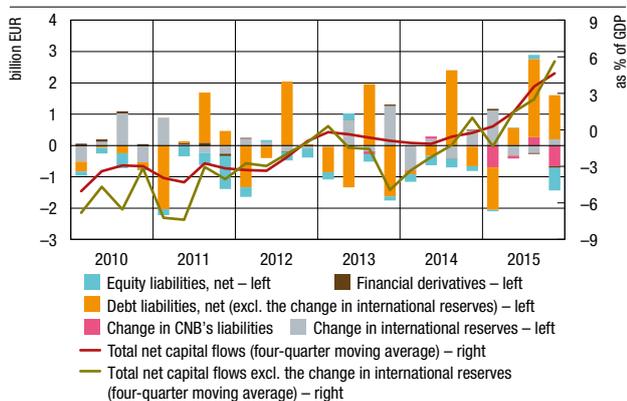
Figure 52 Gross external debt (GED) transactions



Note: Transactions refer to the change in debt excl. cross-currency changes and other adjustments.

Source: CNB.

Figure 50 Financial account flows by type of investment



Note: A positive value denotes net outflow of equity abroad (including on the basis of the growth in international reserves). 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.

Table 2 Balance of payments^a

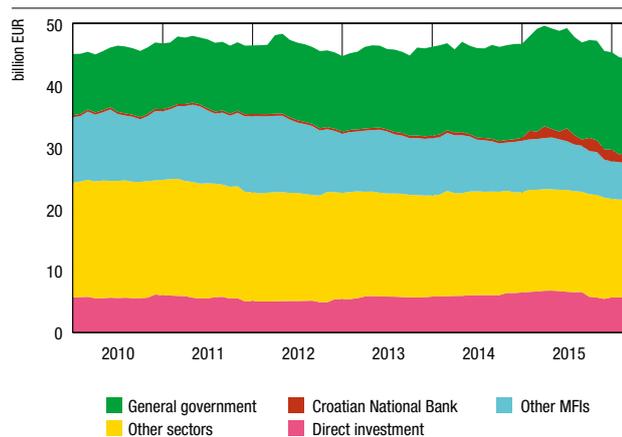
preliminary data, in million EUR

	2014	2015	Indices	
			2014 / 2013	2015 / 2014
Current account	368.3	2,293.4	83.1	622.7
Capital account	85.4	174.5	142.4	204.3
Financial account (excl. reserves)	426.7	1,287.5	–	301.7
International reserves	–529.9	745.3	–	–
Net errors and omissions	–556.9	–435.1	62.6	78.1

^a In line with the 6th edition of the Balance of Payments and International Investment Position Manual (BPM6).

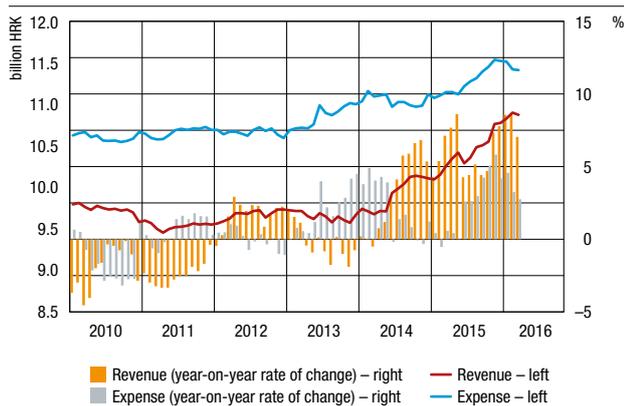
Source: CNB.

Figure 53 Gross external debt
end of period



Source: CNB.

Figure 54 Consolidated central government revenue and expense^a
GFS 2001



^a Trend-values are calculated as 12-month moving averages of original data. Expense includes expenditures for the acquisition of non-financial assets. From January 2008 on, CM is excluded from consolidated central government.

Sources: MoF and CNB calculations.

Table 3 Consolidated general government balance
ESA 2010, in million HRK

	Jan. – Dec. 2014	Jan. – Dec. 2015
Total revenue	139,958	146,087
Direct taxes	20,089	19,768
Indirect taxes	61,439	65,338
Social contributions	38,671	39,778
Other	19,760	21,202
Total expenditure	158,037	156,793
Social benefits	54,388	54,800
Subsidies	6,423	5,629
Interest	11,464	11,925
Compensation of employees	38,701	38,147
Intermediate consumption	26,251	26,910
Investment	12,058	9,387
Other	8,753	9,996
Net lending (+) / borrowing (-)	-18,079	-10,706

Sources: Eurostat and CBS.

Table 4 Consolidated central government net borrowing
ESA 2010, in million HRK

	Jan. – Mar. 2015	Jan. – Mar. 2016
1 Revenue	27,814	29,135
2 Disposal of non-financial assets	84	81
3 Expenditure	32,640	31,046
4 Acquisition of non-financial assets	619	721
5 Net borrowing (1+2-3-4)	-5,360	-2,552

Sources: MoF and CNB calculations.

Table 5 General government debt
in million HRK

	Jan. – Feb. 2015	Jan. – Feb. 2016
Change in total debt stock	1,264	2
Change in domestic debt stock	4,606	1,152
– Securities other than shares, short-term	-1,211	1,282
– Securities other than shares, long-term	2,709	752
– Loans	3,113	-878
Change in external debt stock	-3,342	-1,151
– Securities other than shares, short-term	-336	94
– Securities other than shares, long-term	-3,312	-1,152
– Loans	307	-93
Memo item:		
Change in total guarantees issued	-878	-71

Source: CNB.

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
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
∅	– average
a, b, c,...	– indicates a note beneath the table and figure
*	– corrected data
()	– incomplete or insufficiently verified data