

# Monthly Economic Report – April 2005

## Stockmarkets

	Turnover in KM	% change on previous month Turnover in KM
<b>Sarajevo (SASE)</b>	<b>31,153,300</b> (April)	<b>+14.65</b>
<b>Banja Luka</b>	<b>6,785,961</b> (April)	<b>- 80.6</b>

## Trade, exchange rates and budgets

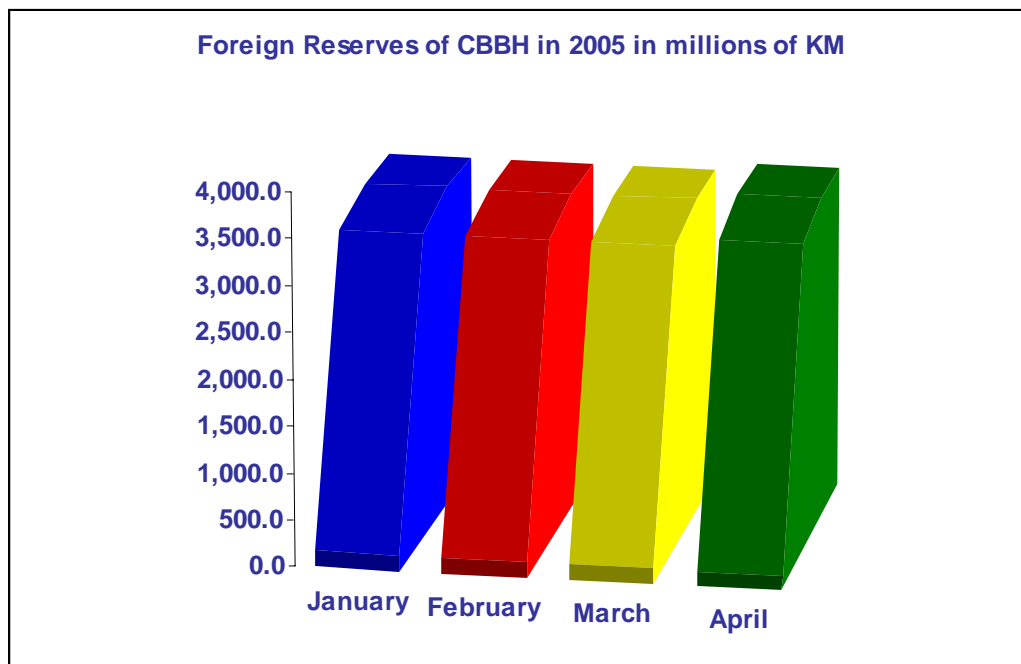
	April 05 Import / Exports		% change on previous year Imports / Exports		Jan-April 05 Imports / Exports	
	‘000s of KM					
<b>Trade performance</b>	<b>976,844</b>	<b>376,687</b>	<b>+ 11.50</b>	<b>+ 30.00</b>	<b>3,128,805</b>	<b>1,181,037</b>

## Prices and Earnings and Unemployment

Net Salaries:	FBiH	<b>KM 546.91</b> (April 05)
	RS	<b>KM 452</b> (April 05)
<b>BiH Consumer price index</b>	<b>0.5%</b>	<b>(as of year end 2004)</b>
Unemployment	Latest	Previous month
<b>FBiH</b>	<b>331.639</b> (April)	<b>331,417</b> (Mar.)
<b>RS</b>	<b>Figures not available</b>	

## Money and interest rates

Money supply (April 05) % change on year ago	Narrow (M <sub>1</sub> )	<b>+ 7.34%</b>
	Broad (M <sub>2</sub> )	<b>+15.33%</b>
Average Interest rates % p.a. (April 05)	Bank Lending: Short	<b>10.30</b> Long <b>9.47</b>
Rates Banks pay for deposits	Demand	<b>0.73</b> Term <b>3.74</b>



Million	Buying	Selling	Jan - April Balance
<b>Demand for KM</b>	<b>169</b>	<b>251</b>	<b>44</b>

**The BiH Money Supply expanded in the course of April 2005.** Although this was in line with the previous trend, the money supply appears to be growing more slowly than before.

**While the KM** was under selling pressure in the period January to March, the trading balance for April was positive. Thus, more foreign currency was exchanged into KM by a margin of KM 82 million. This was enough to wipe out the previous negative balance and even leave KM 44 million as an addition to the monetary base and Central Bank reserves.

**The Sarajevo Stock Exchange** had a successful April – the value of turnover rose by more than 14 per cent over the figure for March.

**The Banja Luka Stock Exchange** had a less successful month, with the value of its turnover falling by more than 280 per cent in April.

These results underline the unpredictability of the two markets and their extremely high volatility, as had been noted before.

**BiH's Trade Figures** show a continued rise in exports in the month of April – both relative and absolute. This maintains the positive trend that began at the start of 2004. However, it should be noted that imports have maintained a steady rate of growth too, albeit at a lower rate than exports.

**Unemployment** figures in the Federation are high and apparently static. The RS does not report monthly unemployment

**M<sub>1</sub>:** *Monetary aggregate M<sub>1</sub> comprises cash outside banks and demand deposits in domestic currency of all domestic institutional sectors (except for deposits of the central government).*

**M<sub>2</sub>:** *Monetary aggregate M<sub>2</sub> consists of M<sub>1</sub> in addition to time and savings deposits in domestic currency, demand deposits in a foreign currency and time and savings deposits in a foreign currency of all domestic institutional sectors (except for deposits of the central government).*

Sources: Central Bank of BiH, Breaux of Statistics of BiH, FBiH & RS, Sarajevo and Banja Luka Stock Exchanges