

Methodology

Monetary statistics

Monetary financial institutions

Monetary financial institutions in Montenegro consist of all institutional units included in the sub-sectors of the Central Bank and companies receiving deposits other than the Central Bank (banks).

Tables 1.1 – 1.11

Data sources for the compilation of monetary statistics of monetary financial institutions are the balance sheet of the Central Bank of Montenegro (CBCG) and data submitted by banks in accordance with the Decision on Reporting to the Central Bank of Montenegro.¹

All monetary overviews (Tables 1.1- 1.11) show the balance of balance sheet positions of the CBCG and banks as at the last the balance sheet date.

Table 1.1: CBCG Survey

The overview shows assets and liabilities of the Central Bank of Montenegro.

The CBCG net foreign assets represent the difference between claims on, and liabilities to, non-residents. CBCG claims on non-residents include SDR holdings and interest and remunerations on SDR holdings, foreign currency included in official reserve assets, foreign currency deposits included in official reserve assets, foreign currency securities included in official reserve assets, claims arising from the membership in international financial institutions and other foreign assets. CBCG liabilities to non-residents include liabilities arising from its membership of international financial institutions and other foreign liabilities.

The CBCG claims on other depository corporations refer to fees for payment operation services, supervision fees, credit register fees and other claims.

The CBCG net claims on the Central Government represent the difference between claims on, and liabilities to, the Central Government.

The CBCG claims on other sectors are receivables from business operations of the nonbanking domestic sectors.

The CBCG liabilities to banks include banks' settlement accounts with the CBCG, allocated reserve requirements, and liabilities for interest calculated on a part of the allocated reserve requirements.

Other items net include all unclassified assets and liabilities of CBCG, including nonfinancial assets, claims and liabilities to employees, provisions for losses.

¹ OGM 64/12, 83/17, 24/18. 39/18 and 37/19

Liabilities to other depository corporations include allocated reserve requirements and other liabilities, i.e. banks' deposits.

Liabilities to other sectors include transferable and other deposits of domestic financial institutions, except banks.

Total CBCG capital includes the CBCG founding capital, undistributed profit and reserves, and profit retained for the current period.

Table 1.2: Other Depository Corporations Survey

The overview shows claims and liabilities of banks operating in Montenegro.

Net foreign assets of banks represent the difference between claims on, and liabilities to, non-residents. Claims on non-residents comprise cash in vault, banks' deposits in foreign banks/financial institutions, investments in foreign securities (except shares), loans disbursed to non-residents, shares and other equity, and other claims. Banks' liabilities to non-residents include deposits by non-residents, liabilities for securities issued (except shares), liabilities for loans taken from foreign banks/financial institutions and other liabilities.

Banks' claims on the CBCG refer to claims arising from their settlement accounts and allocated reserve requirements held with the CBCG.

Banks' net claims on the Central Government represent the difference between claims on, and liabilities to, the Central Government. Claims on the Central Government are comprised of receivables for purchased Treasury bills and disbursed loans. Banks' liabilities to the Central Government include demand deposits and time deposits of the Central Government held in banks.

Banks' claims on other sectors refer to claims on domestic non-banking sectors for disbursed loans and securities.

Other items net include banks' net claims from other resident depository institutions, advances, all unclassified assets and liabilities, including nonfinancial assets etc.

Deposits in domestic banks comprise demand and time deposits of the domestic nonbanking sector.

Total capital of banks covers banks' founding capital, undistributed profits and reserves and profit retained for the current period.

Table 1.3: Depository Corporations Survey

The overview shows consolidated claims on, and liabilities to depository institutions – the Central Bank of Montenegro and banks.

Table 1.4: Aggregate Balance Sheet of Other Depository Corporations

The table shows claims and liabilities of banks in Montenegro.

The following claims and liabilities are shown in the columns:

Assets

Monetary assets and deposit accounts with central banks include: cash, funds in the collection process and deposits with the Central Bank.

Loans include total loans granted to all sectors, deposits with banks and other depository institutions and other claims (factoring and forfeiting, claims on outstanding bills of acceptance, guarantees and bills of exchange).

Value adjustments of loans means impairment of value of loans, deposits with banks and other depository institutions, factoring, forfeiting, claims on outstanding bills of acceptance, guarantees and bills of exchange)

Net loans represent the difference between the total loans and value adjustments of loans.

