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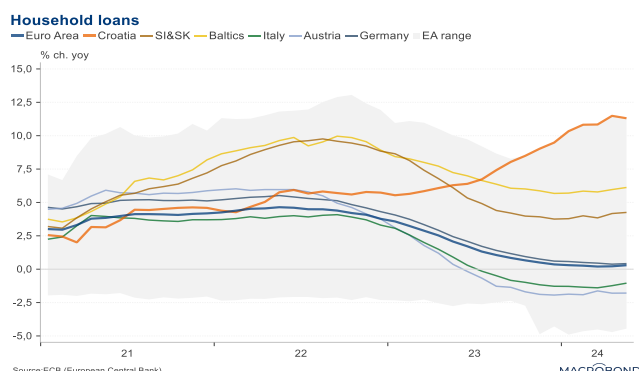
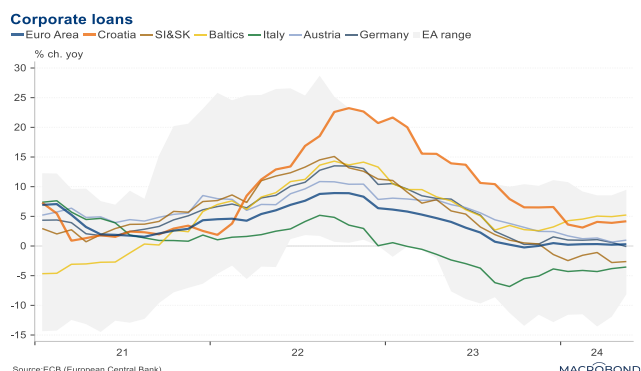
Croatia is the frontrunner in household loan growth in the EZ

- The growth of MFI loans to households and non-financial corporations in the eurozone slightly accelerated in May, reaching 0.3% y-o-y, after 0.2% in the previous month (growth rate adjusted for sales, securitisations, and cash pooling), which shows that raised interest rates and lacklustre economic activity continue to pressure credit demand.
- Data per countries point to significant differences in corporate lending trends. Interannual change rate in May thus varied from -8.1% realised in Luxembourg to +9.5% in Malta, member state with the fastest y-o-y GDP growth in Q1. At the same time, Croatia recorded solid growth of 4.2% (3.8% per national methodology), close to Baltic countries' growth average, fuelled by the increase of demand for both investment and working capital loans. The largest economy, Germany, recorded a contraction of -0.1%, Italy of high -3.5%, and Austria modest growth of +1.0%.
- If we observe household loans, the range between the highest and lowest change rate is only slightly smaller. Growth of 11.3% (11.2% per national methodology) is spearheaded by Croatia, primarily due to strong demand for cash loans. It's followed by Malta (+9.2%), while Luxembourg is again at the bottom of the scale with a fall of -4.5%. In contrast to loans to enterprises, Germany has seen slight growth in the case of households of +0.4%, Italy a decline of -1.0%, and Austria of -1.8%.

Growth of loans to the private sector in the EZ slightly accelerated in May

Croatia recorded solid growth of corporate loans within the EZ

Household loan growth in Croatia highest in the EZ



- Last week we recorded a more significant EUR/USD exchange rate correction and growth to 1.0824 at the end of the week (+1.1% w-o-w).
- Euribor stagnated, so 3M and 6M remained at 3.7% at the end of the week. Last week the first round of subscription of 3-year government bond available for natural persons started.
- After three weeks of growth, Crobex recorded a decline of 0.6% w-o-w (to 2,813 points). Out of more important sectoral indices, CROBEXindustry also finished the week in red (-1.1% to 2,008), while CROBEXnutris and CROBEXtourist recorded positive performances (+0.6% to 918 points, i.e., +1.1% to 4,444 points). Crobis stagnated (at 96.6 points).

EUR/ USD



Source: ECB (European Central Bank)

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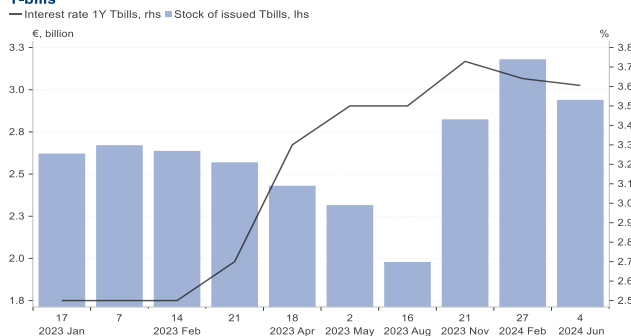
Euribor



Source: European Money Markets Institute (EMMI), ECB (European Central Bank)

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T-bills



Source: MoF

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Crobex/Crobis



Source: Zagreb Stock Exchange

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