

# **quarterly monitor**

**OF ECONOMIC TRENDS AND POLICIES IN SERBIA**

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*Danko Brčerević, Milojko Arsić*

# Analytical and Notation Conventions

## Values

The data is shown in the currency we believe best reflects relevant economic processes, regardless of the currency in which it is published or is in official use in the cited transactions. For example, the balance of payments is shown in euros as most flows in Serbia's international trade are valued in euros and because this comes closest to the measurement of real flows. Banks' credit activity is also shown in euros as it is thus indexed in the majority of cases, but is shown in dinars in analyses of monetary flows as the aim is to describe the generation of dinar aggregates.

## Definitions of Aggregates and Indices

When local use and international conventions differ, we attempt to use international definitions wherever applicable to facilitate comparison.

**Flows** – In monetary accounts, the original data is stocks. Flows are taken as balance changes between two periods.

**New Economy** – Enterprises formed through private initiative

**Traditional Economy** – Enterprises that are/were state-owned or public companies

**Y-O-Y Indices** – We are more inclined to use this index (growth rate) than is the case in local practice. Comparison with the same period in the previous year informs about the process absorbing the effect of all seasonal variations which occurred over the previous year, especially in the observed seasons, and raises the change measure to the annual level.

## Notations

**CPI** – Consumer Price Index

**Cumulative** – Refers to incremental changes of an aggregate in several periods within one year, from the beginning of that year.

**H** – Primary money (high-powered money)

**IPPI** – Industrial Producers Price Index

**M1** – Cash in circulation and dinar sight deposits

**M2 in dinars** – In accordance with IMF definition: cash in circulation, sight and time deposits in both dinars and foreign currency. The same as M2 in the accepted methodology in Serbia

**M2** – Cash in circulation, sight and time deposits in both dinars and foreign currency (in accordance with the IMF definition; the same as M3 in accepted methodology in Serbia)

**NDA** – Net Domestic Assets

**NFA** – Net Foreign Assets

**RPI** – Retail Price Index

**y-o-y** – Index or growth relative to the same period of the previous year

## Abbreviations

**CEFTA** – Central European Free Trade Agreement

**EU** – European Union

**FDI** – Foreign Direct Investment

**FFCD** – Frozen Foreign Currency Deposit

**FREN** – Foundation for the Advancement of Economics

**GDP** – Gross Domestic Product

**GVA** – Gross Value Added

**IMF** – International Monetary Fund

**LRS** – Loan for the Rebirth of Serbia

**MAT** – *Macroeconomic Analyses and Trends*, publication of the Belgrade Institute of Economics

**NES** – National Employment Service

**NIP** – National Investment Plan

**NBS** – National Bank of Serbia

**OECD** – Organization for Economic Cooperation and Development

**PRO** – Public Revenue Office

**Q1, Q2, Q3, Q4** – 1st, 2nd, 3rd, and 4th quarters of the year

**QM** – *Quarterly Monitor*

**SORS** – Statistical Office of the Republic of Serbia

**SDF** – Serbian Development Fund

**SEE** – South East Europe

**SEPC** – Serbian Electric Power Company

**SITC** – Standard International Trade Classification

**SME** – Small and Medium Enterprise

**VAT** – Value Added Tax