Securities include securities valued at amortized cost, securities held for trading, securities valued at fair value through other aggregate result and securities valued at fair value through income statement, which are not held for trading.

Derivative financial assets include financial assets held for trading, and financial assets used as security instrument.

Other assets include all assets not included in previous assets items.

Value adjustments of other assets include value impairments of all other assets items except loans.

Liabilities and capital

Deposits show the level of total deposits with domestic banks.

Borrowings consist of banks' total liabilities arising from loans taken

Issued securities include banks liabilities from issued securities.

Financial derivatives include financial liabilities held for trading, and financial liabilities used as security instrument.

Other liabilities include all liabilities not included in previous liabilities items.

Total capital covers equity capital, other capital, reserves, undistributed profit/loss from previous years and current result.

Table 1.5: Loans

The table shows the balance of total banking loans.

Table 1.6: Loan' structure by sectors

The table shows the balance of banking loans by sectors, classified in accordance with the ESA 2010 methodology.

Resident sectors are divided as follows:

- Financial sector , which includes deposit and other financial institutions;
- Non-financial sector, which includes private and state companies;
- General Government, which includes Central Government, Local Government and Social Protection Funds;
- Households, which include natural persons and entrepreneurs and
- Non-government and other non-profit organizations.

The overview shows the balance of bank loans granted to non-residents.

Table 1.7: Total bank' deposits

The overview shows the balance of total deposits with domestic banks.

Table 1.8: Deposit structure by sectors

The overview shows the balance of bank deposits by sectors, classified according to the ESA 2010 methodology, in the same way as loans. The overview also shows the balance of deposits by non-residents held with banks.

Table 1.9: Household deposits

The overview shows the balance of total household deposits with banks.

Table 1.10: Household deposits by maturity

The overview shows the balance of total household deposits with banks, and their maturity structure.

Table 1.11: Reserve Requirement

The overview shows the balance of reserve requirement, in line with the applicable Decision on Bank Reserve Requirement to be Held with the Central Bank of Montenegro.

Other financial institutions - Microcredit financial institutions

Table 1.12: Aggregate Balance Sheet of microcredit financial institutions

The table shows claims and liabilities of microcredit financial institutions in Montenegro.

The following claims and liabilities are shown in the columns:

Assets

Monetary assets and deposit accounts with central banks include: cash, funds in the collection process and deposits with the Central Bank.

Loans include total loans granted to corresponding sectors, deposits with banks and other depository institutions and other claims (factoring and forfeiting, claims on outstanding bills of acceptance, guarantees and bills of exchange).

Value adjustments of loans means impairment of value of loans.

Net loans represent the difference between the total loans and value adjustments of loans.

Other assets include all assets not included in previous assets items.

Value adjustments of other assets include value impairments of all other assets items except loans.

Liabilities and capital

Borrowings consist of microcredit financial institutions' total liabilities arising from loans taken.

Other liabilities include all liabilities not included in previous liabilities items.

Total capital covers equity capital, other capital, donations, reserves, undistributed profit/loss from previous years and current result.

Tables 1.13 and 1.14: Loans

The tables show microcredit financial institutions' total loans as well as the structure of loans by institutional sectors (financial institutions, non-financial institutions, households and others).

Other financial institutions – Leasing companies

Table 1.15: Aggregate balance sheet of leasing companies

The overview shows the claims and liabilities of leasing companies in Montenegro. Data are available on a quarterly basis.

Assets

Cash includes banknotes and coins held in cash, with the balance at the end of the reporting period.

Deposits include claims arising from deposits placed as of the end of the reporting period.

Claims arising from financial leasing, loans and borrowings include claims arising from financial leasing, loans and borrowings, as of the end of the reporting period.

Claims' value adjustment includes adjustments of the value of claims arising from financial leasing, loans and borrowings.

Net claims arising from financial leasing, loans and borrowings represent the difference between the position of total receivables arising from financial leasing, loans and borrowings and their value adjustments.

Other assets include all assets not included in previous asset items.

Liabilities

Loans received include total liabilities of leasing companies arising from loans received, as of the end of the reporting period.

Other liabilities include all liabilities not mentioned in listed liabilities items.

Total capital comprise of share capital, shares, reserves, retained earning/loss from previous years and current result.

Table 1.16: Sectoral structure of claims arising from financial leasing, loans and borrowings

The overview shows the status of total leasing companies' receivables arising from financial leasing, loans and borrowings and their structure by institutional sectors. Data are available on a quarterly basis.

Resident sectors are divided into:

- Financial sector, which includes depository and other financial institutions;
- Non-financial sector, which includes private and state companies;
- General government, which includes the Central Government, Local Government and Social Security Funds;
- Households, which include natural persons entrepreneurs and
- Non-government and other non-profit organizations.

The overview also shows the balance of claims of leasing companies arising from financial leasing, loans and borrowings granted to non-residents.

Other financial institutions – Factoring companies

Table 1.17: Aggregate balance sheet of factoring companies

The overview shows the claims and liabilities of factoring companies in Montenegro. Data are available on a quarterly basis.

Assets

Cash includes banknotes and coins held in cash, with the balance at the end of the reporting period.

Deposits include claims arising from deposits placed as of the end of the reporting period.

Claims arising from factoring include claims arising from purchase of outstanding accounts receivable, as of the end of the reporting period.

Claims' value adjustment includes adjustments of the value of claims arising from factoring.

Net claims arising from factoring represent the difference between the position of total receivables arising from factoring and their value adjustments.

Other assets include all assets not included in previous asset items.

Liabilities

Loans received include total liabilities of factoring companies arising from loans received, as of the end of the reporting period.

Other liabilities include all liabilities not mentioned in listed liabilities items

Total capital comprise of share capital, shares, reserves, retained earning/loss from previous years and current result.

Table 1.18: Sectoral structure of claims arising from factoring

The overview shows the status of total factoring companies' claims arising from factoring and their structure by institutional sectors. Data are available on a quarterly basis.

Resident sectors are divided into:

- Financial sector, which includes depository and other financial institutions;
- Non-financial sector, which includes private and state companies;
- General government, which includes the Central Government, Local Government and Social Security Funds;
- Households, which include natural persons entrepreneurs and
- Non-government and other non-profit organizations.

The overview also shows the balance of claims of factoring companies claimed from non-residents.

Other financial institutions – Companies for purchase of receivables

Table 1.19: Aggregate balance sheet of companies for purchase of receivables

The overview shows the claims and liabilities of companies for purchase of receivables in Montenegro. Data are available on a quarterly basis.

Assets

Cash includes banknotes and coins held in cash, with the balance at the end of the reporting period.

Deposits include claims arising from deposits placed as of the end of the reporting period.

Claims arising from purchase of receivables include claims arising from purchase of accounts receivable, as of the end of the reporting period.

Claims' value adjustment includes adjustments of the value of claims arising from purchase of receivables.

Net claims arising from purchase of receivables represent the difference between the position of total receivables arising from purchase of receivables and their value adjustments.

Other assets include all assets not included in previous asset items.

Liabilities

Loans received include total liabilities of companies for purchase of receivables arising from loans received, as of the end of the reporting period.

Other liabilities include all liabilities not mentioned in listed liabilities items

Total capital comprise of share capital, shares, reserves, retained earning/loss from previous years and current result.

Table 1.20: Sectoral structure of claims arising from purchase of receivables

The overview shows the status of total claims of companies for purchase of receivables arising from purchase of receivables and their structure by institutional sectors. Data are available on a quarterly basis.

Resident sectors are divided into:

- Financial sector, which includes depository and other financial institutions;
- Non-financial sector, which includes private and state companies;
- General government, which includes the Central Government, Local Government and Social Security Funds;
- Households, which include natural persons entrepreneurs and
- Non-government and other non-profit organizations.

The overview also shows the balance of claims of companies for purchase of receivables claimed from non-residents.

Other financial institutions – Insurance companies

There are nine insurance companies currently operating in Montenegro that submit quarterly data to the regulator in accordance with the applicable Decision on Statistical Data and Information that

Investment Funds, Investment Fund Management Companies and Insurance Companies Submit to the Central Bank of Montenegro (OGM 78/24).

Table 1.21: Aggregate Balance Sheet of Insurance Companies

The overview shows the assets and liabilities of insurance companies in Montenegro. Data are available on a quarterly basis.

Assets

Cash comprises cash on hand in banknotes and coins held by the companies.

Deposits comprise receivables on the basis of funds deposited with financial institutions.

Loans comprise approved funds that the reporting unit has brored to debtors.

Impairment of loans comprises the decrease in the bookkeeping value of the loan due to expected losses.

Securities comprise financial instruments that include investments in debt and equity securities.

Investments in debt securities comprise receivables based on bonds and other debt instruments that represent evidence of debt.

Investments in equity securities comprise shares and other equity instruments that give the right to a share in the company.

Other equity comprises all types of investment funds other than traded or untraded shares at the stock exchange, such as shares in a partnership, limited partnership, or limited liability company.

Financial derivatives comprise value instruments derived from basic financial instruments, used for hedging or for investment purposes.

Other non-financial assets comprise tangible assets and other non-tangible non-financial assets.

Other assets comprise all items not specifically listed in other asset categories.

Impairment of other assets items comprises to the decrease in other receivables and assets value.

Insurance premium subscriptions comprise a part of the technical reserve that refers to the part of the insurance policy that has been paid but not earned yet.

The share of reinsurance in technical reserves comprises a part of technical reserves that the insurance company transfers to the reinsurer as cover for part or all of the assumed risk, with a proportionally ceded premium.

Liabilities

Received loans comprise financial liabilities of the reporting institution based on received loans.

Issued securities comprise liabilities arising from the issuance of various financial instruments.

Financial derivatives comprise liabilities associated with financial instrument derivatives used for risk management or investment purposes.

Insurance technical reserves comprise liabilities to policyholders that companies form to cover future insurance receivables.

Other liabilities comprise all other liabilities not covered by the previous categories.

Total capital comprises total capital of the reporting institution, which includes core capital and reserves.

Table 1.22: Structure of Investments in Securities

The table presents the structure of investments in securities held by insurance companies in Montenegro, classified by types of insurance — life and non-life.

The amounts include investments in debt securities, equity securities, and other equity shares, including units/shares in investment funds.

The data refer to quarterly reporting periods and enable monitoring of changes in the asset structure of insurance companies in accordance with the methodology of Central Bank of Montenegro and the relevant accounting standards.

Other financial institutions – Investment funds

Seven investment funds are currently operating in Montenegro. Funds submit quarterly data to the regulator in accordance with the Decision on Statistical Data and Information that Investment Funds, Investment Fund Management Companies and Insurance Companies Submit to the Central Bank of Montenegro.

Table 1.23: Aggregate Balance Sheet of Investment Funds

The table shows total assets and liabilities of investment funds operating in Montenegro at the end of each quarter.

Assets

Cash comprises cash on hand in banknotes and coins held by the investment funds.

Deposits comprise receivables on the basis of funds deposited with financial institutions.

Loans comprise approved funds that the reporting unit has browed to debtors.

Impairment of loans comprises the decrease in the bookkeeping value of the loan due to expected losses.

Securities comprise financial instruments that include investments in debt and equity securities.

Investments in debt securities comprise receivables based on bonds and other debt instruments that represent evidence of debt.

Investments in equity securities comprise shares and other equity instruments that give the right to a share in the company.

Other equity comprises equities that are not shares typically traded at the stock exchange, such as shares in limited liability companies or limited partnerships.

Financial derivatives comprise derivative financial instruments used for hedging or for investment purposes.

Other non-financial assets comprise tangible assets and other non-tangible non-financial assets.

Other assets comprise all items not specifically listed in other asset categories.

Impairment of other assets items comprises to the decrease in other receivables and assets value.

Insurance premium subscriptions comprise a part of the technical reserve that refers to the part of the insurance policy that has been paid but not earned yet.

Liabilities

Received loans comprise financial liabilities of the reporting institution based on received loans.

Issued securities comprise liabilities arising from the financial instruments' issuance by investment funds.

Financial derivatives comprise liabilities associated with financial instrument derivatives used by funds for risk management or investment purposes.

Other liabilities comprise all other liabilities not covered by the previous categories.

Net assets of the investment fund comprise total reporting institutions' capital.

Table 1.24: Structure of Investments in Securities

The table presents the distribution of investment funds' investments in securities in Montenegro, distinguishing between open-ended and closed-ended investment funds.

The data are presented on a quarterly basis and include debt and equity securities, as well as other equity units, including units and shares in investment funds.